No. RITES/SECY/NSE **Date: August 11, 2026**

To लिस्टिंग विभाग, नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड, एक्सचेंज प्लाजा, सी -1, ब्लॉक जी, बांद्रा - कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - 400051 Listing Department, National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra - Kurla Complex, Bandra (E), Mumbai – 400051	To कॉर्पोरेट संबंध विभाग, बीएसई लिमिटेड, रोटुंडा बिल्डिंग, पी जे टावर्स, दलाल स्ट्रीट, फोर्ट, मुंबई - 400 001 Corporate Relationship Department, BSE Limited, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai - 400 001
Symbol- RITES	**Scrip Code-** 541556

Subject: Outcome of Investors/ Analysts Meet - Transcript of the Conference Call held to discuss Unaudited Financial Results for quarter ended June 30, 2026.

Dear Sir/ Madam,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, and amendments thereof, please find enclosed herewith Transcript of the Conference call with analysts and investors held on August 5, 2026 to discuss the Unaudited Financial Results of the Company for the quarter ended on June 30, 2026.

Kindly take the same on record.

Thanking You,

Yours sincerely,
For RITES Limited

NIKHIL AGARWAL
Digitally signed by NIKHIL AGARWAL
Date: 2026.08.11 15:25:46 +05'30'

Nikhil Agarwal
Company Secretary & Compliance Officer
Membership No.: A42626

RITES Limited
Q1 FY27 Post Earnings Conference Call

Event Date/Time : 05/08/2026, 11:00 Hrs.

CORPORATE PARTICIPANTS:

Mr. Rahul Mithal
Chairman & Managing Director

Dr. Deepak Tripathi
Director (Technical)

Mr. Krishna Gopal Agarwal
Director (Finance) & Chief Financial Officer

Mr. Prem Singh Meena
Director (Projects)

Moderator

Good morning, ladies and gentlemen. I am Kartikeyan, moderator for the conference call. Welcome to RITES Limited Q1 FY27 Post Earnings Conference Call.

We have with us today Mr. Rahul Mithal, Chairman & Managing Director, RITES Limited; Dr. Deepak Tripathi, Director (Technical); Mr. Krishna Gopal Agarwal, Director (Finance) & Chief Financial Officer; and Mr. Prem Singh Meena, Director (Projects).

As a reminder, all participants will be in listen-only mode. And there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing * and then 0 on your touch-tone telephone. Please note this conference is recorded.

I would now like to hand over the floor to Mr. Rahul Mithal CMD, RITES Limited. Thank you, and over to you, sir.

Rahul Mithal

Good morning, everyone. Thank you. 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 the Q1 performance the way we see it. We are quite upbeat and confident in the way Q1 has panned out in terms of the roadmap, which we have set ourselves at the beginning of the FY. As you recall, that was primarily due to the all-time high order book of last year which has started to generate revenue and we have a substantial growth YoY in the overall FY.

Having said that, while the Q1 has been in YoY good growth of 9-10% and bottom line also about 8%, We need to really step on the gas and keep on improving the execution sequentially over the coming quarters, so that the entire FY is as per the guidance, which I had laid down at the beginning of the FY of having a substantial growth vis-à-vis the last entire FY.

That in a nutshell is how we see the performance of Q1 and the quarters going forward. I'll go into details as I answer specific questions.

Moderator

Thank you, sir. Ladies and gentlemen, we will now begin the question-and-answer session. If you have a question, please press, * and 1 on your telephone keypad. In the interest of time and fairness to all participants, you are requested to restrict yourself to one question per participant. Time permits, you may join back the question queue.

We have the first question from the line of Mahesh Tolani from Go Quarter. Please go ahead. Mahesh Tolani, your line is unmuted. Please go ahead with your question. There seems to be no response. Next question comes from the line of Bipul Kumar from Narnolia Financial Services. Please go ahead.

Bipul Kumar

Thank you for the opportunity first. My first question was regarding the export side. As management has said, key revenue recognition will start from first rake in July 2026, from the Bangladesh order. Why the revenue recognition was not coming in the first quarter?

Rahul Mithal

Bipul, in our export business, as you would be aware, the revenue recognition happens in the entire stock, whether it's a bunch of locomotives or in case of coaches, let's say Bangladesh order, the entire rake of 20 coaches is sent as a group.

While the coaches are getting ready in bits and portions, the entire rake will be shipped out in the next 10 days. That's why the entire revenue recognition will take place in a group in the Q2 for the first rake. Subsequently, these will be in the successive rakes.

In terms of why did not happen in Q1, because you see this is the first rake and has about four types of coaches. If you recall my last call, in that I had mentioned that the prototypes have got approved and the mass production has started.

