



राइट्स लिमिटेड  
(भारत सरकार का प्रतिष्ठान)  
**RITES LIMITED**  
(Schedule 'A' Enterprise of Govt. of India)

No. RITES/SECY/NSE

Date: November 10, 2020

To:  Listing Department, National Stock Exchange of India Limited, 'Exchange Plaza', C-1, Block G, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051	To:  Corporate Relationship Department, BSE Limited, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai - 400 001
<b>Scrip Code- RITES</b>	<b>Scrip Code- 541556</b>

**Sub: Presentation on Un-Audited Financial Results (Consolidated and Standalone) for the quarter and half year ended on September 30, 2020**

Dear Sir/ Madam,

Please find enclosed herewith a copy of Presentation on Un-Audited Financial Results (Consolidated and Standalone) for the quarter and half year ended on September 30, 2020.

Thanking You,

Yours faithfully,  
For RITES Limited

(Ashish Srivastava)  
Company Secretary & Compliance Officer  
Membership No: 5325



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## Investor Presentation

Financial Results: Q2'FY21 & H1'FY21

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Date: 10<sup>th</sup> November 2020

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## I. Financial Performance – Q2'FY21

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# On the road to Recovery (Q1FY21 to Q2FY21)

1 >

Revenue momentum picking up amid supply chain disruptions

2 >

Order book at new high of ₹ 6661 crore

3 >

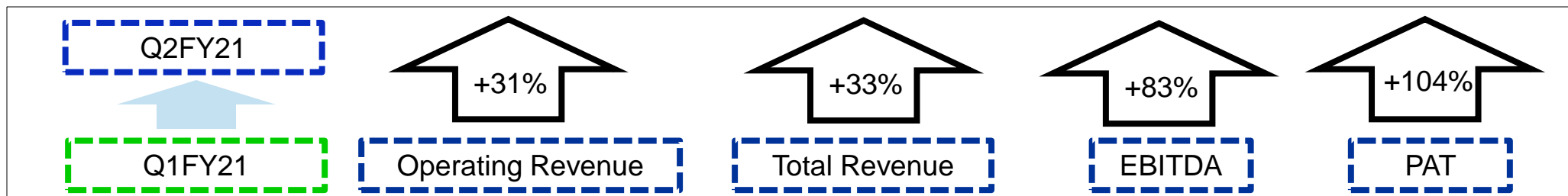
Secured more than 60 new projects, including extensions, of ₹ 948 crore during quarter

4 >

Secured first order for locomotive leasing to a fertilizer plant

5 >

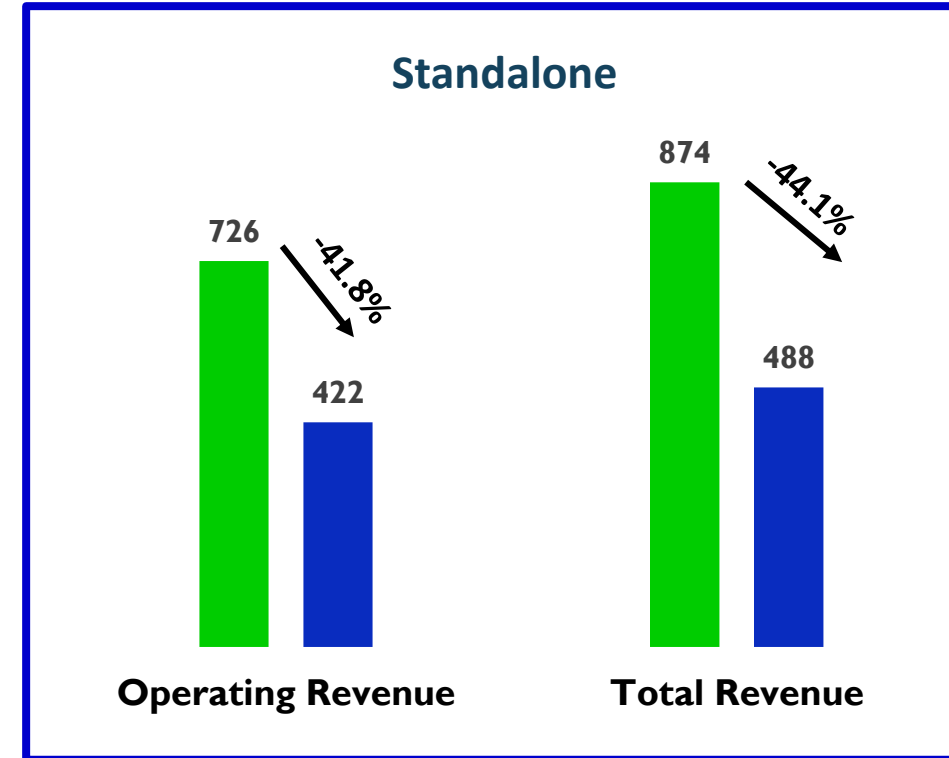
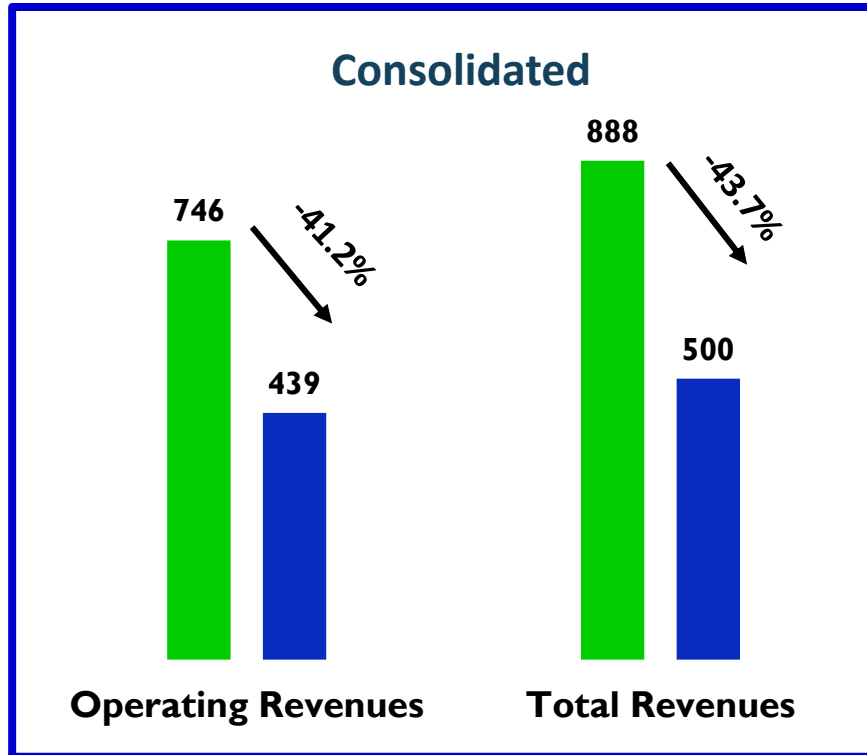
Capital expenditure for large projects has started picking up





