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RITES Limited

Quarter 1 FY 2025

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Moderator: Good morning, ladies and gentlemen. I am Steve, Moderator for this conference. Welcome to the conference Call of RITES Limited to discuss its Q1 FY25 results. We have with us today, Shri Rahul Mithal - Chairman and Managing Director, Shri Arun Kumar Singh – Director Projects, Dr. Deepak Tripathi – Director Technical and Shri Krishna Gopal Agarwal - Director Finance & CFO.

At this moment, all participants are in the listen only mode. Later we will conduct a question-and-answer session. At that time, if you have a question, please press * and one on your telephone keypad. Please note this conference is being recorded and in the interest of time and fairness to all participants, you are requested to restrict yourselves to one question per participant. Participants, time permitting, you may come back in the question queue. I would now like to hand the conference over to Shri Rahul Mithal - Chairman and Managing Director. Thank you and over to you, Sir.

Rahul Mithal: Good Morning, at the out-set, let me start with giving the Safe Harbor statement. The presentation and the press release which we uploaded on our website and exchanges yesterday and discussions during the call today may have some forward-looking statements. These statements consider the environment we see as of today and obviously carry a risk in terms of uncertainty because of which the actual results could be different and we do not undertake to update those statements periodically.

Let me give you a brief overview of Q1 performance with my opening comments and then can open the line for questions. The performance of Q1 has been muted. Let me analyze the numbers in a nutshell. The two main challenges which we have been talking about in the past, the dynamics which changed the business of inspection from IR and the export business.

This quarter, if you compare Q1FY24, this Q1 hit us with full impact. So, Rs. 35 crores was the export revenue in Q1 of last FY and it was nearly nil in this Q1. The impact of the QA business of IR had a hit of about Rs.25 crores on YoY Q1 to Q1. So, this Rs. 60 crore was the net impact which you see has, and both being high margin streams of revenue, hit the top line and the bottom line. The encouraging trend is that the order book, as you see, jumped by about 11% from 31st March to 30th June, an addition of about 1300 plus crore orders which were across sectors whether it was export, rail-infra, highways, buildings, tunnels, airports, etcetera, and in fact if you compare the two quarters H1 of last FY, the orders we got was only about Rs. 600 crore and in the last few quarters we've got an order of about Rs. 3000 crore. So, this is about 5 times. And that is what we need to focus on execution of these orders in the coming quarters so that sequentially we are able to build up both on our top line and bottom line in the entire FY. So, with those opening comments, I leave the floor open for questions.

Moderator: Thank you. The first question is from the line of Vishal Periwal from Antique Stock Broking. Please go ahead.

Vishal Periwal: Yaa Sir, thanks for the opportunity. And first of all, congratulations on the receipt of orders and build up in order book. My question is on the margin front. Though in the previous quarters we have been alluding to it that margins will see some bit of impact. So, can we say, if I just go segment by segment, maybe consultancy EBIT margins of 40%. So, this is a new normal for us going ahead?

Rahul Mithal: Morning, Vishal. Yes, I think across the four streams of revenue, what we see today, both on an individual stream wise margin as well as the blended margin say in a particular quarter, the blended margin may be varying depending on the contribution of each stream of revenue, but averaged out over a longer period of time, let us say half year or FY, what we see is really where the margins are going to settle on a blended margin as well as the margins in the individual stream. And why I say this is you see till about two to three years back, our order intake, if you compare the ratio between competitive and nomination was roughly about two third nomination, 1/3 competitive and as we have progressed over the recent quarters. In fact, this quarter itself the ratio has been changing roughly to about 75:25 in competition, whether it is domestic or international order. And that is seen in the breakup of the order book also. So, the fact that we are competing and still getting orders, yes, moving forward margins will be definitely not comparable to the earlier trends. But I think this to my mind where we are today could be the let's say the new normal and would be where the margins would settle down in the coming quarters and years.

Vishal Periwal: So just on the margins, on the consultancy, we did mention like 40% is a new normal for us. But for turnkey in this quarter the EBIT margin is roughly 1.2 kind of number.

Rahul Mithal: Oh, I got it. Yes, yes. So, in turnkey you see the margins normally on again on an overall average over in any case round about 2% to 3%. And they may vary in quarter to quarter depending on the stage of execution of the turnkey project. In some quarter, the material supply is more and the execution is lesser, in some of the quarters the manpower execution is more so. So, it varies quarter to quarter but turnkey would still remain between about 2 to 3% on an average.

