

Titagarh Railsystems

14 August 2026

Operator: Ladies and gentlemen, good day and welcome to Titagarh Rail Systems Ltd. Q1 FY27 earnings conference call. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal the operator by pressing star and then zero on your touchtone phone. Now, I hand the conference over to Mr. Umesh Chowdhary, Vice Chairman and Managing Director, Titagarh Rail Systems Ltd. Thank you, and over to you, sir.

Umesh Chowdhary – Vice Chairman & Managing Director: Very good afternoon, and thank you for joining the Q1 FY27 earnings call. I am joined by Mr. Prithish Chowdhary, the Deputy Managing Director; Mr. Anil Agarwal, Deputy Managing Director; Mr. Saurav Singhanian, the CFO; and the team. I would like Mr. Prithish Chowdhary to give an overview of the developments during the quarter, after which we would be very happy to take any questions. Prithish.

Prithish Chowdhary – Deputy Managing Director: Good evening, everybody, and thank you for logging in to the Q1 investor call. Before we start, I would like to share some key updates and highlights of the quarter.

Firstly, we are happy to share that Q1 represented the highest share of revenue for the PRS vertical, meaning the Passenger Rail System vertical, for the company. In Q1, PRS contributed almost a 31% share of revenue, with more than 30 coaches dispatched in the first quarter, which is a milestone and a historic milestone for the company.

In terms of wagon dispatches, the number was 1,284 wagons, which was a little muted as a conscious call. This is largely on account of the wagon order book currently standing at 5,400 wagons. While we wait for a larger tender to be announced by the Indian Railways and while the company actively pursues orders from the private sector, we aim to manufacture between 600 and 650 wagons per month until there is clarity from the Indian Railways on a larger tender for freight wagons.

At the end of the quarter, the total order book for the company stood at 26,635 crores, including the company's share of JV orders. The PRSL order book on a standalone basis is 13,335 crores, with 10,395 crores coming from Passenger Rail Systems and 2,470 crores coming from Freight Rail Systems.

This is also to highlight the growth of the PRS business for the company over the coming quarters. We intend to increase coach production to 45–50 coaches per quarter in this financial year and then, as the company has stated multiple times, by 2028–29 establish a total production capacity of 850+ coaches per annum, for which the company has a healthy order book supporting these growth plans.

With this, I think we can close the major business updates for the quarter and open it up for questions. Thank you.

Operator: Thank you very much.

Umesh Chowdhary – Vice Chairman & Managing Director: We are happy to take questions now.

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Operator: Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on the touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. Participant, you may press star and one to ask a question. The first question is from the line of Rajesh Bhandari from {? Kohrai Engineers ?}. Please go ahead.

Rajesh Bhandari – {? Kohrai Engineers ?}: Sir, good afternoon and good evening. Hello, can you hear me?

Umesh Chowdhary – Vice Chairman & Managing Director: Yes, sir, go ahead. You are audible.

Rajesh Bhandari – {? Kohrai Engineers ?}: Yes, sir. In fact, if I am not wrong, Titagarh Rail is probably the best pure railway company. We have a lot of orders as well. But somehow I find that these orders are not fructifying on the ground. Our turnover is not increasing. What is the main reason for that, sir?

Umesh Chowdhary – Vice Chairman & Managing Director: Sir, thank you very much for your observation about Titagarh. Your second observation on the data is very, very accurate, but one has to see it from the perspective of the quality of the order book and the business plan.

As was highlighted by Prithish, 80% of our standalone order book today relates to the Passenger Rail System, which is a new business that the company has entered into. Quarter-on-quarter, we have registered very healthy growth. If you look at the increase in coach dispatches on a year-on-year basis, as has also been given in the presentation, it has increased by almost 400% year-on-year and by 43% quarter-on-quarter.

Even in terms of PRS revenue, which was 130-odd crores in the last quarter, we had 170 crores, and we are now at 230 crores. It is now going to register quarter-on-quarter growth every quarter as we move ahead.

