

# TEXMACO RAIL & ENGINEERING LTD.

Annual Report 2011-12

Expanding  
Texmaco **footprint**



**TEXMACO RAIL & ENGINEERING LTD.**

Belgharia, Kolkata 700 056



## Essence of Growth.

Over the decades Texmaco has built a rich repository of knowledge & experience, and grown leveraging it with high work ethic to laying a strong foundation for sustained development. The Company is using the rich track record in expanding its foot print far and wide across the continents to US, Europe, Africa, South-East Asia and Australia.

Texmaco has been a leading supplier of Rail Freight Cars and Hydro-Mechanical Equipment for mega power stations for several decades and won national and international credentials.

Texmaco is aiming to scale new heights through strategic partnerships with global leaders and building state-of-the-art facilities comprising engineering, manufacturing and product development competencies.

Texmaco is confident of enhancing customer and stakeholder value through complementary product selection, value-added products and high-end process systems.

At Texmaco, we believe that the basis of all growth is honest, transparent and environment friendly business conduct, extending the Company's presence from a mere economic entity to don the mantle of a responsible corporate citizen.

## Joint Ventures



*Texmaco UGL State-of-the-Art manufacturing facility coming up at Belgharia*



*Signing of JV Agreement with Touax Group of France, a leading Freight Car Leasing Co.*





### HIBOR

Period	IBOR	Period	IBOR
1 month	0.0000	1 month	0.0000
2 month	0.0000	2 month	0.0000
3 month	0.0000	3 month	0.0000
6 month	0.0000	6 month	0.0000
9 month	0.0000	9 month	0.0000
12 month	0.0000	12 month	0.0000

### LIBOR

Period	IBOR	Period	IBOR
1 month	0.0000	1 month	0.0000
2 month	0.0000	2 month	0.0000
3 month	0.0000	3 month	0.0000
6 month	0.0000	6 month	0.0000
9 month	0.0000	9 month	0.0000
12 month	0.0000	12 month	0.0000

### DEPOSIT RATES

Period	IBOR	Period	IBOR
1 month	0.0000	1 month	0.0000
2 month	0.0000	2 month	0.0000
3 month	0.0000	3 month	0.0000
6 month	0.0000	6 month	0.0000
9 month	0.0000	9 month	0.0000
12 month	0.0000	12 month	0.0000

### ASIAN USD FOR

Period	IBOR	Period	IBOR
1 month	0.0000	1 month	0.0000
2 month	0.0000	2 month	0.0000
3 month	0.0000	3 month	0.0000
6 month	0.0000	6 month	0.0000
9 month	0.0000	9 month	0.0000
12 month	0.0000	12 month	0.0000

### UK RATES

Period	IBOR	Period	IBOR
1 month	0.0000	1 month	0.0000
2 month	0.0000	2 month	0.0000
3 month	0.0000	3 month	0.0000
6 month	0.0000	6 month	0.0000
9 month	0.0000	9 month	0.0000
12 month	0.0000	12 month	0.0000

# Business Modules

## Rolling Stock

- High Payload Stainless / High Tensile Steel Freight Wagons
- Commodity specific wagons for Bulk Transport
- Special Purpose New Design Freight Wagons
- Bottom Discharge Coal Hopper Wagons
- Container Flat Rakes
- Tank Wagons
- Chemical Carrying Wagons
- Auto Car Wagons
- Loco Shells
- Coach Bogies
- EMU Coaches

## Steel Foundry

### Domestic

- High Speed Bogies
- H.T. Couplers
- Draft Gears
- Draw Bars
- Tight Lock Coach Couplers
- CMS Crossings
- Industrial Castings for
  - i. Earth Moving Equipment
  - ii. Hydro Power Projects

### Export

- High Axle Load Bogie Castings
- Shroud Castings
- CMS Frogs
- Rotary Yokes

## Hydro-mechanical Eqpt. & Steel Structures

- Gates in wide range (Radial, Vertical, Mitre, Flap type).
- Penstocks / Pressure Shaft Liners
- Bifurcation, Trifurcation, Transition, Expansion Joints & Specials
- Stoplogs / Bulkhead Gates
- Hydraulic & Rope Drum Hoists
- Trashracks / Screens
- Trash Rack Cleaning Machines
- Goliath & EOT Cranes
- Industrial, Power House & Flyover Steel Structures
- Steel Bridges
- Ship Hull Blocks

## Process Eqpt. & Others

### Process Eqpt.

- Horton Sphere
- Cryogenic Vessels
- Clay Filter
- Gas Cooler
- Cold Box
- Heat Exchanger