Moderator: We'll move on to the next question. It's from the line of Yash Gupta from Think sight advisory. Please go ahead.

Yash Gupta: Yeah, hi. Good morning, everyone. My first question is on Export. What's your plan for the current export order? And when we will start to book some revenue out of it and what's the expected number for the complete year?

Rahul Mithal: You see, there are two export orders which we got – Rs. 900 crores from Bangladesh of coaches 200 and Rs. 300 crores from Mozambique of 10 locomotives. As far as coaches is concerned, while they have a lesser period of manufacture, the process being lesser compared to a locomotive. We expect that with the necessary approvals in coordination with Bangladesh for the prototype designs because there are about 10 types of coaches in this 200 coaches' order. We expect that they will start generating revenue by Q1 of next FY or we will try and maybe slip in few coaches end of this FY. Efforts would be on, but I think realistically by the time the prototypes are approved, they may slip over to the quarter one, once the manufacturing starts, the entire lots can be delivered very soon. So, that is as far as the coaches are concerned, as far as locomotives are concerned, by nature, they take about 12 months to 18 months to manufacture. However, having said that, we are very keen that we try and at least again ship out a few of those 10 locomotives by the end of this FY. So, for both those orders, our aim is to, you know aim for by end of this FY quarter four, but it may slip in into quarter one. So, between quarter four and quarter one, some shipments should start.

Rahul Mithal: The next question is from the line of Vinamra Hirawat from JM Financial. Please go ahead.

Vinamra Hirawat: Sir, my question was around, you know, government CapEx versus private CapEx as government CapEx growth is reducing and private CapEx is expected to take over. Any changes in our strategy to serve incrementally higher to private clients compared to government?

Rahul Mithal: I'm glad you asked this question because you see our strength is that we across all our 13 verticals of consultancy over a period of time, we have both government and private clients. So, for example, whether it's a rail infra vertical, we are doing work with PSU's like NTPC, Sail, Coal India, whereas we are also doing work with the majors like Ultratech also. So, whether it is the inspection business while we are doing work with the government, we are also doing work with the process inspection with players like Jindal. We are doing work in ports for both private ports and government ports. We are doing work in airports for both private airports as well as government airports. So, across infrastructure verticals, we leverage the growth in CapEx and infrastructure, whether it is from the government CapEx or the private CapEx.

Vinamra Hirawat: So, you're indifferent as to whether one is coming from government or private CapEx. You expect orders to come in regardless the same rate?

Rahul Mithal: Yes, for sure.

Moderator: Thank you. The next question is from the line of Shreyans Mehta from Equirus. Please go ahead.

Shreyans Mehta: Yeah. Thanks for the opportunity. Sir, again, coming back to margins. So just one clarification. So, since the export orders are on a competitive basis, will we see a dip in margins there as well? Vis-a-vis previous quarters of previous years which we used to enjoy?

Rahul Mithal: Yes. You see both orders are for the first time ever, maybe in the last five decades, that we have got orders on a global competitive tendering mode. Erstwhile export of rolling stock orders were under the line of credit tenders floated by EXIM bank, where the competition is limited to Indian companies and obviously the competition is much lesser. So, when you are pitching and for example this 200 Coach EIB funded tender was a very tough competitive tender and the margins in the export stream also would be much lower than where we have been seeing the erstwhile margins in the export stream. So, as I said at the outset, the aim is to maximize the revenue across the streams of revenue so that in absolute EBITDA and profits we are able to grow, these are the levels of margins which I see settling down over a period of time.

Shreyans Mehta: So just to summarize, so on an aggregate console basis, you know once all export orders also come under execution, is it fair to assume that we will be at say closer to 20% EBITDA margins?

Rahul Mithal: Well, you see again the point I'm trying to make is that in a particular quarter, the blend of revenue would maybe have a variation, but overall, over a period of time, these are the kind of range which we can see settling out over a period of time averaged out.

Shreyans Mehta: Got it, Sir. Got it. Thank you, and, All the best.

Moderator: Thank you. The next question is from the line of Nemish Sundar from Elara Capital. Please go ahead.

Nemish Sundar: Yeah. Thank you for the opportunity, Sir. So first, just one question on the employee cost. So last year we observed, in line with the target to reduce employee cost, they were largely reducing are flat, but this quarter we have seen a slight rise in employee costs. So, is this ahead of some anticipation of some orders in turnkey or consultancy that we are ramping up our employees' time?