Basically, being the first rake in terms of the approval of the final rake has taken a few days, and now the rake is in the final stages of being dispatched. We foresee that the subsequent rake should take a little lesser time per rake because of the designs now getting approved and accepted.

Moderator

Thank you. The next question comes from the line of Vishal Periwal from PL Capital. Please go ahead.

Vishal Periwal

Yes, sir. Thanks for the opportunity. Sir, with respect to export order, can you give the breakup of order which is pending from Bangladesh, Mozambique and others?

Rahul Mithal

We have an total RITES' order book, let me include both the export and consultancy (foreign), is INR 2,100 crores. Out of that, about INR 1,775 is the export of rolling stock and out of that, about INR 900 odd crores is the order from Bangladesh, which is about 200 coaches. The rest of the orders are for locomotives, both from Mozambique as well as the in-service locomotives, etc., from the various countries in the African geography.

Broadly, if I put it, it's about 50% of the export order book is for these coaches to Bangladesh and the balance is for the locomotives.

Vishal Periwal

In terms of variation, could their be revenue booking on a quarterly basis. But in terms of our timeline, Bangladesh, can we conclude all our order delivery this year? Second, Mozambique, will it start anything this year or it will move to FY28? That's my last question, sir.

Rahul Mithal

In terms of Bangladesh, these are 200 coaches, so roughly about 10 rakes each. The first rake starting now in this month, we will not be able to complete all the 10 rakes in this year. Contractually, also, we have time till next year. We foresee that, yes, it will definitely get completed in the next FY.

The coming quarters will tell us how many maximums we can push in this. Because the first rake, once it goes and stabilizes, it will hasten up the speed of the subsequent rakes. But definitely, yes, it will get completed in next FY, maybe somewhere the early Q2 or maybe Q3 of the next FY.

As far as the locomotives are concerned, the Mozambique, yes, we are trying that maybe by the end of this FY, we could aim for beginning of the deliveries. But again, a little more clarity would happen maybe by end of Q2 in terms of the exact visibility, while we are trying to start some deliveries by end of this FY.

Vishal Periwal

Sure, sir. Thank you. I'll come back in the queue, sir.

Rahul Mithal

Thank you.

Moderator

The next question comes from the line of Uttam Srimal from Axis Securities. Please go ahead.

Uttam Srimal

Hi, sir. Thanks for the opportunity. Sir, just wanted to know how much revenue you are expecting from the export side this year and the next financial year?

Rahul Mithal

Our assessment is that this year, export, we should try and achieve at least INR 300 crores plus. As I said, the coming quarters will maybe by end of Q2, we'll get a little more visibility in terms of progress in being able to aim for some starting of delivery on the Mozambique locomotive order as well as the gap between the successive delivery of rakes of the Bangladesh order.

The first rake as it goes in the next few days and it stabilizes there in the coming weeks, will give us a clarity on the gap between the successive rakes. Maybe by end of Q2, we'll be able to further fine tune the figure, but definitely not less than about INR 300 crores for this FY.

Uttam Srimal

Sir, as you said, this order has to be executed in next 2 years. Can I mean that in next year, export will be a major part of our revenue?

Rahul Mithal

Yes, for sure. Both the export of rolling stock and the project consultancy are RITES' Videsh order book which is at INR 2,100 crores as of 30th June. We are aiming that this year, it should account for roughly about 15% odd of my total revenue.

As the quarters progress and more clarity emerges on the exact quantum, which we can achieve this year. For sure, as you correctly predicted that the current order book, which we have, should by and large, get covered in the next FY. That is the reason why we are aiming that we continue to get fresh orders also, one export order per quarter, which we are trying this year. This quarter , we've got one order and Q2 also, we've got one order which is not currently included in the order book we've declared to the exchanges. As you correctly said, the current order book will aim to definitely finish by next year. There'll be a fresh addition in the coming quarters.

Uttam Srimal

Okay, sir. Thank you so much.

Moderator

Thank you. Next, we have a follow-up question from Bipul Kumar from Narnolia Financial Services. Please go ahead.

Bipul Kumar

Hello, am I audible, sir? As we see Vande Bharat is going global, so what is the opportunity looking by the company in that area prospect?

Rahul Mithal

We have already initiated the possibility of exporting Vande Bharat on the standard gauge platform to certain geographies. We have reached out to certain possible countries, which have even some interests in it.

The process of trying to develop a prototype on the standard gauge platform, the initial discussions with Indian Railways have already started. I think in the coming months, this will gather pace in terms of developing the first prototype on the standard gauge platform.