# Performance in Q2FY21

₹ in Crore



Decrease in revenue is mainly due to

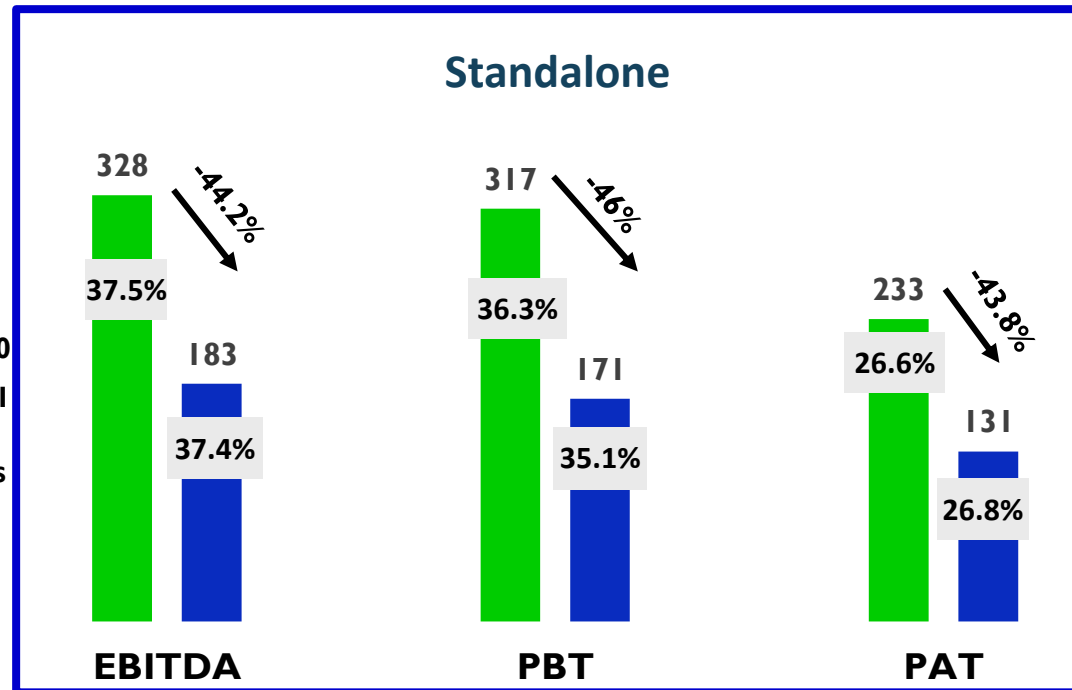
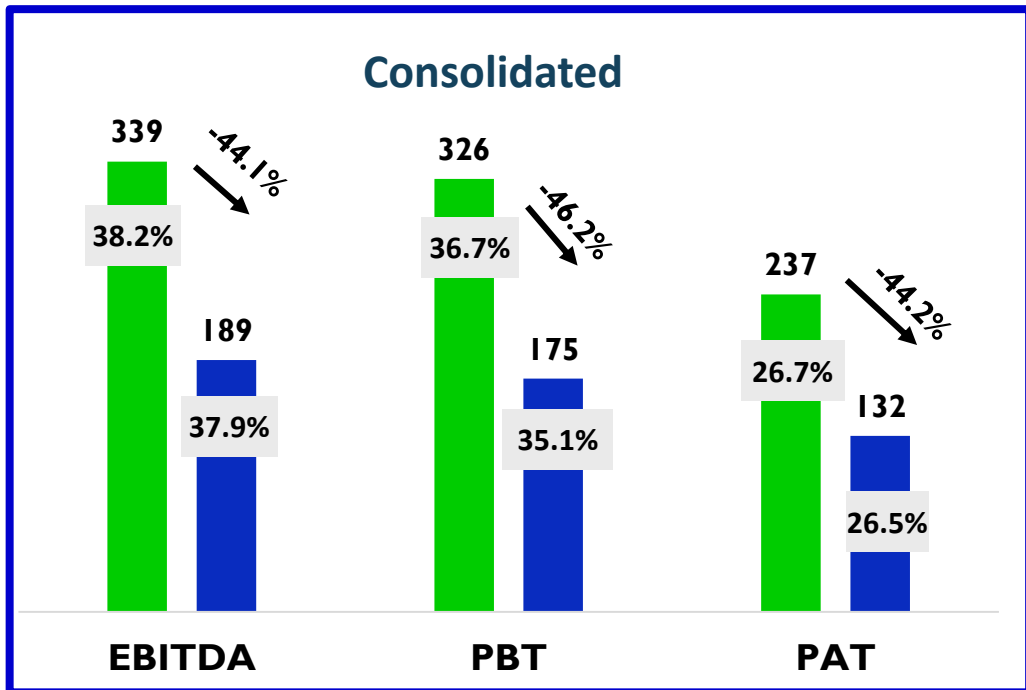
- Export deliveries not scheduled during this quarter (approx impact of ₹262 crore)
- Disruptions in supply chain and restrictions imposed due to pandemic
- Receipt of final settlement amount ₹91 crore from a foreign client during Q2FY20

