



Railway Servicing

April 2025

Private & Confidential

ABC Overview

About ABC

ABC is a specialized manufacturer of critical railway track welding components, including AT welding portions, pre-fabricated molds, and single-shot crucibles. The company prioritizes:

- **High-Quality Manufacturing:** Utilizing advanced, automated production within a 45,000 sq ft facility, ensuring adherence to rigorous quality standards and customer specifications.
- **Technological Advancement:** Dedicated R&D and continuous investment in cutting-edge technology to meet the evolving demands of the railway industry.
- **Comprehensive Quality Assurance:** Rigorous testing conducted in well-equipped physical, chemical, and sand laboratories to ensure product integrity.
- **Regulatory Compliance:** Commitment to environmental responsibility and adherence to all applicable local, state, and federal regulations.

ABC is positioned for significant growth within the expanding Indian railway infrastructure sector and seeks strategic investment to facilitate further expansion.

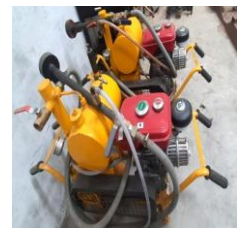
Products



Crucibles



Tools & Machines



Existing Business Outlook



Tender History



Reliable Government Partner for over 13 years in servicing railroads

- Welding work
- Track Repairs
- Installing and servicing complex track joints

Infrastructure



- Manufacturing unit of welding units with additional land parcel for future expansion
- Modern plant and machinery along with R&D facility for every business division
- Warehouse capacity in place to handle large trade volumes

Growth Levers

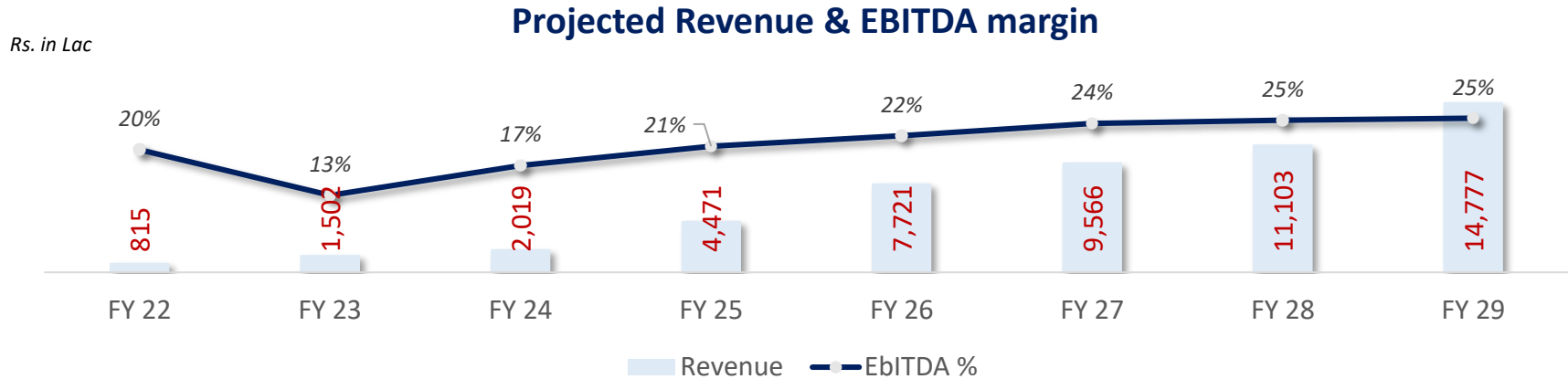


- Expanding national rail network presents significant market growth.
- Demonstrated cost leadership within the industry.
- Deep-rooted core expertise developed over time.
- Strong OEM relationships and flexible SKU production to meet diverse tender requirements.