Bipul Kumar

Okay. Thank you. It's very helpful.

Moderator

Thank you. The next question comes from the line of Lakshmi Narayanan G.K., from KSEMA Wealth Private Limited. Please go ahead.

Lakshmi Narayanan G.K.

Sir, could you throw some light on Turnkey projects? I see the margins are very low. Is it usually that way or is there something else going there?

Rahul Mithal

The Turnkey is about 50% of our order book, and it contributed roughly about 30-33% of the revenue of this quarter. Basically, they always remain in the range of about 1.5-2% margins. We are very clear. As we have said earlier, we are not a construction company. We are a consultancy company.

Also, the Turnkey orders that we take, the scope of work for us for these Turnkey orders is the same as the PMC work, which we take. So, It's just that the method of accountal,. For explaining if a project is INR 100 crores and the, let's say, the fees is INR 5 crores, in a consultancy, our order value would be INR 5 crores. In a Turnkey model, it would be 105 crores, where the revenue flows through our P&L.

So that's the only difference. That's why being the denominator being bigger, the margins become smaller. But certain clients prefer to give it on that model because of dealing with a single entity. Strategically, also, that's why we take it in that mode. Yes, you're correct. The margins are much, much lesser compared to the consultancy mode.

Lakshmi Narayanan G.K.

Okay. Like, in order book also, like we'll be taking the whole base or only the part that is going to come, sir?

Rahul Mithal

Order book also, the size of the order is the full order of, let's say INR 105 crores would be the order in the Turnkey mode. And if it would be in a PMC consultancy mode, it would be INR 5 crores. So that's the way it's accounted in the order book also.

Lakshmi Narayanan G.K.

Okay.

Moderator

Thank you. Ladies and gentlemen, if you have a question, please press * and 1 on a telephone keypad. Next, we have a follow-up question from Vishal Periwal from PL Capital. Please go ahead.

Vishal Periwal

Thanks for the follow-up. Sir, in terms of new opportunity, one is into consultancy, another into export. Can you give some color of how is the environment looking like, any bid pipeline or that can further take our order book to almost like, maybe more than INR 10,000 odd crore of what we have been seeing? Can you give some color around this particular point?

Rahul Mithal

Yeah, the total order book or export in particular?

Vishal Periwal

Yeah, consultancy and how the opportunities are in export?

Rahul Mithal

You see, this quarter also, we have got 128 orders totaling INR 670 crores. We've maintained the strike rate of one plus, which is nearly 1.4 orders a day. Again, despite the execution, the order book has grown. We are now at INR 9,450 crore.

Our target of achieving INR 10,000 crore, and the interesting thing is that about 70% of these fresh orders are on a competitive basis. While we continue to get orders, we are getting them even on a bulk of them on a competitive basis. Whether it is consultancy or export, we are getting orders at the rate that we have envisioned and we are on track of reaching the INR 10,000 crore order book despite heavy execution aimed for this FY.

Vishal Periwal

Okay. In terms of new opportunity and anything that you are seeing, I mean, size wise, export side, how things are? So briefly, you did mention on the Vande Bharat. So anything that the quantification can be provided, sir? How are the bid pipelines looking like?

Rahul Mithal

In exports specifically, again, we have been maintaining now nearly for about seven to eight quarters, the aim of one order of quarter of export. This quarter also, in July, we have got an order for about 35 million for nine locomotives to South Africa.

While we declared it to the stock exchange, we haven't yet accounted for it in our order book, because we're waiting for the formal agreement to be signed, and then we will account for it in the order book.

In terms of getting orders on the export front, whether there are a number of bids that we have bid now. As you are aware now, most of the export orders are on competitive global tender bidding. We have bid for a number of orders, both in the locomotive front, the coaches, DMUs, etc.

I'm sure that we are targeting to maintain at least the export orders of one order a quarter. Besides in the international project consultancy, also there are a number of bids in the pipeline and combined the order book of INR 2,100 crores of RITES Videsh as on 30th June, is definitely aimed to -- even with execution, not get depleted over a period of the coming quarters.

Vishal Periwal

Okay. Sure, sir. I'll come back in the queue, sir.

Rahul Mithal

Thank you.

Moderator

Thank you. The next question is from the line of Harshit Kapadia from Elara Capital. Please go ahead.

Harshit Kapadia

Hi. Good morning, sir, and congratulations again, for a good recovery in the revenue. Just wanted to get your head on the margin front, sir. We are seeing margins probably coming down both sequentially as well as on a YoY basis. Now do you think have we hit the bottom? Or is there a possibility that we can further see margins to be on a lower sequence?