Excluding exports, the YoY fall in operating revenue is 9%



# Q2FY21 - Profits with Sustained Margins

₹ in Crore



■ Q2'FY20  
■ Q2'FY21  
■ Margins

Significant improvement in performance over Q1FY21 with ease of restrictions

Sustained margins due to cost reduction measures, despite reduction in revenues

Rationalisation of manpower resulted in reduction of manpower cost by 7.1% on YoY basis

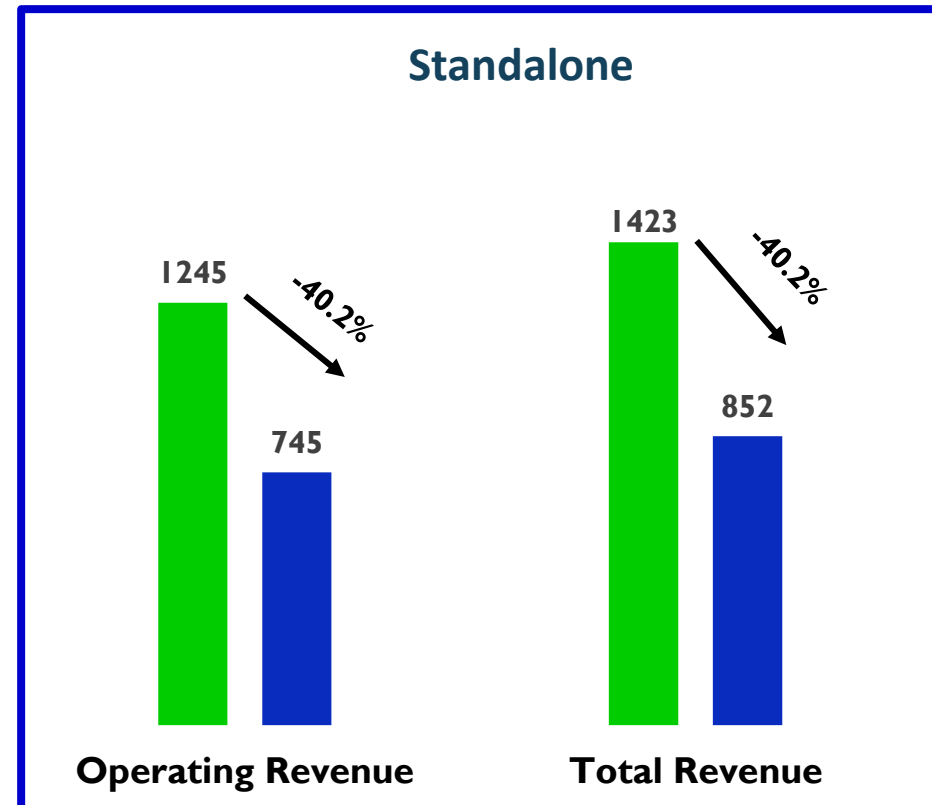
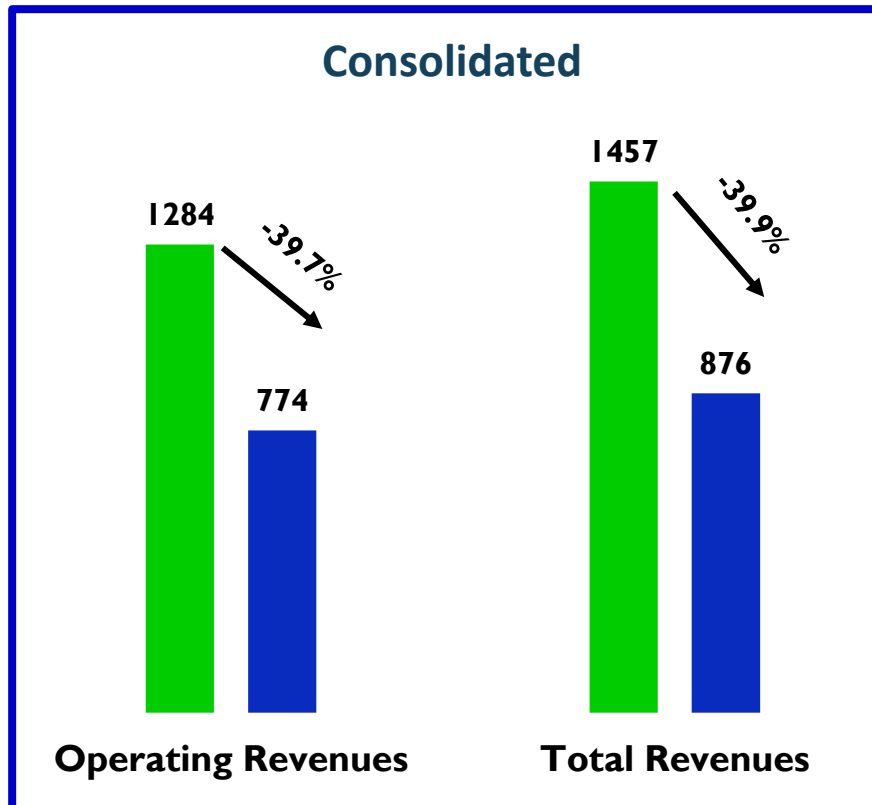
\*EBITDA = PBT + Interest + Depreciation + Amortization





