

‘Texmaco Rail aims to turn Kalindee biz around in 2 fiscals’

GROWTH AHEAD. Looks to double consolidated revenue to around ₹10,000 cr in 3 years

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India’s largest wagon-maker, Texmaco Rail & Engineering, which is planning to demerge the business of Kalindee Rail as its wholly-owned subsidiary soon, is looking to turnaround the business and make it profitable within the next two financial years.

The Adventz Group company has applied to the National Company Law Tribunal for approval of the proposed demerger of the Kalindee Rail business, which has been renamed Texmaco Rail Infra Systems and Solutions. The Saroj Poddar-led group had acquired Kalindee Rail Nirman in 2013 with majority shareholding stakes.

The wagon major is eyeing to double its consolidated revenue to around ₹10,000 crore within the next three years without compromising on its profitability. “Even if we have to compromise something on the topline, our commitment to the bot-



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SUDIPTA MUKHERJEE

MD, Texmaco Rail & Engineering

tomline will remain consistent,” Texmaco Rail & Engineering MD, Sudipta Mukherjee, told *businessline*.

The company’s consolidated revenue stood at ₹5,164.24 crore and net profit was ₹225.51 crore for the last financial year. Its EBITDA was ₹525 crore with a year-on-year increase of 57.6 per cent and margin of 10.3 per cent for FY25. “When we would be doubling the consolidated revenue, the company would like to have an EBITDA margin of around 14-17 per cent,” said Mukherjee.

“The existing core business, the fresh rolling stock and component business will grow equally, while we look for the introduction of new



products and reach new regions. So, these are the three fundamentals we have decided for the way forward — reaching people, reaching new portfolios or customers and reaching newer regions,” said the MD on the main growth drivers for doubling revenues.

The company’s export is expected to contribute around 30 per cent of its revenue in the next three years from the current 8-10 per cent. Currently, it exports its products to 16 countries.

“We are looking at South American markets, African markets and West Asian markets. So, in a nutshell, to all business verticals, we feel there is a significant opportunity for us to go in with the

capability and the certifications we have,” Mukherjee pointed out.

MRVC CONTRACT

The company was recently awarded a contract by Mumbai Railway Vikas Corporation (MRVC) for the design, supply, construction, installation, testing, and commissioning of critical traction infrastructure between Kalyan and Badlapur.

The acquisition of Jindal Rail & Infrastructure in July last year has strengthened the company’s manufacturing footprint, enhanced freight trade car portfolio and unlocked a few operational synergies. “It has a huge land bank, ready to be converted to support our future expansion plans,” said Mukherjee. “We want to demerge the business of Kalindee Rail as a wholly-owned subsidiary. Currently, it’s loss-making. We do not want to shrug responsibility. We just want a focus management, and we want to really unleash the potential of the business which we can do around it.”