

TEXMACO RAIL & ENGINEERING LTD

Press Note

Trying period reflects in Texmaco's Annual Results For FY 2012

Texmaco Rail & Engineering Ltd., a "ADVENTZ" Group Company has shown reasonable results inspite of trying times in FY 12.

The gross Turnover for the year was at Rs. 944 crore (*excluding the value of free supply inputs of Rs.334 crore provided to the Company by the Indian Railways and other clients*).

The Gross Profit for the year (PBDT) and profit before tax (PBT) were lower at Rs.145.44 crore and Rs. 136.26 crore respectively. The Net Profit was Rs.93.06 crore, after providing for a tax liability of Rs.43.20 crore. The current order book position of the Company is Rs.1528 crore.

The Directors have recommended a dividend of 100% on the Equity Shares of the Company, same as that of last year.

Despite difficult conditions including delayed release of wagon orders by Indian Railways, as late as in mid January'12, your company has been able to roll out 3471 wagons comprising 2974 wagons to Indian Railways and 497 wagons to private customers.

During the year, the Company booked orders for a total of 5837 wagons including private orders. The Indian Railways' order on the company for the year 2011-12 was for 4670 nos, which was the highest ever quantity ordered by the Indian Railways in the Industry. The Company also secured 2 prestigious export orders from Bangladesh Railways for 255 wagons valued at Rs. 117.03 crore, and another export order for 70 wagons valued at Rs. 12.43 crore for supply to Africa

The Company has been maintaining their leadership in the field of BTAP wagons for transportation of Aluminium Powder, and BCCW Wagons for transportation of Cement / Fly Ash. The Company also stands out in meeting the requirement of Bottom Discharge Coal Hopper Wagon (MGR type) for Mega Power Plants. Looking to the fast growth of Automobile Industry in the country, the company expects a substantial demand potential for auto cars.

As a major diversification into manufacture of passenger Rolling stock, viz.EMU and Metro Coaches for Indian Railways. The construction of a dedicated manufacturing facility is in progress at the Company's Sodepur Works, Kolkata.

After slowdown of activities in Hydro Power Sector for nearly 4 years, the enquiries for Hydro-mechanical equipments for various new projects have started flowing in. The Company has already booked some prestigious orders lately.

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The Steel Foundry Division, while maintaining the production & despatches of Steel Castings at the same level as last year, achieved a growth of 15% in its turnover at Rs.209 crore.

The Division recorded significant improvement in the export performance with a turnover of Rs. 209 million backed by an order-book of over Rs. 250 million at the end of the year. The Foundry took the lead in development and getting recognition as an approved indigenous source of supply of Upgraded High Tensile Centre Buffer Coupler in place of imported AAR approved couplers, and has been awarded an order for 1800 sets from Indian Railways. It has won acclaim from Indian Railways for this outstanding achievement in meeting a critical requirement.

The complete modernization of old Foundry is in full progress and together with the 'State-of-the-Art' new Foundry, the company will have internationally one of the best Steel Foundry with the largest production capacity in India.

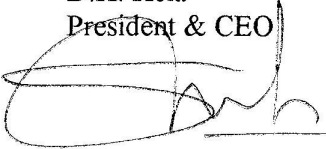
The Company's 50:50 Joint Venture project with UGL Rail, Australia, is nearing the stage of commissioning and gearing to commence its production from October 2012. The plant would manufacture locomotive and freight car components predominantly for exports. The venture will also look at opportunities for rolling stock maintenance and refurbishment.

The Company has signed a joint venture agreement with French Group - Touax Rail, a leading Lease Finance Company having vast experience in the business of leasing out freight cars (Wagons), etc. The JV would have an early bird advantage of Railways present policy of permitting leasing companies to own and lease various types of Railcars to Industry and other end users by combining respective strengths and expertise of the JV partners in the area.

Sd/-

D.H. Kela

President & CEO



Date: 25-5-12

Encl: Financial Results