# Challenging H1FY21

₹ in Crore



Decrease in revenue is mainly due to

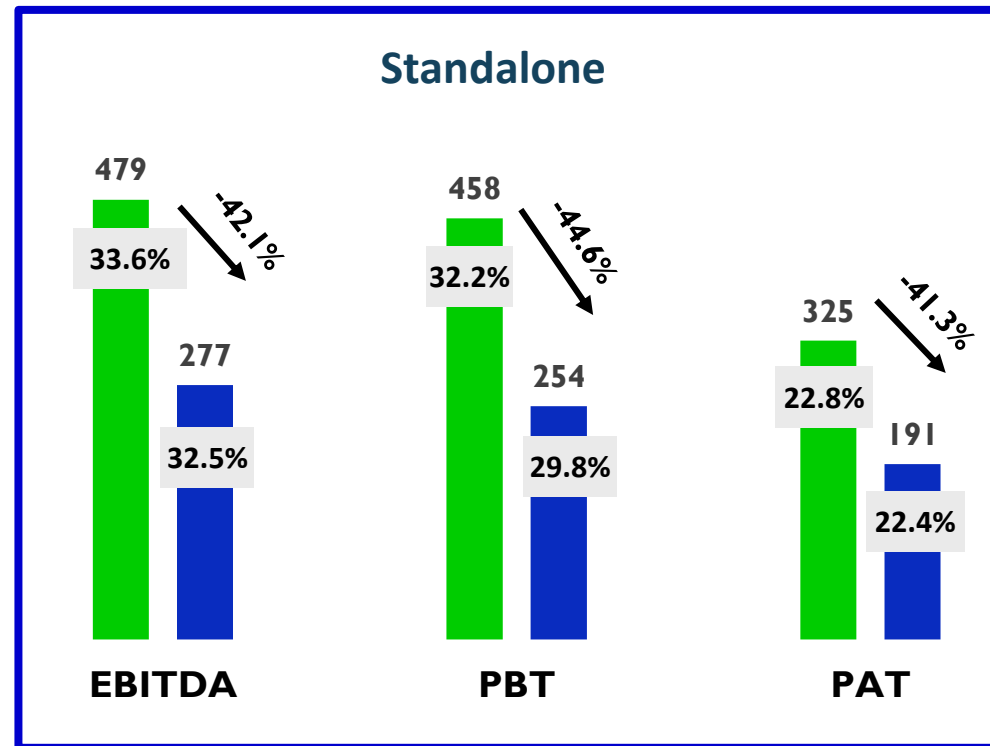
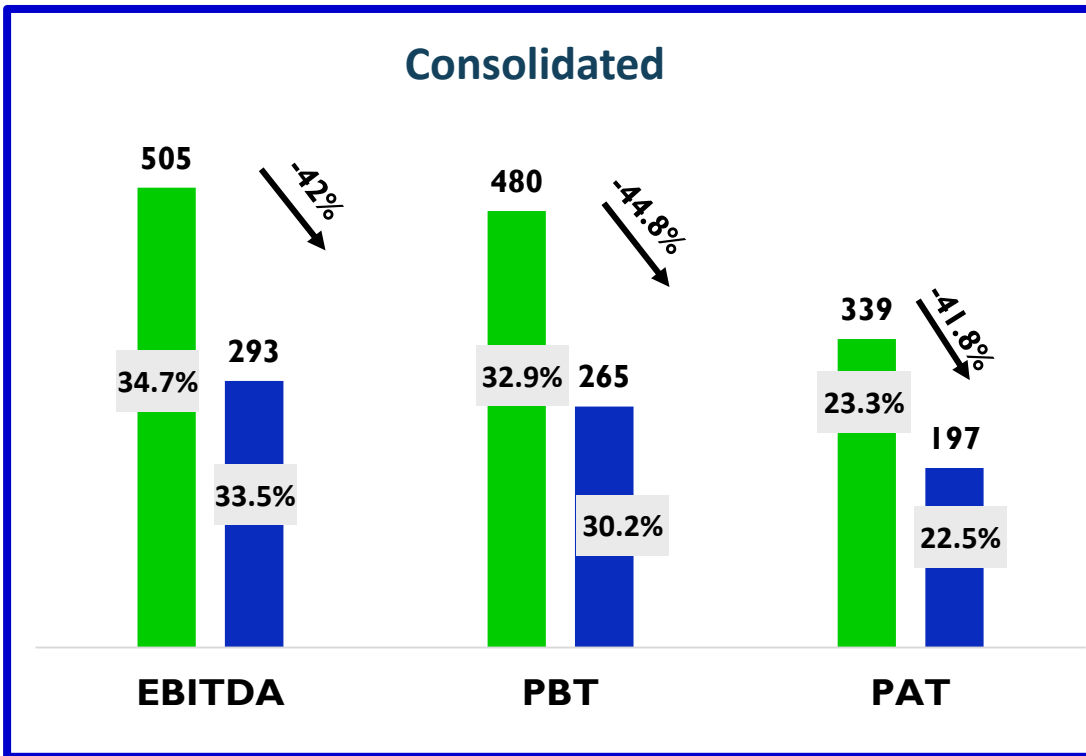
- Export deliveries not scheduled for Q2FY21 (approx impact of ₹390 crore)
- Disruptions in supply chain and restrictions imposed due to pandemic
- Receipt of final settlement amount ₹91 crore from a foreign client during Q2FY20

