

Rites to go big on global tenders

DHRUVAKSH SAHA

New Delhi, 29 May

Gurgaon-based railway consultancy public sector undertaking Rites is looking to bid aggressively for global export and consultancy tenders, and run with a volume-led approach, Chairman and Managing Director (CMD) Rahul Mithal said.

“We started the year with two huge challenges — the export order book, where no new orders had happened, and the opening up of Indian Railways quality assurance works to four players. We bid aggressively and got two export orders through global tenders which were non-LOC and non-EXIM Bank funded, so there was fully open competition,” Mithal told *Business Standard*.

Calling FY24 a consolidation year, Mithal said that the focus this financial year will be to ensure an “appreciable”

growth in its earnings and profit. He did not give any numbers.

The company's current order book stands at ₹5,690 crore, where turnkey projects account for 44 per cent and consultancy projects account for 46 per cent. The state-owned firm's operating revenue in FY24 decreased by 6.7 per cent to ₹2,453 crore, and its profit after tax fell by 13.3 per cent to ₹495 crore.

The public sector undertaking expects its exports revenue to pick up from the second half of FY25, while its quality assurance revenue is expected to slightly moderate during FY25.

The corporation's largest and third-largest segments have suffered hits in the previous financial year. Its revenues from consultancy services fell by 1.9 per cent while export revenue fell by 66 per cent in FY24.