Rahul Mithal: Yes. In fact, as a strategy, a year to year and a half back, we were trying to see what the optimum level in our existing employee strength for the way is forward for our business model and then as a conscious decision in the last FY as we ramped up our bidding and getting orders as I said at the outset, we have got Rs. 3000 crore orders in the last few quarters vis-a-vis 600 crores in the 1st H1 of last FY. So, we got five times the order receipt and you see the growth in the order book also. So, to be able to execute this, we had a conscious decision to timely induct people of various skills at various levels. And that is why if you compare YoY, there is a growth in the employee strength net addition of about 250. This is besides a superannuation of about 100 odd, so gross we have inducted about 350 additional which is the net input plus of about 250 which is a conscious decision. So, while there as you correctly said there is an increase in cost or the cost YoY is flat even though the revenue has fallen and thus impacting the margins also, but this is a conscious decision because as these orders have to be executed, we cannot have a time gap for hiring the employees and we need faster execution in the coming quarters, so it's a conscious decision to, you know, build up this bench strength and yes, maybe this would incur a cost for one or two quarters before they start generating revenue.

Nemish Sundar: OK. Thank you for that, Sir. I have a couple of more questions. And I'll join back in the queue. Thanks.

Moderator: Thank you. The next question is from the line of Yash Gupta from Think sight advisory. Please go ahead.

Yash Gupta: So, my second question is one was on NHAI and Delhi Metro agreement. Recently we have done one more agreement with the NHAI. Can you throw some light on it and how we see both this agreement turns towards the revenue?

Rahul Mithal: Yes. So let me first talk about the NHAI MOU. We have been working a lot together over the last many years and this is a natural partnership between NHAI and us. We have a very strong highway design unit as well as safety, quality control, tunnels & bridge design units etc. So NHAI and we will be complementing each other's strengths. The design and quality control and safety aspects of their work, we would be there, kind of supplementing or you want to call it a back office or we'd be partners in their growth as they have a high CapEx and a high rate of execution. Similarly, DMRC, we have been partners for more than three decades now. We have done a lot of work with DMRC and this is further moving forward as DMRC is you know diversifying and pitching for other cities, both domestic and international. They are diversifying and growing their business portfolio and we have been working with DMRC for long. So, we are partnering with them for both domestic and international opportunities, whether it is for operation, maintenance, design you know or rolling stock design etc. So, both are natural partnerships where our teams have been working with each other in any case for last 2-3 decades.

Yash Gupta: Difficult to comment as of now for on the revenue front?

Rahul Mithal: See, these are kind of partnerships where each of the opportunities, as they come up both domestic and international, depending on the size and scope of the opportunity we will be working together. As I said, each opportunity will have a different element of share between the two of us.

Yash Gupta: OK. Thank you, Sir. All the best.

Moderator: Thank you. The next question is from the line of Raj Mithani from Jupiter Financial. Please go ahead.

Raj Mithani: Yeah. Thank you for the opportunity, Sir. What would be your guidance for the current year and year forward in some current terms of top line? And would we maintaining broadly 20% net margins which have been maintaining so far?

Rahul Mithal: Morning. As far as the first part of your question, you see the Q1, both in terms of top line and bottom line, maybe have hit the bottom of the barrel to play and our effort will be that Q2 onwards we build up on that. Q2 may be a little tough because of, you know, the execution being affected maybe by heavy rains in certain geographies. However, efforts will be made to minimize the impact on our execution and revenue. But having said that our effort will be that for the sequentially we see a growth in revenue as well as trying to leverage the higher margin orders out of the order book and aim would be to try and reach as close as possible to the last FY levels, despite the muted performance of Q1. So that's the guidance for the entire FY sequentially moving forward. As far as margins are concerned, again to reiterate this, the margins that you see, whether in the individual streams of revenue or the blended margins, they have had the worst hit in this quarter because of the contribution of inspection as well as export, so moving forward, I think the margins remain in this range or maybe a little bit improvement as the export revenue contribution starts and the number of non-IR inspection orders which we have taken in the last few months. They will start, they have already started generating revenue. They are at the initial stages, but their contribution will grow in the coming quarters. So definitely maybe a little improvement vis-a-vis the Q1, but by and large definitely settling down to a blended margin in the range that we have seen in this quarter.