Excluding exports, the YoY fall in operating revenue is 13%



# H1FY21 – Profits with Sustained Margins

₹ in Crore



■ H1FY20  
■ H1FY21  
■ Margins

Sustained margins due to cost reduction measures, despite reduction in revenues

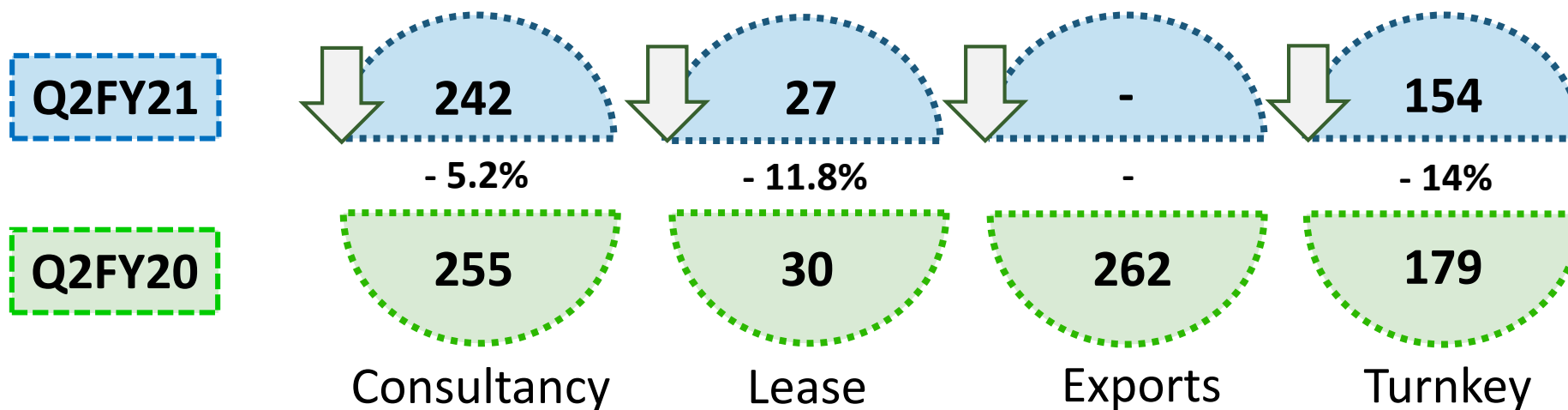
Employee cost was reduced by 8.4% on YoY basis

\*EBITDA = PBT + Interest + Depreciation + Amortization



# Segmental Revenue (Standalone)

₹ in Crore



31%, 13% and 35% growth in revenue from Consultancy, Leasing & Turnkey, respectively over Q1FY21