### Others

- Agro Machinery



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### Directors

S. K. Poddar, Chairman

Ramesh Maheshwari, Exec. Vice Chairman

A. C. Chakrabortti

S. Dhasarathy

D. R. Kaarthikeyan

Hemant Kanoria

Akshay Poddar

D. H. Kela, President and CEO

### Secretary

A. K. Vijay

### Auditors

M/s. K. N. Gutgutia & Co., Kolkata

### Bankers

State Bank of India

ICICI Bank Limited

### Registered Office

Belgharia, Kolkata 700 056

### Corporate Office

Birla Building

9/1 R.N. Mukherjee Road

Kolkata 700 001

### Works (Kolkata)

#### Heavy Engineering

- Agarpa
- Sodepur
- Panihati

#### Steel Foundry

- Belgharia
- Panihati

### Regional Offices

- New Delhi
- Mumbai
- Chennai

# Corporate Information

# Chairman's Message

*Dear Shareholders,*

I take pleasure in presenting an overview of the Annual Report of Texmaco Rail & Engineering Ltd. for the year ended March 2012.

As the year progressed, we have been inflicted with a sense of growing unease about the deterioration in the business climate world-wide. While the India story remains strong, the compulsions of domestic coalition politics have stood in the way of sound economic policies to maintain the growth momentum. We have been even exposed to international criticism of 'policy paralysis' and certain skepticism amidst global investor community.

This certainly presents a novel challenge to the stewardship in the current turbulent political and economic climate. I am confident, however, that India is poised to be a world super power with unlimited growth opportunities for those who have the courage and vision to chart their course adjusting the sails to face the head winds of slowdown and intense competition. It is a testing time for the entrepreneurial ability to manifest itself in crafting the investment policy with a long-term goal. It would need a discerning judgment in identifying business opportunities in a depressed environment with potential for rich gains at the turn of the tide. The Management of the business entities has to be

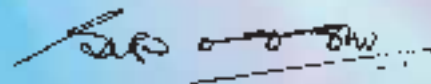
invested with high degree of professionalism and integrity of operations.

Your company despite trying conditions, especially owing to unprecedented official delays in its major business segment of freight car manufacture, has fared reasonably and stayed ahead in the Industry. The Company has managed to secure the largest order from the Indian Railways based on its performance, and the capacity utilization should improve during the current year. While the intense competition will take its toll in value realization, the Management would no doubt strive its best to minimize its impact thru' higher productivity.

The Company's joint venture with UGL Rail Services Ltd., Australia, is progressing well with commissioning scheduled in the 3rd quarter of the year.

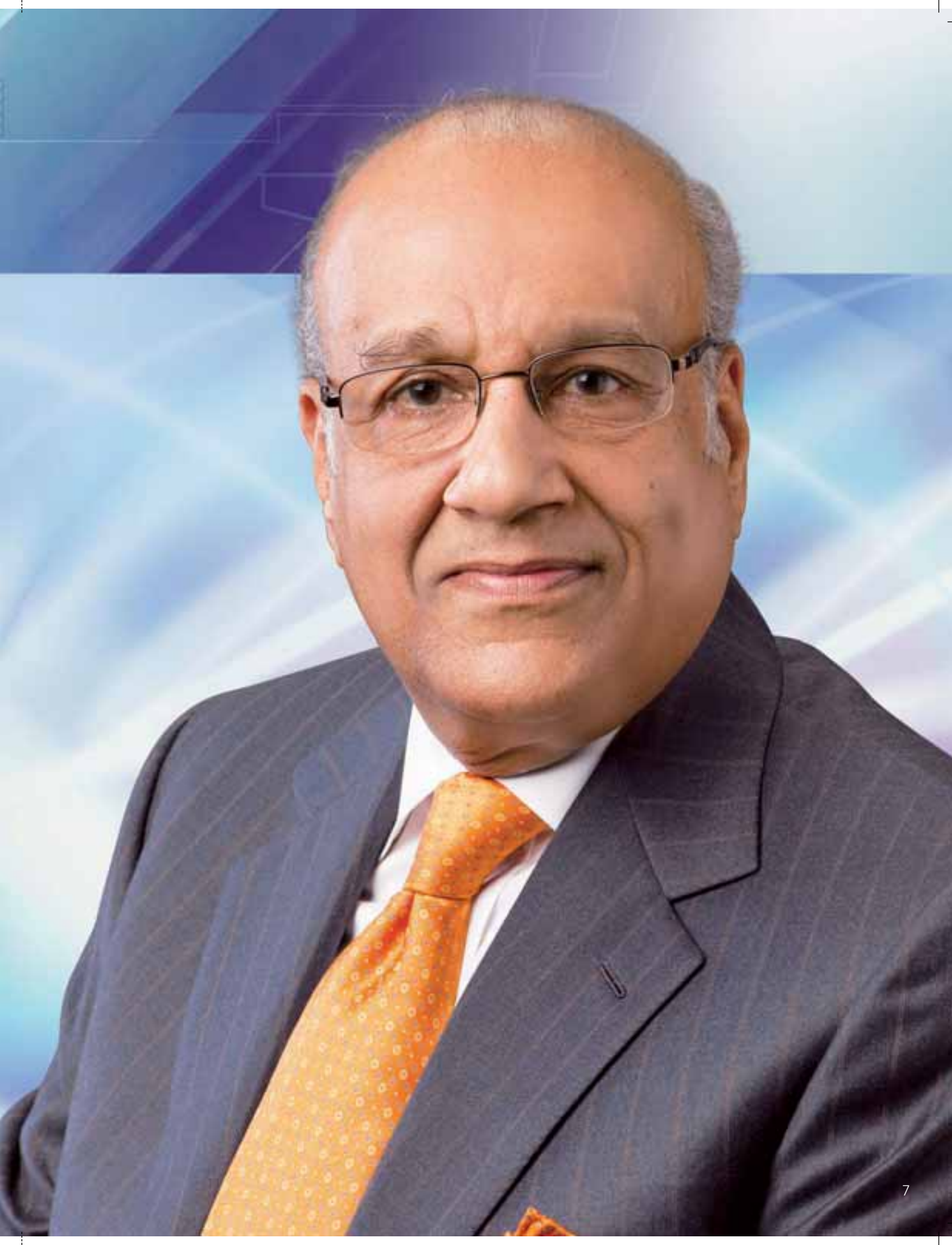
The effort is under way to forge partnerships in allied businesses with leading multi-nationals. It will help the company to scale up the operations in the near future.