Rahul Mithal

Good morning, Harshit. See, broadly, if I lay down while the execution is happening and the young order book will continue to generate revenue sequentially, as I brought out in the beginning, we will step on the execution. There are broadly three elements, which are definitely contributing to the overall stress in the margin. The first is definitely, as you see, that since about 70% plus are on competitive mode, as they generate revenue in the coming quarters, these have been taken definitely at a much tougher margin.

The overall mix in terms of margin, whether it is from consultancy or Turnkey, that will obviously add a stress to the margin.

The second element is the travel, being a consultancy organization, both domestic and international travel, is a major element. There is a pressure on the travel costs, while we've got very strong guardrails put on to keep a check on it. But yes, that is definitely a contributor, which has to be kept on watch.

The third element is that the impending pay revision has to be definitely accounted for somewhere down the line.

Broadly, with all these three, in a nutshell, the EBITDA margins will always be under pressure. But as you see, we have been giving a guidance that on a consol basis, our red lines are not coming below the 20% EBITDA margin. Even this quarter, we've been able to hold on to 22%. Sequentially, also, we've held on to 22% Q4, Q1. PAT margins, we've held on to about 17% sequentially also.

Our red lines of 20% EBITDA margins and 15% PAT margin on a consol basis, we will definitely strategically pushing on the execution of some higher margin orders out of the 700 plus order that we are executing. We will ensure that we don't go below these red lines.

Specifically, to answer your question, yes, these 22 and 17, which are there currently on a consol basis, while they may fluctuate a bit here and there on a particular quarter. But on an annual basis, we will definitely not allow them to go below the red lines.

Harshit Kapadia

Fair enough, sir. I have few more questions. I'll join in the question queue. Thank you.

Moderator

Thank you. Ladies and gentlemen, if you have a question, please press, * and 1 on a telephone keypad. We have the next question from the line of Parimal Mithani from Credential Investments. Please go ahead.

Parimal Mithani

Yeah, sir, thanks for the opportunity. Can you hear me?

Moderator

Yeah. Morning, Parimal, go ahead.

Parimal Mithani

Just observation since last 2 years. If you see the order book build up, mainly, I think the consultancy since we according to competitive bidding, the consultancy side of the order wins have been on a not on a great level compared to the Turnkey side. How do we look at it? If you can answer that question, it will be much better for us.

Rahul Mithal

The mix, is changing, if you see that. If you compare on 2 years back, the number of the quantum of the Turnkey order was much lesser. Now it's about 50% of the order book. That is why you incrementally, you see a bigger increment. But in terms of the total order, today also out of INR 9,450, about INR 4,700 is Turnkey.

The balance about INR 4,700 is both the project consultancy and the exporter rolling stock consultancy. Roughly, it is now 50-50. In the pure consultancy, the exporter rolling stock consultancy has grown quite substantially. Yes, as I again said that the Turnkey element now is grown as a much larger percentage, so, you see that as a bigger growth.

Parimal Mithani

Sir, since we came into competitive bidding, the margins on the domestic front will be the same going ahead from this side from Q1?

Rahul Mithal

Yes. The margins, as I said, on an overall, since a large number of 70% orders, I said, fresh inflows are on competitive basis. The case to case, there may be tougher margins, but an overall EBITDA margin of 20% plus is what we are aiming to be maintained.

We normally, at beginning of every quarter or every half year, we are able to prioritize some of the high margin orders along with the low margins, etc. So that on a blended basis, on a quarter, we don't fall below 20%. That is what we're going to definitely try and maintain.

Moderator

Thank you. Next is a follow-up question from Harshit Kapadia from Elara Capital. Please go ahead.

Harshit Kapadia

Thanks for the follow-up, sir. On the employee cost, what is the increase that one can expect in FY28, sir? That's first and second -- I'll come with second question, sir.

Rahul Mithal

Harshit, if you see a YoY basis in Q1, there has been increase of about INR 10 odd crores in the employee cost. We would roughly, this is the trend on a per quarter basis is what we're going to aim at. There are two elements to it, which is to be seen in perspective. If you compare YoY Q1 to Q1, there has been a net increase in our employee strength of about 450 numbers, which is a huge jump from about 2,675. It has gone up to about 3,125.

Roughly about 450 numbers is a jump, and that's a conscious jump, because as we were early last year stepping on getting new orders, and we were confident seeing the bids in pipeline that we will get a fresh order at the strike rate of one order a day, we had to build up our bench strength for executing these orders. That is the reason why we could not have a gap in hiring the bench strength and then executing the order.