Within the order book, we have two types of orders. One is the Vande Bharat order, which is going to be supplied over the next 5 years, and the Metro orders, which are going to be supplied over the next 2 years.

If you refer to the strategic plan published by the company last year, about 6-8 months ago or perhaps a year ago, the overall growth and execution plan for the existing orders has been given there. We are very confident of meeting that execution or ramp-up plan, barring some postponement in one quarter last year. Barring that, we are very confident of being able to ramp up the Passenger Rail business.

To sum it up, there are two business segments that we have. One is the Freight Rail segment, and the other is the Passenger Rail segment. Both need to be evaluated individually.

In the Freight Rail segment, we have the capacity to produce 1,000 wagons per month. We have deliberately kept it somewhat scaled down because of the new order visibility that we are hoping to receive in the next few months. Until we have that order visibility, we would like to downscale operations to around 600-650 wagons so that overhead absorption can be maintained at an

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appropriate level.

As far as the Passenger Rail System is concerned, the ramp-up is going to be steep, and quarter-on-quarter you should be able to see very healthy growth going forward.

Rajesh Bhandari – {? Kohrai Engineers ?}: Sir, earlier you mentioned 850 cars per annum for Passenger Railway. Did I hear that correctly, sir?

Umesh Chowdhary – Vice Chairman & Managing Director: Yes, it is there in the strategic plan as well, sir, that by 20—

Rajesh Bhandari – {? Kohrai Engineers ?}: By which year? By which year, sir?

Umesh Chowdhary – Vice Chairman & Managing Director: 2028–29.

Management: In 2029–30, we are creating capacity for 850 cars, including Metro, Vande Bharat, and commuter trains.

Rajesh Bhandari – {? Kohrai Engineers ?}: All combined. Because each car is going to cost approximately 10 crores, we can expect this by 2029–30—

Management: The total cost of a car is 10 crores. When we supply Vande Bharat, it is through a consortium, so only about 51% of the car value comes to us under the current contract. For the future, we will see whether we remain in a consortium or proceed independently.

Rajesh Bhandari – {? Kohrai Engineers ?}: Okay. For Vande Bharat, and for other Metro cars, what is our share, sir? 100%?

Management: Yes, that is right. We participate ourselves in Metro cars. We do not go through a consortium.

Rajesh Bhandari – {? Kohrai Engineers ?}: So by 2029–30, can we expect our turnover to be approximately 3 times?

Management: Sir, the capacity that we have, if you refer to the strategic plan, will be visible there. We have made it public that, in terms of total capacity, the company is going to have the capacity to produce 850 cars, which translates into potential revenue of 8,500–9,000 crores. Freight is going to be 1,200 wagons, representing potential revenue of 4,000–4,500 crores.

That is the capacity we are building. Execution of this is also dependent on the receipt of orders and other factors, so we would not like to make any forward-looking statement by saying that this is the revenue that is likely or unlikely to be achieved. What we are saying is that this is the overall capacity and business potential that the company is generating to be ready within 2029 or 2030.

Operator: Thank you. The next question is from the line of Kunal Mani and Ami Gada from Jefferies. Please go ahead.

Kunal Mani – Jefferies: Hi, sir. Thank you for the opportunity. I hope I am audible. My first question is on the FRS segment. We heard you say that you have scaled down the wagon side in a calibrated

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manner. What I am trying to understand here is that, regarding the 5,300-odd wagons that you have in your order book, our understanding from the presentation is that you will have to execute this order book this year. If, God forbid, you do not receive a new order flow, and the 1 lakh wagon tender that we are hearing about does not happen, do you intend to slow down further? If so, are there any penalties that the company may need to incur? That is my first question.

Management: Kunal, good afternoon. There is no plan to scale it down even further because this plan has been made on the basis of our delivery commitments. In fact, with this plan of producing about 600-odd wagons, we would be perhaps a couple of months ahead of the delivery schedule for most of the orders, but not by much. Therefore, the possibility of scaling this down should not be significant.

