

## Press Release

### **RITES FY23 revenue ₹2730 cr; PAT ₹571 cr** **Q4FY23 revenue ₹706 cr; PAT ₹138 cr** **Recommends final dividend of ₹6/share**

**Gurugram, April 18, 2023:** RITES Ltd. (NSE: RITES, BSE: 541556), a prime Transport Infrastructure Consultancy and Engineering firm, announced its standalone and consolidated financial results for the quarter and year ended on March 31<sup>st</sup>, 2023.

#### **The Takeaways**

- Highest-ever Consultancy Revenue & highest-ever International Consultancy Revenue in FY23
- Standalone Profit up by 6.7% in FY23; PAT Margin 20.1%
- ₹5870-crore Order Book; Secured 70 orders worth ₹775+ crore during Q4
- Final Dividend of ₹6/share recommended, totaling to ₹20.5/share, with Payout Ratio of 92.8%

#### **Q4FY23 Financials (Standalone)**

- In spite of Revenue down from ₹765 crore to ₹690 crore, PAT up 6.5%
- PAT at ₹138 crore against ₹130 crore in Q4FY22
- EBITDA ₹170 crore with Margin of 25.9%

#### **FY23 Financials (Standalone)**

- Total Revenue stands at ₹2639 crore against ₹2661 crore in FY22
- EBITDA at ₹655 crore, Margins at 26%
- Profit After Tax up from ₹497 crore to ₹531 crore

Commenting on the results, **Mr. Rahul Mithal, Chairman and Managing Director, RITES Limited**, said, *“Highest-ever Consultancy Revenue in FY23 underscored the fact that Consultancy business is our core strength which we will continue to leverage aggressively, tapping the immense opportunities.”*

#### **Financial Performance in Q4FY23**

Q4FY23 saw the highest revenue from the consultancy segment during a quarter.

#### **Consolidated**

RITES operating revenue, excluding other income, stands at ₹687 crore in Q4FY23 as against ₹766 crore in Q4FY22, dip by 10.3%. The fall can be attributed to low exports. However, better execution in Consultancy, Turnkey and subsidiary REMC Ltd. has led to a growth of 1.4% in operating revenue in sequential quarter. Total revenue stands at ₹706 crore as against ₹788 crore in Q4FY22. EBITDA and PAT stand at ₹191 crore and ₹139 crore, respectively.

#### **Standalone**

Operating revenue, excluding other income, stands at ₹659 crore in Q4FY23 against ₹744 crore in Q4FY22. Total standalone revenue is ₹690 crore against ₹765 crore in Q4FY22, however sequential quarter saw an increase of 2.1% in total revenue. EBITDA, with margins of 25.9%, stands at ₹170 crore against ₹187 crore in Q4FY22. PAT is increased by 6.5% to ₹138 crore as against ₹130 crore in Q4FY22.



## Financial Performance in FY23

Increase in consultancy, leasing and turnkey business have nullified the significant decrease in exports and led to growth in profits during the year.

### Consolidated

RITES operating revenue, excluding other income, stands at ₹2628 crore in FY23 as against ₹2662 crore in FY22. Total revenue stands at ₹2730 crore as against ₹2745 crore in FY22. Year-on-year, there is a slight decrease in both the total and operating revenue which is mainly attributed to a significant dip in the export stream of revenue. EBITDA and PAT, up by 3% and 6% respectively, stand at ₹746 crore and ₹571 crore against ₹725 crore and ₹539 crore, respectively, in FY22. EBITDA and PAT margins at 28.3% and 20.9%, respectively, remained range-bound as the better-margin consultancy stream of revenue balanced out the low-margin turnkey revenue.

### Standalone

Operating revenue, excluding other income, stands at ₹2520 crore in FY23 against ₹2575 crore in FY22. Total standalone revenue is ₹2639 crore against ₹2661 crore in FY22. EBITDA and PAT, with respective margins of 26% and 20.1%, stand at ₹655 crore and ₹531 crore against ₹652 crore and ₹497 crore, respectively, in FY22.

## Segmental Performance

Consultancy business continues to provide the highest revenue to the company and achieved the revenue of ₹341 crore, up by 8.1%. Leasing revenue remained flat at ₹33 crore in Q4FY23, with margins of 28.8%. Turnkey revenue stands at ₹230 crore with a jump of 58.5% on account of a smooth pick-up in execution. At ₹55 crore, the Export segment has shown a dip of 77.9% in Q4FY23. During FY23, the other three segments – consultancy, leasing, and turnkey – have shown a growth of 16.7%, 5.2% and 92.5%, respectively.

With the continuous push to our strategic 'RITES Videsh' initiative, there is a steady increase in the share of Foreign Consultancy revenue from 10% in FY22 to 13% in FY23. At ₹159 crore, RITES has recorded highest-ever Foreign Consultancy revenue in FY23.

## Dividend

The Board of Directors has recommended the final dividend of ₹6 per share amounting ₹144 crore for FY23 which is 60% of the paid-up capital. The recommendation will be put up to the shareholders for their approval at the Annual General Meeting of the company. Upon approval, the total dividend payout ratio attributed for FY23 will stand at 92.8%.

## Order Book

During the Q4FY23, the company has secured more than 70 orders (including extension of works) worth more than ₹775 crore, thereby maintaining a healthy order book of ₹5870 crore as on March 31<sup>st</sup>, 2023. During FY23, gross addition to the order book has been more than ₹3000 crore from 240+ new and extension orders.

## Outlook

On the growth prospects, Mr. Mithal said, *"Our strength in consultancy in all sectors of infrastructure was amply reaffirmed by the fact that about 200 fresh orders were received during the year and also, International Consultancy grew by more than 50%, which is an all-time high. We would capitalise on this momentum and continue to raise the bar in the coming FY."*



**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. The company has an experience spanning 49 years and undertaken projects in over 55 countries in Asia, Africa, Latin America, South America, and Middle East region.

For more information, visit Investors column on RITES website [www.rites.com](http://www.rites.com) or contact:

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