There is substantial increase in the number. So that is number 1, which is contributing to the increased cost. Even now with the fresh orders coming, there is a pipeline of about 200 plus for further inflows, and this will keep on increasing as we strategically on the sector that we get more orders.

The second element that I brought out is that somewhere down the line, we have to account for the impending pay revision, which is expected. Both these elements will definitely have an impact on the overall employee cost on an annual basis this FY. The answer is that we have to generate as much of top line. So that even with the margins we have set the red line, you see an incremental growth in the actual bottom line.

Harshit Kapadia

Understood, sir. But would be right to say, at least there be a 20% increase next year in FY28 mainly because of the pay revision? Not because just because of the employee count.

Rahul Mithal

Not really 20%. I would put it more in the range of about 8-10%.

Harshit Kapadia

Fair enough, sir. This is really helpful. Sir, second question is mainly on the order book. We have seen the order book composition in a 50-50 with Turnkey being 50% share now. Since you are now increasing your order book trend towards 10,000, maybe 11,000, 12,000, do you see Turnkey as a proportion staying there? Or do you think it's going to increase or decrease? Any color if you can give from a 2-year perspective that would be of great value for you?

Rahul Mithal

You see, today, as we stand, Turnkey is about 50% of our order book. It is a low margin contributor. It's in the range of about 1.5-2%. In terms, it does pull down the margin and besides the fact that the consultancy and export are, in any case, now on are nearly a large chunk is on a competitive basis. They, in any case, have tough margins.

We are not really a very keen on taking much on Turnkey basis. More and more, many clients are preferring to give us on a turnkey mode in terms of dealing with a single point of contact for compliances, GST provisions, etc.

Strategically, we have to take certain orders and turnkey to keep the clients' pipeline open. And that’s the very reason , but because the parallel growth in the consultancy and export is also there in the pipeline, I don't think over a period of time, I see the Turnkey being more than 50 odd percent on an average basis of the total order book.

Harshit Kapadia

Sir. I do not know whether you have answered this question. But would you be able to share within the consultancy, how much is the QA revenue in this quarter, sir?

Rahul Mithal

QA has been again a good steady growth and if you recall last FY, we touched the levels which we had touched about before the competitive were enough up about 2 years back. We are on track again. It's about in the same range of about INR 70 odd crores.

We will definitely surpass the previous year’s overall at least by a double-digit growth.

Harshit Kapadia

Very nice, sir. Congrats on that. I think I'm done with my questions. Thank you.

Moderator

Thank you. Next, we have a follow-up question from Parimal Mithani from Credential Investments. Please go ahead.

Parimal Mithani

First question is on the RMCL business, which is there. And the second part is in terms of dividend payout over next two to three years, sir. Will we maintain the same momentum going on?

Rahul Mithal

Let me tackle the second part of your question. I don't see any reason why you should have any doubt on that. The last two to three years trend have assured you that we do not come in for any surprises and changes in our business model.

Having said that, we are always 90% plus. We'll not give you any surprise in the change in our basic business model. Once there is no major change, we can with the low CapEx and hardly any working capital requirement, debt free, we don't see any major shift in the dividend payout policy.

In terms of REMCL, REMCL has been steadily giving a good PAT and dividend to us. It's about 50% plus PAT margins. This quarter also, it gave a profit of about INR 22 crores. That's a good dividend payout ratio of about 91%. We've got a good dividend of about INR 10 crores from REMCL. We see this on a steady growth basis.

It also, last quarter, I had mentioned that this year is a focus for REMCL, further diversifying into both international renewable consultancy as well as project consultancy, I mean, renewable consultancy in the domestic area. In both these fronts, some headway has been made in Q1. It's early days, but I'm definitely sure by the end of the FY, that will also start contributing in a substantial way in both the top and bottom line of REMCL.

Parimal Mithani

Okay, sir. Thank you and all the best.

Rahul Mithal

Thank you.

Moderator

Sir, we don't have any further questions.

Now I hand over the floor to Mr. Rahul Mithal, CMD RITES Limited, for closing comments.

Rahul Mithal

Thank you all. Just to reiterate that the focus on increased execution sequentially to be able to achieve the targets that we had set ourselves for this FY. That's the key focus in the coming quarters, while definitely not compromising on the red lines of margins that we have set.

Definitely aiming that we have a double-digit growth on the revenue and have some incremental definitely growth in the quarter. That's the aim in the quarters on a sequential basis. Thank you very much.

Moderator

Thank you, sir.

Ladies and gentlemen, this concludes your conference for today. Thank you for your participation and see you using Door Sabha's conference call service. You may disconnect your lines, now. Thank you and have a pleasant day.

-End-