As far as new orders are concerned, we are now aggressively pursuing and booking private orders as well, alongside hoping for the new wagon tender to come up.

Kunal Mani – Jefferies: Sir, is there anything you are hearing about the new wagon tender? It has been in the news for some time, and we were optimistic that it could have happened anytime in the third quarter as well. Do you have any insight on that? Has it been pushed out, or is it on track?

Management: In the government machinery, things take time, as we all know. Unfortunately, the last few months have been a period in which overall priorities have shifted because of the Middle East war and all those extraneous factors.

I have always maintained that, if we look at the overall macroeconomics of the railways, the requirement for wagons can be deferred by a few months or a couple of quarters, but it cannot be stopped. The Railways continues to have a target of reaching 3 billion tonnes of freight movement. It is currently at half of that. It is simple arithmetic that if it has to double its freight movement, it cannot do so with the same number of wagons.

Kunal Mani – Jefferies: That is clear, sir. My second question is on the PRS segment, and it has two parts. First, is there any change to the guidance of approximately 200 coaches that you were targeting? Is it still intact, or has there been some change?

Within that, could you briefly comment on the key Metro projects—Bangalore, Gujarat, and Mumbai? Are things on track? Do you see any delays, either in matters that you can control or in matters that you cannot control? I would appreciate your comments on that.

Management: The target remains intact. There is no change to the target that we had set. I mentioned in the last call as well that, with a variance of plus or minus 10%, we should be able to fully achieve the target.

As far as the projects we are focusing on now are concerned, we intend to complete Bangalore and Gujarat first and then move on to the prototyping of Mumbai.

Kunal Mani – Jefferies: Certainly, sir. Could you indicate any tentative timelines for when we expect Gujarat to be completed and when we expect Mumbai to start? There have also been news reports about potential delays on the civil work side in Mumbai. Would that impact our execution in any way?

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Management: No, that will not impact our execution. In infrastructure projects, delays of 2 or 3 months are not significant. There is enough buffer to keep the coaches in between.

As far as timelines are concerned, the bulk of the Bangalore and Gujarat work will be completed within this financial year, perhaps spilling over slightly into the first quarter of the next financial year. The Mumbai prototype will start simultaneously. It will not be sequential; it will be parallel.

Kunal Mani – Jefferies: Certainly, sir. If I may ask one last question, how are things progressing with respect to backward integration and technology upgradation on the propulsion system side? Could you speak a little about those plans?

Management: That is also progressing fully well. We have already supplied 2 rakes of propulsion equipment for EMU. We are now planning to supply the propulsion sets for MEMU, which will be done by the end of this quarter or the beginning of the next quarter. That plan is very much on track.

Operator: Thank you. The next question is from the line of Parvez Kazi from Nuvama Group. Please go ahead.

Parvez Kazi – Nuvama Group: Hi, good evening, and thank you for taking my question. Continuing from the previous participant, you indicated that we will target completing the bulk of the Gujarat Metro order this year, with perhaps some portion to be completed early next year. Did I understand that correctly?

Management: That is right, sir. Absolutely.

Parvez Kazi – Nuvama Group: By when do we expect to supply the prototype for Mumbai Metro?

Management: It should be done in Q4 of this financial year—sorry, in Q4 of this financial year and Q1 of the next calendar year.

Parvez Kazi – Nuvama Group: Will the Vande Bharat prototype also follow a similar timeline, in Q4 FY27?

Management: That is right. Within the same timelines, we will also provide the Vande Bharat prototype. It will be between the end of this calendar year, that is, the end of the third quarter, and the beginning of the fourth quarter.

Parvez Kazi – Nuvama Group: Lastly, what about Pune Metro? By when do we need to supply a prototype there, or, since it is an extension of an earlier order, can we start directly with series production?

Management: Pune Metro is a very relevant question that you have raised, Parvez. I will speak a few words about Pune Metro.

