



Oriental Rail Infrastructure Limited

31st Annual Report 2021-22





ABOUT US

Our Company, Oriental Rail Infrastructure Limited (Formerly known as Oriental Veneer Products Limited) ('ORIL') is a 31 year old organization engaged in the manufacturing and supply of several items for the Indian Railways and other industries. The Company had modest beginnings in 1991, it commenced operations by manufacturing Veneer and Railway products. In fact, the company was listed on Bombay Stock Exchange (BSE) on July 24, 1996 under the script code: 531859 with ISIN: INE457G01029.

Our manufacturing plant is spread over 50 acres of land, at village Aghai, Shahpur, Maharashtra, approx. 100 kms from Mumbai. We manufacture Seat & Berths, Densified Thermal Bonded Blocks (DTBB), Silicon foam Blocks, AcoSonic Board, Artificial Leather/Rexene, Compreg boards & allied products which are used in railway coaches for over a number of years.

We have a wholly owned subsidiary under the name of Oriental Foundry Private Limited (OFPL) incorporated on July 25, 2014. OFPL is a major manufacturer of Heavy Engineering Equipment's like Railway Rolling Stock a diverse range of

products which includes Wagons, Bogie, Coupler & Draft Gears.

The Companies are in line with the Nation's developing concept of 'MAKE IN INDIA'.

We have complete set up of Plant & Machinery for manufacturing the Products. Also available is a fully equipped Laboratory not only for testing the complete Products In-house but also for Research and Development activity of more than 6000 sq.mtrs.

Over the years, we have developed a very strong relationship with the Indian Railways. In fact, today the Company is a Preferred Part I Vendor to the Indian Railways, a feat desired by many but achieved by only a selected few. All the ORIL's products to Indian Railways are approved by the Research Designs Standards Organization (RDSO) which is the sole vendor approving body for the consumer organization. The products are also RITES (erstwhile Rail Technical Economic Service) certified which is the sole inspecting authority for ensuring quality and clearance of all products for supplying to Indian Railways.

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Company Information and AGM details

CIN	L35100MH1991PLC060686
BSE	531859
Dividend recommended	25% (₹0.25 per share of ₹1 each)
31 st AGM through Video Conferencing/ OAVM	Date: Tuesday, September 27, 2022 Time: 01.30 p.m.
VC Platform & E-voting	NSDL

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www.orientalrail.com/who-we-are.php

Simply scan to download Annual Report





Our Principles

Ownership



This is our Company and we accept personal responsibility and accountability to meet business needs.

Passion for Winning



We all are leaders in our area of responsibilities with a deep commitment to deliver results. We are determined to be the best at doing what matters the most.

People Development



People are our most important asset. We add value through result-driven training, while encouraging and rewarding excellence.

Innovation



Continuous innovation in products and processes is the basis of our success.

Team Work



We work together on the principle of mutual trust and transparency in a boundaryless organisation. We are intellectually honest in advocating proposals, including recognising risks.

Integrity



We are committed to the achievement of business success with integrity. We are honest with consumers, with business partners and with each other.

Competitive Advantages



Being a small player in the industry, well poised to compete with big players



Among the few players who has backward integration of Bogie & Couplers



Focus on R&D and continuous development of New Products



Dividend paying Company from last Six years



Total Rail Solution provider

Our Potential



Make in India



Team Member 1,000 +



RDSO Certified



No Loss since
Incorporation



Preferred Part I
Vendor to
Indian Railway



Only Listed player
in Seats & Berths in
Organized Sector



Strong order of
more than
₹1,900 Crores



Rexene Capacity
2,400,000 meter
per annum

Three Decades of Excellence

Over the years, we have been consistently focusing on innovation-led growth and creating long-term value for our stakeholders.

JOURNEY SO FAR

1991 Company got incorporated		1993 Started manufacturing Railway Products	
1996 Came up with IPO and listed on BSE		2005 New product launched i.e. Recron	
2008 Started manufacturing Railway Seat and Berth		2014 Incorporated OFPL as Wholly Owned Subsidiary	
2014 Set up of Bogie & Coupler plant		2015 Backward Integration in Rexine plant for Indian Railways	
2017 Started setting up of Wagon Capacity		2018 Stock Split (10:1)	

JOURNEY SO FAR

<p>2019</p> <p>First order for 500 Wagons from Indian Railways</p>		<p>2020</p> <p>New product launch: Silicon Foam for Seats & Berths</p>	
<p>2021</p> <p>Successfully delivered 500 Wagons to Indian Railways</p>		<p>2022</p> <p>New product development PU Foam</p>	
<p>2022</p> <p>Second order from Indian Railways for 636 Wagons with option of 30% increase</p>		<p>2022</p> <p>Set up of second line of Bogie & Coupler</p>	
<p>2022</p> <p>Modernization of Artificial Leather (Rexene) Plant</p>		<p>2022</p> <p>New Bogie spring plant to manufacture spring for a Bogie</p>	
<p>2022</p> <p>Secured an Order for 2,964 Wagons valuing ₹ 1,211.89 Crores from Indian Railways</p>			



Chairman's Communique

The year FY 21-22 proved to be one of reckoning for ORIL's journey and preparation for the decade ahead.