I would take the opportunity to commend the performance and dedication of the workmen, staff and officers of the company with singular devotion in the face of serious challenges.



S K Poddar  
Chairman

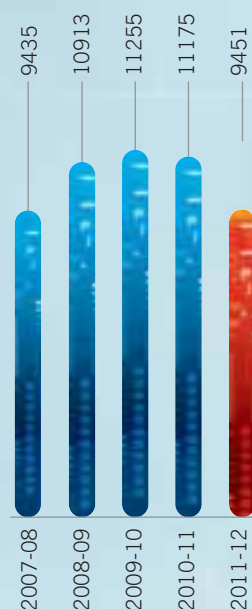




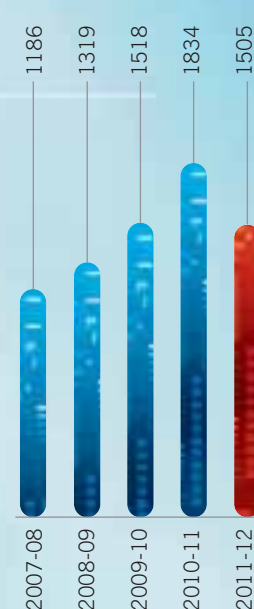
## Strengthening Financials

The figures up to 2009-10 relate to working of Texmaco Ltd., and are given only for comparison purposes, which under a Scheme of Arrangement has demerged its Heavy Engineering & Steel Foundry businesses to Texmaco Rail & Engineering Ltd., Appointed Date being 1st April, 2010.

Gross Turnover (Rs. mn)



EBIDTA (Rs. mn)



## Financial highlights for ten years

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Gross sales *	12,789.08	16,936.39	30,371.98	39,216.52	47,612.75	94,352.84
Other income	449.26	285.47	226.06	259.30	455.92	596.37
Gross profit (PBDT)	729.24	1,168.05	2,302.00	3,300.74	4,836.63	10,958.15
Profit before tax	437.19	843.87	1,904.62	2,873.16	4,313.54	10,072.12
Tax for the year	298.23	208.78	151.90	906.15	1,391.20	3,099.10
Profit after tax	138.96	635.09	1,752.72	1,967.01	2,922.34	6,973.02
Extraordinary/exceptional items **	12.66	+1,243.92	186.29	65.62	74.73	63.95
Profit after tax (PAT)	126.30	1,879.01	1,566.43	1,901.39	2,847.61	6,909.07
Equity #	516.34	516.34	1,032.57	1,032.57	1,032.57	1,107.83
Free reserves	5,742.36	7,534.00	9,897.43	11,445.60	13,809.99	21,567.28
Equity share book value (Rs.) ##	119.86	152.88	103.88	118.78	142.03	206.08
Rate of dividend	10%	7.5% *#	20%	30%	40%	75%

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