This is an extension order, so we do not need to make prototypes again. However, this is an aluminum Metro project, as we had already discussed and as most investors are already aware.

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In the past, for the Pune Metro that we executed—the first 34 trains that we supplied—we used to bring in the sub-assemblies or flat packs from our associate in Italy. This time, we have already acquired all the machines, which are now at different stages of installation and commissioning, so that we can become fully independent and self-sufficient in making the complete coach, from the extrusion through to the final coach.

Earlier, the sub-assemblies were made by Firema. Now we will make those sub-assemblies in India. This will give us two benefits. First, we will be able to become self-reliant in the Pune Metro production line. Second, it will establish our facility for aluminum coaches for upcoming projects, particularly projects such as the Bullet train, which has to be made of aluminum.

We are the only company in India to have made aluminum coaches in India, and the backward integration of coach manufacturing will also be established with this line.

We expect this production line to be fully commissioned by Q1 of the next financial year. The delivery schedule for these 12 trains is Q3 or Q4 of the next financial year. We may be able to deliver those trains even before that and also be ready to produce aluminum trains on an end-to-end basis in general.

Parvez Kazi – Nuvama Group: My last question is on our shipbuilding business. What are our plans there? I saw your interview in which you said that we are making progress on the consortium side. An update on that would be useful. Thank you.

Operator: Thank you.

Management: Hi, Parvez, I lost your voice. Can you repeat the question?

Parvez Kazi – Nuvama Group: I was asking for an update on our shipbuilding venture, where we are expanding our capacity. Some perspective on that would be useful. Thank you.

Management: Regarding shipbuilding, as you are aware, we have hived off the shipbuilding division into a wholly owned subsidiary called Titagarh Naval Systems. The work on the new shipyard that is to come up in Falta has started on the ground.

We have appointed a Managing Director and CEO for this project, a person who comes with extensive knowledge and experience: Commodore Hemant Khatri. He was the Chairman and Managing Director of Hindustan Shipyard before.

The plan is that between Q1 and Q2 of the next financial year, the shipyard will be fully up and running.

Parvez Kazi – Nuvama Group: Thank you, and all the best.

Operator: Thank you. The next question is from the line of Naveen Sahadeo from ICICI Securities. Please go ahead.

Naveen Sahadeo – ICICI Securities: Good evening, sir. Am I audible?

Management: Yes, absolutely.

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Naveen Sahadeo – ICICI Securities: Thank you for the opportunity. My first question is on the recent cancellation of the MRVC tender altogether. To understand this, does it in any way risk the total addressable market for us? Indian Railways now says that the project will be done in-house rather than through a tender system or by private manufacturers, as was planned earlier.

I wanted to understand whether this in any way risks the total addressable market, or whether we should look at it as Indian Railways focusing on this project, while the typical freight wagon requirements could be put out to the public market much sooner. Some insight on that would be helpful.

Management: The freight and passenger capacities are not fungible with each other. They are completely different—chalk and cheese. Both may be white, but they are completely different from each other.

The question of whether shifting this load to a Railway PSU can help freight wagon demand emerge is not applicable. As far as your question on the total addressable market is concerned, the total addressable market is not changing at all. It is only the product mix that is changing. The total addressable market and the total available capacity remain intact.

It is not that ICF is a new capacity that is coming up. It has a finite capacity; it does not have infinite capacity. It is only the product mix that can keep changing.

Let us say that the total requirement of the system is X and the total supply, including ICF, including us, including Alstom, and including BEML, is Y. Those X and Y do not change.

If ICF becomes busy producing a particular type of product, there will be other types of products that it will not be able to produce within the passenger segment, for which the private industry will have to participate.

Therefore, the total pie remains the same. If the in-house capacity of the Railways is consumed by one particular product, it leaves enough room for private manufacturers like us to cater to the other products that the Railways need. So, I do not think it changes the addressable market in any way.

Management: We believe that the business will come to the private sector. Therefore, we do not see this as a setback in terms of the overall business potential.