During the year under review, the Company validated its commitment to enhance shareholder. While the last year was about re-gaining stability during a turbulent time, this year we are focused on growth and expansion. We are focusing on developing new products and setting up new product lines that will help us meet the growing demands of the Indian Railways.

Robust results, record numbers

Our team has worked tirelessly to help us step into the future, and I am proud to say our efforts have paid off. The company has been able to achieve total Standalone turnover of ₹ 112.90 crores which is 17.35% higher than previous and profit after tax of ₹ 13.06 crores which is 22.01 higher than previous year.

Recovery was an uphill process, but we have sustained a stronger cash generation.

On the back of this performance, I am happy to report that the Board of Directors have recommended a dividend of ₹ 0.25 per equity share of the face value ₹ 1 for the financial year ended March 31, 2022, which translates to a highest ever dividend payout of 25% per share.

A big part of growing is investing in the future generation, and to facilitate this we aim at strengthening our culture of teamwork and knowledge exchange to build a future-ready workforce.



A landmark year

Despite challenges in the external environment – pandemic, war, rising freight and low container availability, ORIL group reported attractive growth in its existing businesses on the one hand and investments in new developing businesses on the other.

In the spirit of expansion, we are proud to announce that ORIL group has set up two new manufacturing plants Bogie spring plant in Kutch, Gujrat and Bogie and Coupler manufacturing plant in Chopadava. We have also expanded and modernized our exiting artificial Leather (Rexene) Plant at Aghai and expanded a manufacturing capacity for Wagons at its Plant at Lakadiya, Gujrat

New Bogie spring plant will manufacture spring for a Bogie and its yearly capacity shall be 2,80,800 Nos.

Our new Bogie and Coupler plant will result in double the capacity of manufacturing ‘Bogie’ and ‘Coupler’ and will cater the demand of Indian Railways.

The modernization of Artificial Leather (Rexene) Plant will expand the capacity and modernized the existing Artificial Leather (Rexene). It will upgrade the existing products which will help the Company to capture the consumer market, automobile sector and export globally.

The Capacity expansion of Wagon plant will enhance the existing capacity of production of upto ‘2,400 Wagons’ per year. These capacity expansion is expected to provide significant opportunity to our Foundry section which will help to curb the gap of short supply of Wagons to Indian Railways.

Industry has a capacity of manufacturing ~30,000 wagons a year, but they could not manufacture up to their capacities as past annual procurement was about 9,600 wagons only. Wagon industry is expected to grow much faster in coming year and going forward than before. ORIL is well poised for this opportunity. It has proven track record for successfully delivering Wagons in past Wagons.

Despite severe headwinds, we ended FY 2021-22 on a strong note on the back of several prestigious order wins. The Company's total order book is more than ₹ 1,900 crores and is the

highest ever order book value on consolidated basis in the history of the Company.

The Company had successfully bagged several orders from Container Corporation of India Limited, Jindal Rail Infrastructure Limited, Braithwaite & Co. Limited, Rail Coach Factory, Modern Coach Factory, Northern Railways, Indian Railway, etc.

The road ahead

The Indian government has always been very invested in upgrading the infrastructure of the roads and railways, and our strong recovery will only continue after the implementation of the new wagon manufacturing plant. The expansion and upgradation projects undertaken by the government will support our mid and long term factors. Looking into the future, we feel optimistic about our growth and development

Committed to Sustainability, Community Welfare and Strong Governance

Compliance and governance are deeply embedded in our processes and each department stringently adheres to standard protocols and guidelines. Our overarching culture promotes corporate fairness, transparency, and accountability in the best interests of customers, partners, teams, communities, and all other stakeholders.

Our CSR initiatives and outreach activities continued to reflect our endeavour to operate as a socially conscious and responsible organisation which strives to build resilient and empowered communities

Acknowledgment

To all our customers, contractors, suppliers and employees, together with the Board and the executive team, I wish to thank you for your continued support to Oriental Rail. Thank you to my fellow Board members for your wise counsel, support, input and dedication to the attendance and guidance at Board and committee meetings alike.

Warm regards,

Saleh N. Mithiborwala
Chairman of the Board

Message from the Whole-Time Director