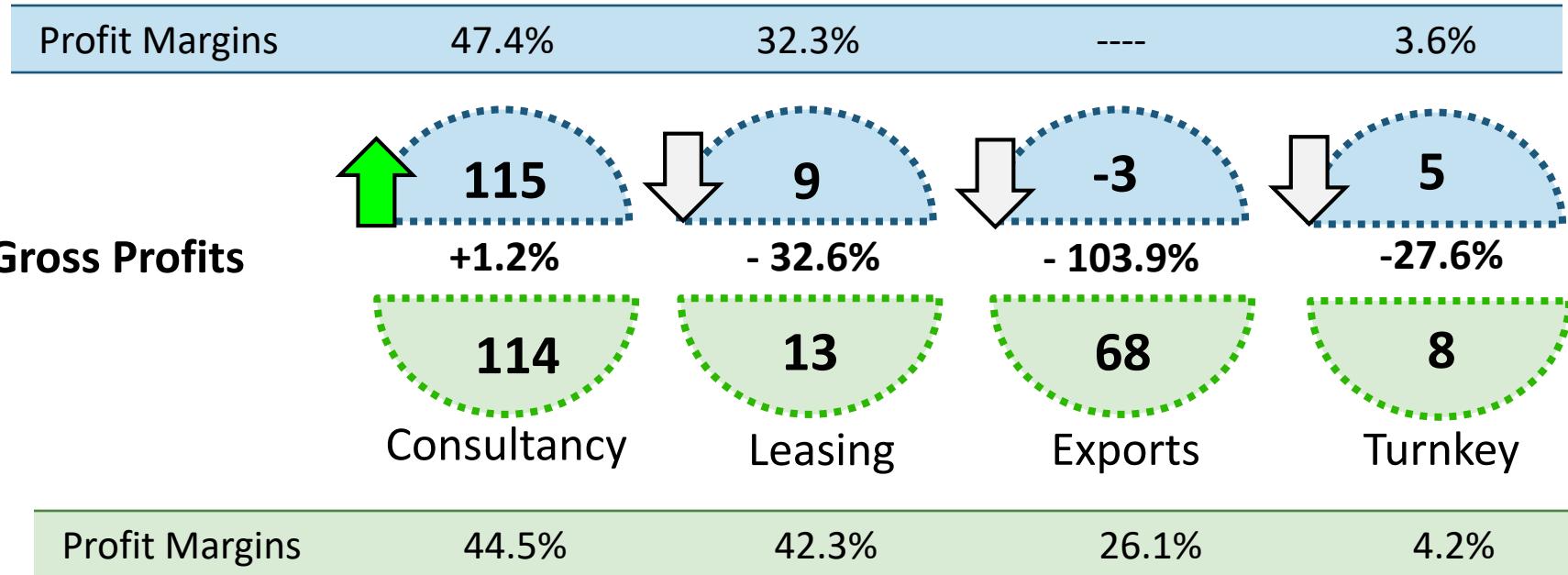
No exports were scheduled for Q2FY21. Exports are scheduled for H2FY21

Leasing business affected due to stalled works at certain sites, ports etc. during lockdown



# Segmental Profitability

₹ in Crore



40%, 19% and 8% increase in gross profit from Consultancy, Leasing & Turnkey, respectively over Q1FY21

Cost control measures helped in sustaining consultancy & turnkey margins

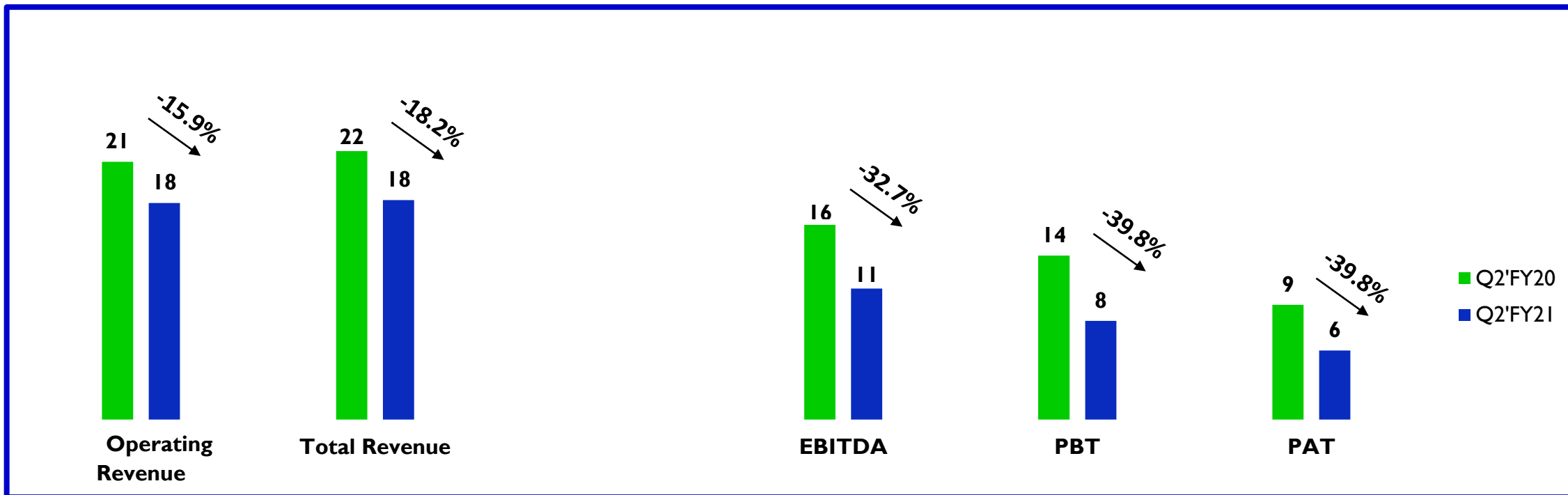
Leasing margins got impacted due to depreciation on locomotives,