Of course, a large tender going off the market is not a very happy situation. However, as the Honorable Minister announced in his public appearance, this was done only to expedite the supply of local trains so that the Railways' capacity and strength could be used to bring these trains earlier into the Mumbai suburban system.

This probably—and I am not quoting him, but giving my own estimate—will mean that more Vande Bharat trains, which were being produced by the railway production units, will be tendered out and supplied by companies like us because those units will be busy producing these trains.

Naveen Sahadeo – ICICI Securities: That is helpful. My second question is on prototype approval. You mentioned that the bulk of Gujarat will be delivered this year or early next year. Is it safe to assume that the prototypes for both Ahmedabad and Surat have already been approved, which is

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the basis for your confidence, or are they likely to be approved sometime in the coming weeks or days?

Management: We have already delivered 2 trains for Ahmedabad. In a Metro system, prototype approval happens in many stages. First are the design approvals, then prototype approval, followed by RDSO testing, oscillation testing, and all of that.

We are at the third stage of that process. These are matters of fine-tuning. Once the train is manufactured, tested, and delivered, the other approvals are consequential.

Naveen Sahadeo – ICICI Securities: Understood. I have one more question, if I may. This is regarding Vande Bharat and the consortium or tie-up that you have with BHEL. Once we start delivering these Vande Bharat trains, how will the accounting work? Will it be proportionate revenue, or will it be a JV where it is directly added below PBIT as a share of profit from the JV? This is for both the train supply and the AMC. Thank you.

Management: Both will be separate. The AMC JV will be accounted for as a share of the profit of the JV, while the supply will be directly reflected in the top line and the bottom line because it is proportionate under the consortium. It is not a JV; it is a consortium.

The short answer is that the supply portion will be added to the top line and will consequently flow to the bottom line. As far as the joint venture for the AMC is concerned, it will be part of the JV and will follow JV accounting.

Naveen Sahadeo – ICICI Securities: Thank you so much for the quick clarification, and pardon me if any of these questions were somewhat basic. I am relatively new to the sector. Thank you.

Management: All of them were very relevant. Thank you.

Operator: Thank you very much. Participants, you may press star and one to ask a question. Ladies and gentlemen, you may press star and one to ask a question. The next question is from the line of Amritot Singh from 361 Capital. Please go ahead.

Amritot Singh – 361 Capital: Thank you very much for taking my question. I wanted to ask a bookkeeping question. Out of the 491 passenger Metro cars in our order book, can you give us a split of how many are for Bangalore Metro, Ahmedabad Metro, and so on, if that is possible?

Management: Normally, we do not provide the exact split of the orders. That is not something I would be able to disclose at the moment. We generally do not provide the exact split for competitive reasons.

Amritot Singh – 361 Capital: Understood. Regarding Gujarat Metro, Ahmedabad and Surat Metro are progressing in parallel. Should we assume that execution for both will take place during the same period?

Management: They are being executed in parallel, sir.

Amritot Singh – 361 Capital: That is all from my side. Thank you very much.

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Operator: Thank you. Participants, you may press star and one to ask a question. The next question is from the line of Utkarsh Shah from Ventura Investment. Please go ahead.

Utkarsh Shah – Ventura Investment: Hi, sir. Good evening. Am I audible?

Management: Yes, you are audible.

Operator: Yes, sir, go ahead.

Utkarsh Shah – Ventura Investment: I had one question regarding the wheelset JV that you have with Ramkrishna. Are we on track as per the timeline initially given regarding the start of phase 2 from April 2027? Am I correct?

Management: The hot trials are currently ongoing on the forging line at the factory in Chennai, sir. Starting this month, from August, we will begin sample production. I would say that the JV is progressing on track, very much on track.

Utkarsh Shah – Ventura Investment: Okay, sir. Is there any guidance on when the wagon order will be released? I think that is what most of us analysts are tracking right now. Is there any news or tentative indication of the latest date by which it might come?

