

RITES Limited

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Press Release

RITES Q2FY21 Revenue ₹ 500 crore, PAT ₹ 132 crore

Gurugram, 10th November 2020: RITES Ltd. (NSE: RITES, BSE: 541556), the leading Transport Infrastructure Consultancy and Engineering company, reported its standalone and consolidated financial results for the Quarter and Half Year ended on 30th September, 2020.

Highlights for Q2FY21 Consolidated Financials

- Total Revenue stands at ₹ 500 crore against ₹ 888 crore in Q2FY20
- Q2FY21 Revenue up by 33% over Q1FY21 showing strong recovery
- EBITDA stands at ₹ 189 crore with sustained margin of 37.9% against ₹ 339 crore in Q2FY20
- Profit After Tax stands at ₹ 132 crore with margin of 26.5% against ₹ 237 crore in Q2FY20
- Order Book at new high of ₹ 6661 crore with order inflow of ₹ 948 crore in Q2FY21

Highlights for Q2FY21 Standalone Financials

- Total Revenue stands at ₹ 488 crore against ₹ 874 crore in Q2FY20
- EBITDA stands at ₹ 183 crore with sustained margin of 37.4% against ₹ 328 crore in Q2FY20
- Profit After Tax stands at ₹ 131 crore with margin of 26.8% against ₹ 233 crore in Q2FY20

Commenting on the results, **Mr. Rajeev Mehrotra, Chairman and Managing Director, RITES Limited**, said, *“Despite current scenario, Q2FY21 revenue has increased by 33% over the previous quarter. The company continued to focus on project execution, order book consolidation and sustaining margins.”*

Revenue and Profit for Q2FY21

Consolidated

The consolidated revenue in Q2FY21 has decreased to ₹500 crore as against ₹888 crore in Q2FY20 mainly on account of export deliveries not scheduled during this quarter and final settlement amount of ₹91 crore from a foreign client during Q2FY20. Similarly, operating revenue, excluding other income, stands at ₹439 crore in Q2FY21 as against ₹746 crore in Q2FY20. EBITDA and PAT stand at ₹189 crore and ₹132 crore against ₹339 crore and ₹237 crore, respectively, in Q2FY20. EBITDA and PAT margins are sustained and stand at 37.9% and 26.5%, respectively due to expeditious execution and timely implementation of cost control measures.

Standalone

The total revenue on YoY basis in Q2FY21 has decreased by 44.1% to ₹ 488 crore. Similarly, operating revenue, excluding other income, stands at ₹ 422 crore in Q2FY21 against ₹ 726 crore in Q2FY20. If exports are excluded, operating revenue has fallen by 9% on YoY basis. EBITDA and PAT stand at ₹ 183 crore and ₹ 131 crore against ₹ 328 crore and ₹ 233 crore, respectively, in Q2FY20. EBITDA and PAT margins are sustained and stand at 37.4% and 26.8%, respectively.

Performance of standalone segments

Company achieved a revenue of ₹242 crore from consultancy business which is down by 5.2% over Q2FY20, but the company has improved margins in this segment at 47.4% as against 44.5% in Q2FY20.

The revenue from leasing business stands at ₹27 crore in Q2FY21 as against ₹30 crore in Q2FY20. The YoY decline was due to temporary suspension of leasing contracts at certain construction sites and ports.

There were no export deliveries scheduled for Q2FY21, however, H2FY21 is expected to see export to Sri Lanka and Mozambique.

Turnkey revenue during Q2FY21 stands at ₹ 154 crore down by 14% against ₹ 179 crore in Q2FY20. Turnkey margins were maintained at 3.6% during the quarter.

Performance of H1FY21 amidst challenging environment

H1FY21 remained a challenging half year for the company where restrictions & supply chain disruptions due to pandemic continued to adversely impact revenue and profits. RITES total consolidated revenue stands at ₹876 crore in H1FY21 against ₹1457 crore in H1FY20. Similarly, the operational revenue, excluding other income, stands at ₹774 crore in H1FY21 against ₹1284 crore in H1FY20. EBITDA and PAT stand at ₹293 crore and ₹197 crore, respectively. H1FY21 EPS stands at ₹7.69.

Order Book

With more than 60 new and extension of the orders, company has been able to achieve its highest ever order book of ₹6661 crore. Company secured order worth ₹948 crore during this quarter.

With its committed workforce and strong order book in hand, company was able to take up implementation of projects wherever normalcy resumed.

Further commenting on outlook, Mr. Mehrotra said, ***“The results of the quarter reflect positivity about the recovery in business operations and company is still hopeful of a moderate growth in FY21 in anticipation of further easing of Covid related restrictions.”***

About RITES Limited:

RITES Limited is a Miniratna (Category – I) Schedule ‘A’ Public Sector Enterprise and a leading player in the transport consultancy and engineering sector in India, having diversified services and geographical reach. Company has an experience spanning 46 years and has undertaken projects in over 55 countries across Asia, Africa, Latin America, South America and Middle East region. RITES Limited is the only export arm of Indian Railways for providing rolling stock overseas (other than Thailand, Malaysia and Indonesia).

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