Raj Mithani: Thank you, Sir. I will Join back in the queue.

Moderator: Thank you. The next question is from the line of Vinamra Hirawat from JM Financial. Please go ahead.

Vinamra Hirawat: I just wanted to update you know, I think we still have a Zimbabwe order that's pending. I just want to know is it being delayed because of any instability in Zimbabwe's currency freight rates and if there any other exports in the pipeline that can be converted in the next couple years?

Rahul Mithal: So as far as the Zimbabwe order is concerned, it's not really because of any instability. The structure of the agreement which we signed with them last year was, while the quantum of locomotives and wagons and the value of about USD 80 odd million order was also clear, depending on the funding. We were very clear that we would not take it in our order book unless the clear funding is concrete from their side for which they have been working on from the AFREXIM Bank. We are constantly in touch with them for whatever input they need from our side. It is moving maybe a little slowly between one year, but it is moving on the right track, and we are hopeful that as soon as the final funding is sanctioned by AFREXIM bank, they will go ahead with, the necessary advances etc. And that's the time when we will declare it to stock exchanges and put it in our order book. As far as other export opportunities are concerned, there are a large number of export opportunities which are in line with our bidding for the Bangladesh and Mozambique order. Not only have we bid on competitive mode in various geographies, but we are also engaging with various geographies in trying to export certain types of rolling stock, including some in-service diesel locomotives from Indian Railways, which have now been become available because of the electrification Indian Railways. So, I think moving forward, we are looking forward for some more orders in this FY.

Vinamra Hirawat: And what is the expected potential market size for us and what is the we're looking at just the ballpark figure maybe?

Rahul Mithal: The market size is huge because in terms of all types of rolling stock, whether competitive or nomination, including metro coaches etc., which we have forayed into the market is huge across geographies. So, sky is the limit.

Vinamra Hirawat: Got it. Thank you.

Moderator: Thank you. The next question is from the line of Ketan Jain from Avendus Spark. Please go ahead.

Ketan Jain: Thank you. Sir, what would be your order inflow guidance for FY25?

Rahul Mithal: You see the orders in flow for Q1 have been, as I said, an order book growth of about 11% within a quarter, fresh orders, we got about 80 plus totaling to about 1300 crores. Also, if you see, we have been maintaining that one order a day for the last two quarters. This quarter it's about 0.92, but that will average out for the year and definitely on the FY basis, we will be a 1 order a day company. So, I think to say that the order book vis-a-vis 31st March 24, will be higher when you see on 31st March 25, considering also the revenue that we do in 24-25. But there is going to be a substantial growth in the order book as the trend is showing.

Ketan Jain: Any particular number on the inflow, Sir?

Rahul Mithal: As I said, we will be aiming for one order a day. That's our target, that's our vision, that's we have been able to maintain and we will be able to maintain that.

Ketan Jain: OK. Thank you.

Moderator: We'll move on to the next question. It's from a line of Nemish Sundar from Elara Capital. Please go ahead.

Nemish Sundar: Yeah. So, thanks for the follow up. Just one question. Can you give the revenue contribution from quality assurance in this quarter?

Rahul Mithal: You see, quality assurance, the revenue is a merged revenue with the consultancy total overall revenue. But what I can definitely tell you is certain features of the quality assurance revenue which will tell you in perspective how it has progressed in this quarter. If you compare vis-a-vis FY23, the contribution from IR to non IR was about 80 to 20 or about 75:25. In 23-24, it's about 60:40 and now in this we have graduated to about 55:45, 55 as non IR clients in QA and 45 as the IR client. So moving forward what we are aiming is that in QA business, taking the impact of the change scenario as I've been mentioning fee cut in last year first quarter and the full impact has been fell in this quarter because all the old orders of QA as per the old rates finished and now we are getting all inspection calls as per the new rates and that also as one of the four players. We have taken orders, whether it is from the Gem portal, whether it is from the PM Vishkarma scheme, whether it is solar, renewables, power discoms, defense, state government. So, the contribution has turned on its head within two years and it has become non-IR about 55% vis-à-vis IR at 45%. So, we are aiming to come back to the levels of the total revenue which we were about two years back or maybe even a year back when this new regime started kicking.

Nemish Sundar: Thank you so much, Sir. All the best for the thank you.

Moderator: The next question is from the line of Parimal Mithani from Credential investments. Please go ahead.