New Machinery of business
Foray into

Precision Machinery Works

Engineer the machinery that used in the creation of essential welding technology

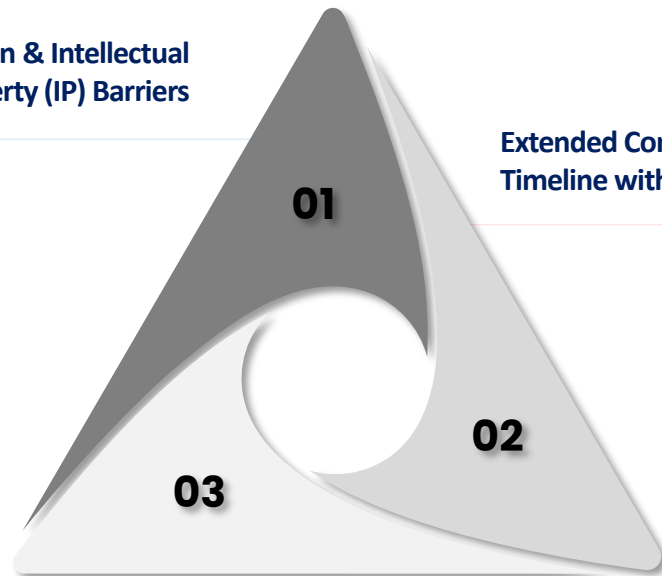


Precision Machinery Works - Business Outlook

Entry Barriers in this Equipment Engineering

Design & Intellectual Property (IP) Barriers

Extended Commercialization Timeline with Indian Railways



Stringent and Lengthy Approval Processes



Only known competition from formal player
"The India Thermit corporation limited"

Serves railway contracts and supplies to other contractors in space with raw materials.

Even with the size, they don't have inhouse indigenous design. The technical Know how is taken from a german company by entering into Joint Venture.

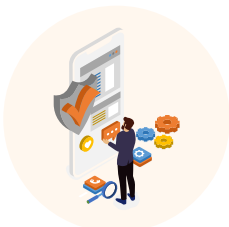
- Lack of self own designs limits the adaption and development of new designs and products.

Key Financial matric (FY24)

Revenue from operations – Rs.213 Crs, 3 year CAGR ~2%

Margin – Dip in 3 years from 88% to currently at 82%

Business Model



Government Tenders

Offerings

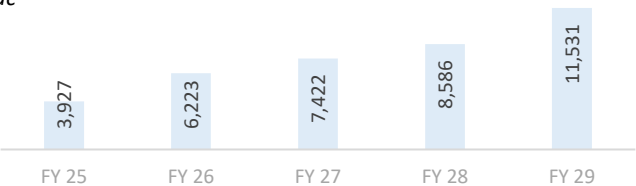
- Rail tracks servicing and Welding contracts

Capacity/Infrastructure

- Skilled Manpower Ready to manage tenders, with a plan to increase workforce by 50% to support added capacity.
- Strong Expertise in Tender Procurement with minimal upfront costs.

Revenue Projection

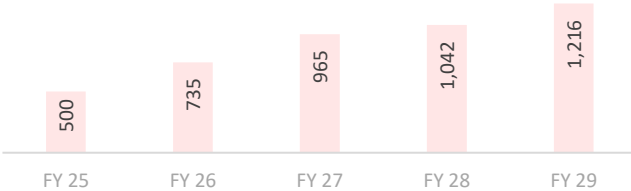
Rs. in Lac



Trading Supplies

- MAT Welding Portion for all kinds of Rail
- Mould Shoes
- Luting Sand and Luting Paste
- Igniter
- Alignment Tools

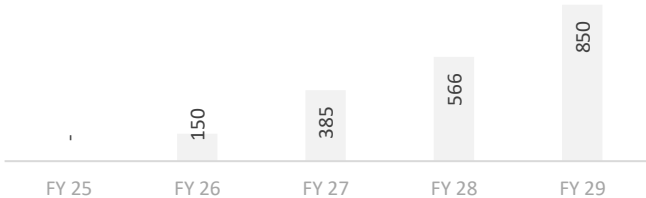
- Dedicated In-House Warehouse within the factory premises.
- In-House Processing Units to customize and modify supplies as per requirements.