\*Gross profits does not include Rs. 21 crore of unallocable expenses



# REMC Ltd Performance in Q2FY21

₹ in Crore



23%, 19% and 25% increase in Revenue, EBITDA and Profits respectively over Q1FY21

Consultancy revenue got impacted due to less traction power requirement by Railways but 30% higher over Q1FY21

Power generation through wind mill continued and resulted in growth of 17% over Q2FY20



# Employee Productivity



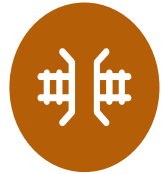
Continuous rationalization of manpower to improve productivity



FY20 Profit before Tax per employee stands at Rs. 27 lakh (Rs. 20 Lakh in FY19)



Senior Management with an avg. experience of 33+ years



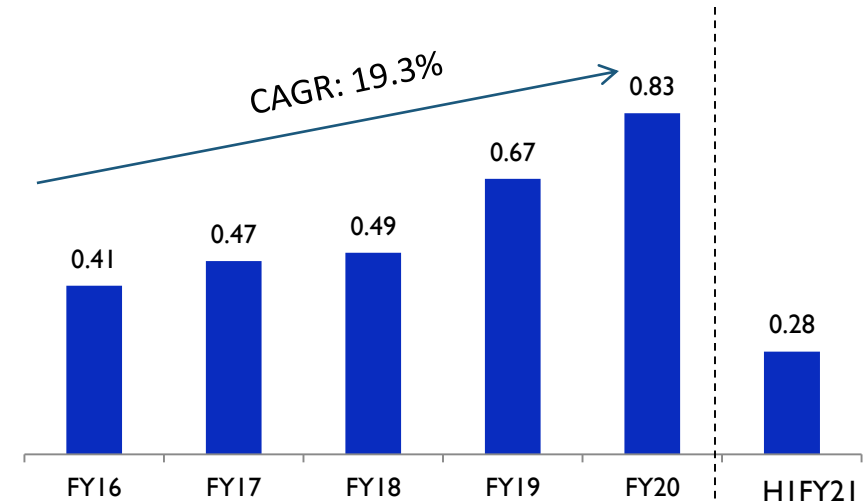
Experts in Engineering, Science, Finance, Economics etc. with a mix of regular, deputationists and contract employees



Approx 1,500 regular skilled engineers/ professionals

₹ in Crore

## REVENUE PER EMPLOYEE (STANDALONE)



Status	No. of Employees	
	30.09.2019	30.09.2020
Regular	1976	1943
Deputation	169	139
Contract	1158	940
Total	3303	3022