Parimal Mithani: Sir, thank you and good morning. If I see sequentially order book, Sir, there has been a reduction in the consultancy business overall, and one of the things is if you compare from the last March quarter ended to the current quarter, if I see the revenue from the competition, the side of the business is increasing and the nomination is decreasing over this trend if I see, vis-à-vis also year wise. So, is it fair to say Sir, that more or less a revenue in consultancy are getting stabilized?

Rahul Mithal: No, to the contrary in fact the consultancy order are the most of the orders which we have been getting are besides these big export orders. Consultancy has been the largest number if you see the rate of one order a day. In terms of value, even today at Rs. 6350 crores order book, consultancy is the highest share. It is Rs. 2500 crores. Yes, in terms of execution, as I said at the outset, both in terms of type of projects where our fee is dependent on execution of the projects at the ground level as well as certain type of consultancy orders where there are master plan studies etc., we need to expedite and speeden up the execution in the coming quarter so that their contribution of the consultancy in the overall revenue is much more. So, in terms of getting order or the order book, the future growth as well as the trends will be 'consultancy continue to remain playing a very major role' and just to give you an example of orders in the last quarter in the last few months itself, we have got orders in consultancy across sectors. So, whether it is a highway order in Assam of Rs. 42 crore, a rail infra order in Karnataka for about Rs. 27 crore, it's a jetty order in Porbandar for about Rs. 8 crore, it's an MMLP in Indore for Rs. 7 crore. So, I mean there are airports, mobility plan in Bihar at Rs. 6 crore. These orders are across sectors, and this is the heartening feature that the consultancy orders are coming across all our verticals, not in one particular vertical only.

Parimal Mithani: And sir, in terms of quality assurance business, is it fair to assume that margin are more or less stabilized now going forward from here?

Rahul Mithal: I think the quality assurance contribution, as I have said now it has flipped on its head in terms of 55 being non-IR business and 45 being IR business and by and large this quarter saw the full impact of the change regime of the new IR QA order, so in terms of margins for the contribution of the QA to the blended margins, I think maybe yes. This is to be the new normal as someone said in terms of since this is what we will continue to build up on our non-IR clients. Yes, most of them are competitive basis so there will be issues in margin of the QA contribution. But by and large this business model or this ratio between non-IR has stabilized over a coming period of time.

Parimal Mithani: Thank you and all the best.

Moderator: Thank you. The next question is from the line of Rupali Junikar, an individual investor. Please go ahead.

Rupali Junikar: Good morning. Congratulations on securing the Award on most wanted company to work with.

Rahul Mithal: Thank you very much for your kind words. Thank you.

Rupali Junikar: My question is regarding the consultancy. As we are seeing that there is a continuous decline like for quarter on quarter and also year on yearly basis. So, is it because of the political impact or can you throw some color on it?

Rahul Mithal: You see, first of all the decrease in consultancy is not there really. If you dive deep down into the breakup, It's primarily as I said because the inspection business has been counted as part of the consultancy business. If you see the project consultancy, in fact, last year we had an all-time high project consultancy revenue. We are winning the order as I mentioned to the previous participant, we are getting across our all verticals, so our growth, both in terms of order book, both in terms of our strength that we have verticals of consultancy across all areas of infrastructure. Further sequentially quarter wise, the growth in execution is fully governed by our strength in consultancy. We are a consultancy company, we take pride in it and that's our strength so whether, as I said, getting one order a day or converting this order book of consultancy which is the maximum Rs. 2500 crores out of Rs. 6350 crores, that is our focus. That you will see continue growing whether in terms of the size of the order book or its contribution to the revenue.

Moderator: The next question is from the line of Raj Mithani from Jupiter Financial. Please go ahead.

Raj Mithani: Yeah. Thank you for the opportunity again, Sir. Now listening to your comment, is it fair to think say FY26 onwards will be on the takeoff mode? It's fair to think that way because the order is coming in, export probably kicking back, quality assurance coming in.