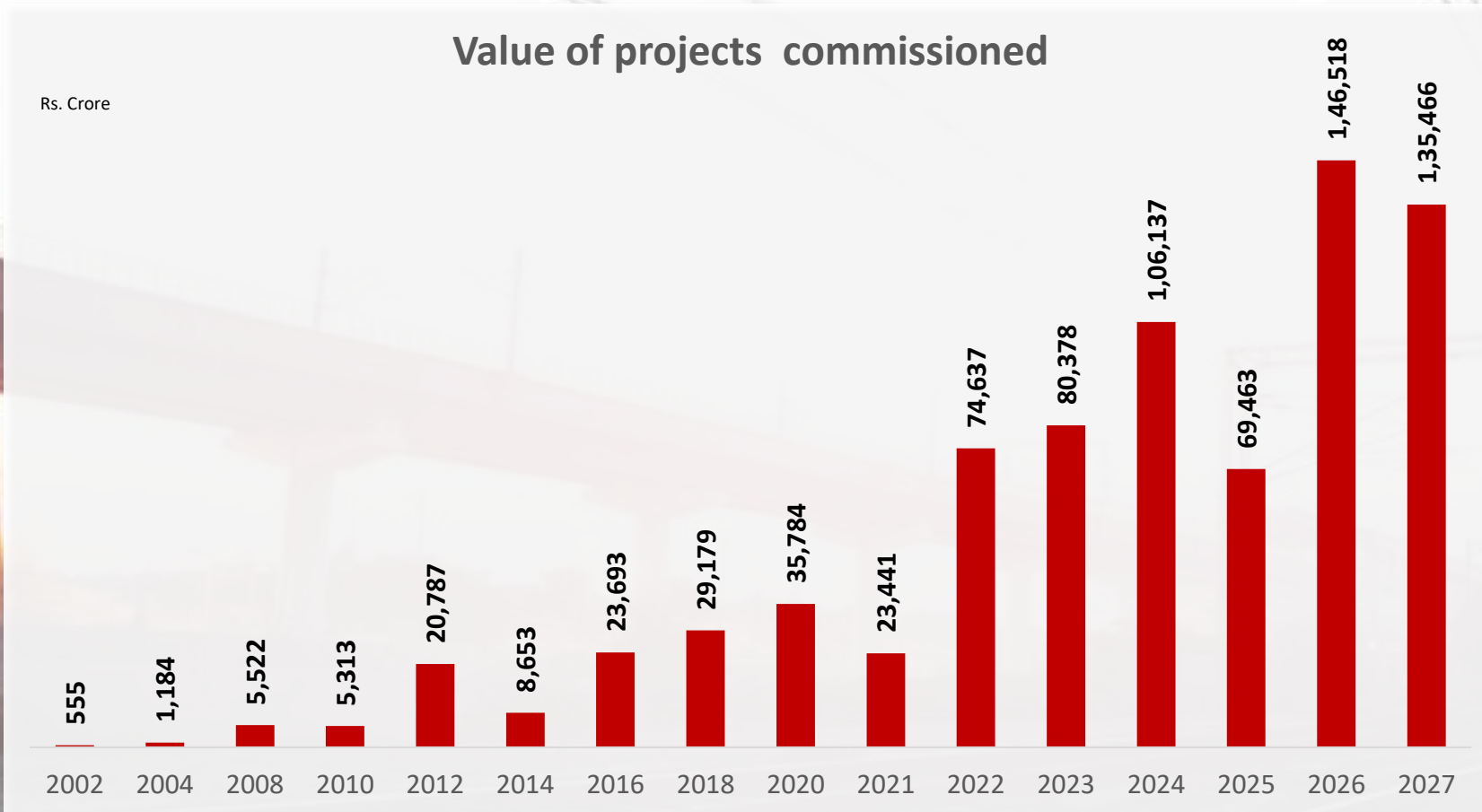
Precision engineering manufacturing (Upcoming)

- Abrasive Rail Cutter
- Compressed Air-Pre Heating System
- Weld Trimmers
- Surface Grinders
- Rail Drilling Machine

- Established R&D Lab for machine development and design.
- In-house Testing Facilities to ensure machinery performance and quality.
- Land Bank Available for setting up production and assembly lines for welding equipment manufacturing.