Management: We are also hopeful that the tender will be issued soon. Whatever we know is also based on media reports, which indicate that it could happen any day.

There is a Railway target of 3 billion tonnes of freight loading, which remains unchanged. As was mentioned earlier in the call, to meet that target, it is logical that wagons will have to be procured. It is only a question of time before the Railways issues the tender. As far as the timeline is concerned, we are also hopeful.

Utkarsh Shah – Ventura Investment: Okay, sir. Thank you.

Management: Thank you.

Operator: Thank you. Participants, you may press star and one to ask a question. The next question is from the line of Sandeep Mukherjee from SKP Securities. Please go ahead.

Sandeep Mukherjee – SKP Securities: Thank you for taking this question. My only question is: how many Bangalore coaches {? oblique ?} trains were delivered in Q1 FY25? And how many traction motors were dispatched in Q1 FY25? Thank you.

Management: As far as Bangalore Metro dispatches are concerned, that is again not a number that we can disclose due to competitive reasons.

As far as traction motor dispatches are concerned, there were 72 traction motors and, during this quarter, we dispatched approximately 263 traction motors.

Sandeep Mukherjee – SKP Securities: Okay, that is all. Thank you.

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Operator: Thank you. Participants, you may press star and one to ask a question. The next question is from the line of Amay Sarda from Purnartha Investment Advisers. Please go ahead.

Amay Sarda – Purnartha Investment Advisers: Hello, sir. Thank you very much for the opportunity. I had one more question. We had an order book of around 870 crores in the shipbuilding segment. In how much time can we execute this order book?

Management: The shipbuilding order that we have received has a delivery tenure. The first ship has to be delivered over 30 months, and then the remaining ships will be delivered over a period of 2 years. As I mentioned earlier, this will be executed in the wholly owned subsidiary, the new entity called Titagarh Naval Systems Limited.

Amay Sarda – Purnartha Investment Advisers: Okay. So this will definitely not be executed this year.

Management: No, sir. It will be over the next 30 months, not this year.

Amay Sarda – Purnartha Investment Advisers: Okay. Thank you very much. That is all.

Operator: Thank you. Ladies and gentlemen, you may press star and one to ask a question. The next question is from the line of Amit Gupta from ICICI Securities. Please go ahead.

Amit Gupta – ICICI Securities: Good evening, sir. Am I audible?

Management: Yes, sir. Good evening.

Amit Gupta – ICICI Securities: I have a question on the wheels JV with RK Forgings. I wanted to understand the profitability trajectory that we are expecting from this JV. At what capacity utilization will we reach break-even, and going forward, what could be the steady-state margins?

Management: As far as margins are concerned, we would expect to maintain margins in line with the standard forging business. If you look at the margins of any forging company, such as RK Forgings, for example, you would expect the margins to remain in line with that.

As far as our selling price and margins are concerned, our selling price to the Indian Railways is in the public domain, specifically the price per kilogram of wheel. That is already public information.

Amit Gupta – ICICI Securities: That was useful. Thank you, sir.

Operator: Thank you. The next follow-up question is from the line of Rajesh Bhandari from Nakora Engineers. Please go ahead.

Rajesh Bhandari – {? Kohrai Engineers ?}: Sir, thank you for giving me the opportunity again. When will regular production of our wheels begin, sir?

Management: Trial production will start this month or this quarter. At present, it will start in Q2 of this financial year. After that, there is an approval process. Therefore, within this year, we will start invoicing for the wheels.

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Rajesh Bhandari – {? Kohrai Engineers ?}: How much time will it take to complete, sir, because the order is very large?

Management: This is a 20-year supply contract, sir. It will continue for 20 years.

Rajesh Bhandari – {? Kohrai Engineers ?}: Okay. So approximately 1,000—approximately 500 crores per year.

Management: We have to supply 80,000 wheels annually, and the capacity being created is 220,000 or 228,000 wheels. Of this, 40% of our capacity will be underwritten by the Railways for the next 20 years. The balance will be sold either to TRSL or to other customers.