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## 2. Order Book

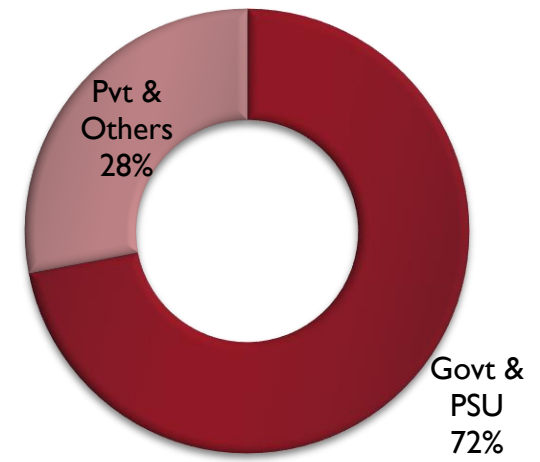
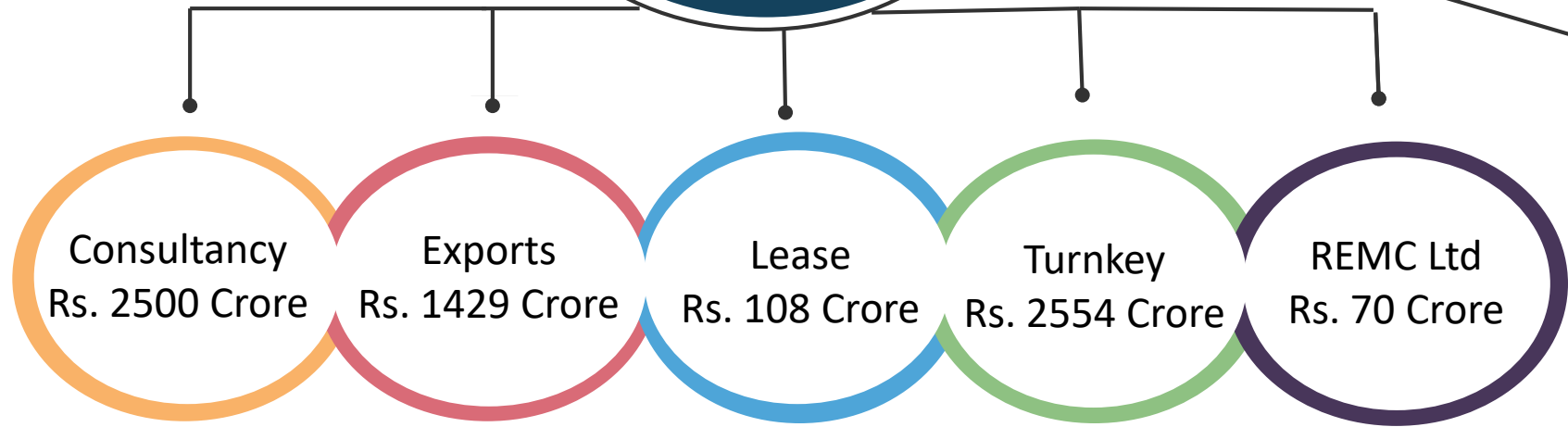
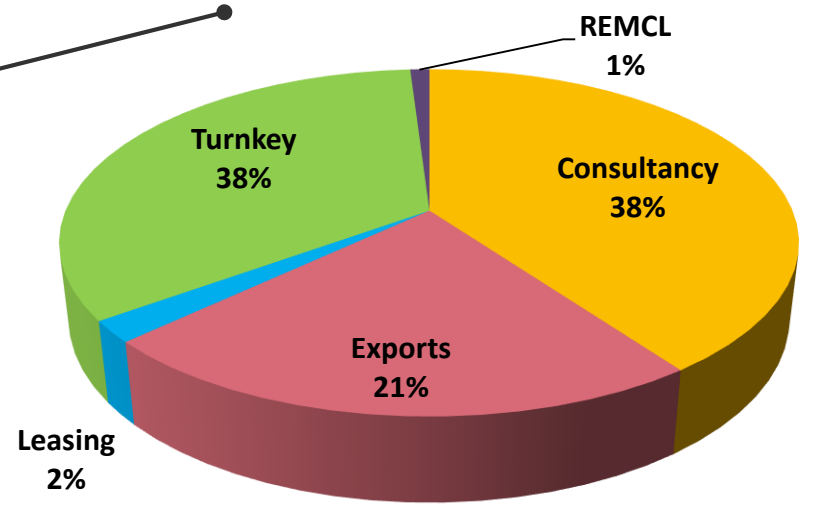
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# Order Book

New Orders of  
**Rs. 948 crore**  
during Q2FY21

Order Book  
(as on 30.09.2020)  
Rs. 6661 Crore



\* Order book also includes US Dollar denominated projects and conversion to INR of such projects has been done at the time of award of the contract  
\* REMCL's orders book is annualised based on the last quarter's procurement contracts and wind power generation after considering Covid-19 Impact





# Major Projects Secured during Q2FY21

₹ in Crore

**RITES secured more than 60 projects/contracts including enhanced scope during Q2FY21.**

	Project Scope	Amount	Client	Expected Completion
Turnkey	Railway Electrification work Bhatinda-Firozpur, Gulbarga – Bidar and Udaipur -Himmat Nagar section (3 projects)	474.92	Indian Railways	2023
	4 Road Over Bridge on Vijaywada-Vishakhapatnam section	205.85	South Central Railways	2022
Consultancy	PMC for 296 Km Bundelkhand Expressway in Uttar Pradesh	24.84	Uttar Pradesh Expressways Industrial Development Authority	2023
	PMC for 90 Km Gorakhpur Link Expressway in Uttar Pradesh	10.34	Uttar Pradesh Expressways Industrial Development Authority	2023
	Consultancy Services for 4 <sup>th</sup> line between Kalyan & Asangaon	8.00	Central Railways	2024
	Detailed design work for Indore and Bhopal metro depots	7.00	Madhya Pradesh Metro Rail Corporation	2024
	DPR & PMC for 2 <sup>nd</sup> Railway Track from Dudhichua to Shaktinagar, M.P.	5.76	Northern Coalfields Limited	2022
Leasing	Technical Consultancy for Construction of Airport at Shivmoga	5.26	Ports & Inland Water Transport Department, Karnataka	2021
	Lease of 2 Locomotives	5.50	Larsen and Toubro	2021



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### 3. Outlook for FY20-21

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# Business Outlook

- 01** Impact on earnings and profits of H1FY21 due to Covid
- 02** Adequate order book for execution for 2-3 years
- 03** Pandemic resurgence in many countries is a cause of concern
- 04** Pick-up in tendering activities and focus on international projects, exports and domestic mega projects including NIP
- 05** Strong financial health



- 01** Further easing of restrictions affecting supply chain and travel expected soon
- 02** Focus on execution while maintaining margins
- 03** General business environment improving
- 04** Order inflow picked up, further consolidation in order book expected
- 05** Moderate revenue growth expected for FY21 with positive long-term business outlook



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**Thank You**

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