Railway to prosper, prosper from projects



Rs. 3,52,000 Cr
New projects in next 3 year

4.5X growth in new projects the last 5 years to Rs. 1,06,137Cr
Scope for improvement in penetration & in new area

Value Proposition

TAM

Tracks servicing and maintenance market is expected to witness strong growth as the capex on Railway Infra is projected to grow over the next 4 years

Strengths

Superior Expertise | Scalability | Consistency

Strategy & business model

- Government Tenders – Servicing Railway tracks model across categories
- Trading - Higher share of consumer wallet
- Supplies Industrialization x Capex light x Opex light

The Metrics

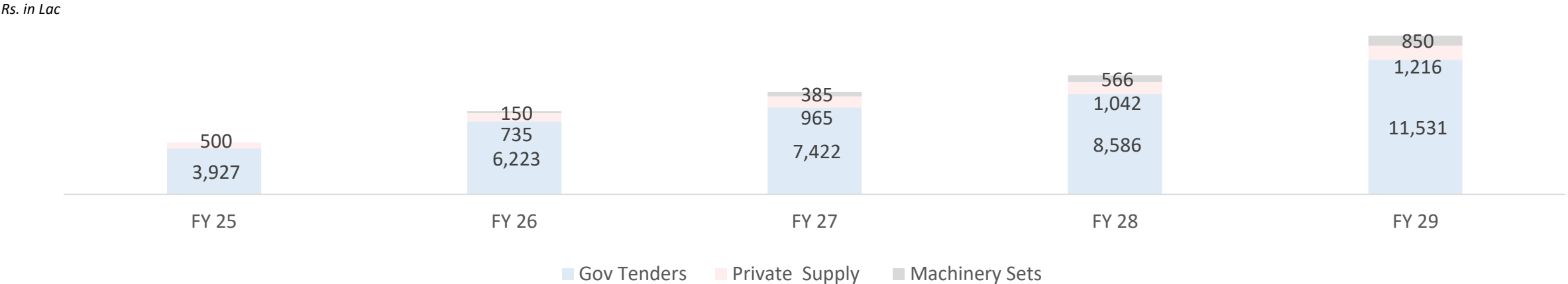
- Dominant player in India; growing by 60% CAGR since FY22
- Over 109 live ongoing project with total value of over Rs.100 Crores
- Platform outlet steady state EBITDA at +20% (24 months)
- ~60 Trading Partners

Next 2 years

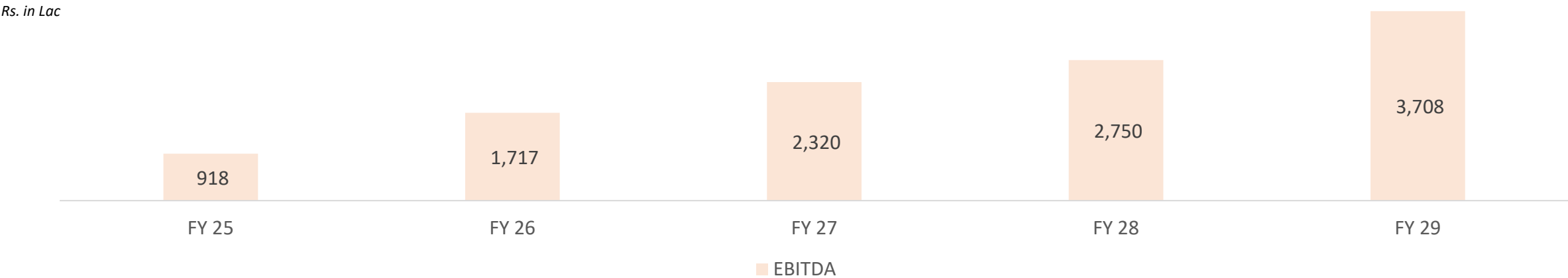
- Equity raise of Rs.20 Cr & subsequent raise
- New Tenders across the states; with ARR of Rs 45 Cr

Financial Projection

Revenue Projection



EBITDA Projection



Raising

Rs.20 Crore in Pre-Series A

to Fuel growth