Rajesh Bhandari – {? Kohrai Engineers ?}: What turnover can we expect from next year from the wheels?

Management: At peak capacity utilization, one wheel is approximately worth 1 lakh rupees. 1 lakh. 228,000. 1 lakh. Yes, one wheel is approximately— I am giving you this as a ballpark figure—yes, sir, yes, I understand—yes.

As a ballpark, if we make a thumb-rule calculation, take one wheel as 1 lakh rupees. Then, after completion of phase 2, our capacity will be 228,000 wheels at full capacity.

Rajesh Bhandari – {? Kohrai Engineers ?}: Yes. All right, sir. Thank you.

Management: Thank you.

Operator: Thank you. Participants, you may press star and one to ask a question. The next follow-up question is from the line of Amritot Singh from 361 Capital. Please go ahead.

Amritot Singh – 361 Capital: Thank you very much, but my question has been answered. Thank you.

Operator: Thank you. Ladies and gentlemen, you may press star and one to ask a question. The next follow-up question is from the line of Naveen Sahadeo from ICICI Securities. Please go ahead.

Naveen Sahadeo – ICICI Securities: Thank you for the repeat opportunity. I have 2 questions. One is about the visibility of Metro orders beyond FY28. I am completely convinced that FY27 is looking strong and much better than FY26, and I assume that FY28 will also be much better, as highlighted earlier. But what about the visibility for FY29 onwards? Do you see a steady increase in year-on-year orders for these Metro cars, or could the order flow be lumpy?

Management: I think the answer is that, even if you look at our presentation, we highlighted a few opportunities across different regions of the country—in Western India, Southern India, and Central and North India. These are opportunities where tenders are to be floated in the immediate or very near future.

If you look at the larger plans of the Government of India, including the National Rail Plan and the government's general plans, there is a clear mandate to increase the Metro network from 25 cities to 50 cities, which would double the existing Metro network.

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Cities where Metro already exists are constantly expanding their Metro networks. This is evident in cities such as Mumbai, Delhi, and Chennai. All these cities already have Metro networks, and they are constantly looking at expanding and upgrading them.

As a company, we are very confident about a buoyant passenger rail market, or urban mass transit market.

Management: We believe that the prospects for India are strong for the coming years. If you look at the National Rail Plan for passenger movement and the various government announcements and targets for passenger loading, it is very clear that the entire passenger segment and coach segment—whether mainline coaches, EMU coaches, or Metro coaches—will remain buoyant in the country for the years to come.

Operator: Thank you very much. Ladies and gentlemen, we will take that as the last question. I now hand the conference over to Mr. Umesh Chowdhary, Vice Chairman and Managing Director, for his closing comments.

Umesh Chowdhary – Vice Chairman & Managing Director: Thank you very much to all the participants for your valuable questions and insights. We have also made a note of all the questions you asked, and we will try to address them as best we can.

I would like to add that we have been investing and working very hard to develop the Passenger Rail System business, which, in terms of the order book, has developed and become the majority share of the overall business of Titagarh Rail Systems Ltd. on a standalone basis.

This time, although from a low base for freight, the Passenger Rail business contributed more than 30% of overall revenue. We are very hopeful and very confident of growing this further. At full freight capacity, when the new orders come, we are still very confident that Passenger Rail will remain the dominant part of the company.

As I mentioned, it is only a matter of time before the wagon order comes. Moving from the current level of 1.5 billion tonnes to 3 billion tonnes is an absolute necessity for the Indian economy, so the wagon order should come.

The encouraging part is that, despite the full utilization of wagon capacity that will occur in the years to come, we still believe that Passenger Rail will overtake the freight business and become the dominant part of the business.

Operator: Thank you very much, members of the management. On behalf of Titagarh Rail Systems Ltd., that concludes this conference. Thank you all for joining us. You may now disconnect your lines. Thank you.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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