Rahul Mithal: See Raj, as I said at the outset, we believe in being very clear and transparent to all our shareholders and stakeholders and that's why we give a very clear and realistic assessment of our strengths and performance. The quarter 1 performance as I said at the outset, due to the various reasons has been muted and our efforts will be that this order book that we have accumulated and managed to get in a very strong competitive environment, we are confident that the trend is that we will continue to get this rate of order and that's the very reason why in spite of a cost, we have inducted about 350 plus people in the last one year. So, as I said, even though it's a carrying cost for few quarters, we are going ahead as a conscious decision because we see that in the coming quarters at the balanced part of this FY, especially H2 onwards and as you correctly said, the next FY we will build up and focus on faster execution of this order book and continue getting orders at this rate. So, with that, while there is lot to be done, but yes, our basic strength and ability based on our credentials and our capability of our team, I am sure that we will sequentially aim to grow on this platform.

Raj Mithani: So, the bonus is sort of signaling confidence in the years to come, is it? One is to one bonus?

Rahul Mithal: You're very correct. That is our confidence in our capability and our inherent strength that, as I said, our order book, our bench strength and the visibility of fresh orders make us confident that as we execute our order book faster, we will be able to grow on this leverage and grow on this platform.

Raj Mithani: Congratulations and all the best for that.

Moderator: Thank you. The next question is from the line of Vishal Periwal from Antique Stock Broking. Please go ahead.

Vishal Periwal: Yes, Sir. Thanks for the follow up, Sir. In terms of export orders, I think the PT mentioned that Bangladesh orders completion is 2029 and Mozambique is 2025. So, is it fair to say probably this year anything is happening or maybe next to 2025, any execution is happening or revenue buildup is happening then it's primarily Mozambique, the Bangladesh could pick up maybe FY27 in terms of supplying the maximum of the orders, is it fair to say that?

Rahul Mithal: No, you see, coming separately to the Bangladesh order, it is as per the contract, it's about 36 months, but the coaches, as I said have a shorter period of manufacture and both Bangladesh railway is very keen, they have a lot of shortage of coaches and we are very keen since they have a shorter period of manufacture, vis-a-vis locomotives that we are trying to push and coordinate literally on a weekly basis with them so that the 10 types of coaches which are there in 200 coaches, the prototypes are approved and we start bulk manufacture. So, my assessment is that we will definitely start shipping out few lots of coaches by quarter one of next FY. We may aim try and squeeze in few by end of this FY, but maybe quarter one is definitely a realistic where we will get this as far as again locomotives are concerned while they have a longer period of manufacturing of about 15 to 18 months but again Mozambique is very keen for movement of the minerals etc. We will try and ship out at least one or two locomotives by end of this FY. So again, while Q1 next FY, definitely some locomotives, we would aim to ship out, but both in locomotives and coaches, we will try and see if maybe we can slip in a few by end of this FY.

Vishal Periwal: Sir, thanks for the detailed clarification. I'll come back in the queue. Thank you.

Moderator: The next question is from the line of Rupali Junikar, an individual investor. Please go ahead.

Rupali Junikar: Just a small question. Are the orders of non-IR, the nomination one or the competition?

Rahul Mithal: No. In fact, most of them are on a competition basis and that is the whole trend. As I said maybe at the outset across whether any of our stream of revenue, whether it is consultancy, QA, turnkey export, all our streams of revenue, the trend which about two to three years back was roughly about you know, two third one third in terms of nomination versus competitive has now turned on its head in his roundabout, if you count the last few quarters, maybe two quarters into fresh order. It is about 80-20 in terms of competition and vis-à-vis nomination. And if you see the breakup of the current order book also because it has some old orders of nomination that itself, you will see the changing trend in that. As of today, it is 61 competitive 39 nomination even in the existing order book and fresh orders which we have received in the last quarter ratio is roughly about 80 competition and 20 nominations.

Rupali Junikar: OK, understood. Thank you.

Moderator: Thank you. As there are no further questions from the participants, I would now like to hand the call over to the management for their closing comments.

Rahul Mithal: Thank you. And as I said at the outset and during the discussion, the focus is on, number 1, execute the existing order book at a faster pace, even faster than maybe the expected contractual requirements in various contract agreements so that we try and maximize the revenue realization moving forward sequentially quarter on quarter. Parallelly continue this trend of bidding aggressively for both domestic and international, both consultancy as well as export orders so that the trend which we have seen in the last three quarters of getting Rs. 3000 crore fresh orders, we are able to maintain this trend of getting fresh orders in the coming quarters. So, with that we have, as I said, built up our bench strength. While yes, the quarter one has been muted, but our aim is moving forward to see a sequential improvement quarter in quarter so that we reach as close as possible to the last FY on a FY basis. Thank you.

Moderator: On behalf of RITES Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.

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