

**REVIEW OF ANNUAL REPORT AND AUDITED ACCOUNTS OF RITES
LIMITED FOR THE YEAR 2017-18**

RITES Ltd., a Government of India Enterprise was established in 1974, under the aegis of Indian Railways.

- RITES Ltd is a multi-disciplinary consultancy organization in the fields of transport, infrastructure and related technologies. It provides a comprehensive array of services in diverse sectors like Railways, Airports, Highways, Urban transport, Bridge and tunnels etc.

Its operational experience spans over 55 countries in Africa, South East Asia, Middle East and Latin America. Most of RITES foreign assignments are for National Governments and other apex organizations and in India, the clients of RITES include Central Government, State Government and also private enterprises.

Listing with Stock Exchanges

During the year, the Company brought initial public offer to disinvest 12.6% stake of Government of India. The issue was oversubscribed about 67 times. The Company's equity shares were listed with Bombay Stock Exchange and National Stock Exchange on 2nd July 2018.

Financial Highlights

During the Financial year 2017-18, the financial performance of the Company was as under:

(Rupees in crores)

Particulars	2017-18	2016-17
Total Income	1603	1507
Operating Turnover	1439	1299
Operating Expenditure	1109	1019
Other Income	164	208
Profit before tax	494	488
Profit after tax	337	331
Dividend including Dividend Distribution Tax	178	176

The company has an highest ever order book of Rs. 4818 crores at the end of Financial Year 2017-18. The Company has been rated 'Excellent' consistently in the performance evaluation under Memorandum of Understanding by Department of Public Enterprises.

REMCL-Subsidiary of RITES

The turnover of REMCL, a RITES subsidiary company, increased to Rs. 69 crores in 2017-18 as compared to Rs. 58 crores in 2016-17. Profit after tax of REMCL has increased to Rs. 30 crores in 2017-18 as against Rs. 18 crores in the previous year.

Transport infrastructure and RITES

Key infrastructure sectors are receiving increasing investments. RITES continued to maintain its growth in the highway, metro rail and airport sectors. Several new projects for airports Project Management Consultancy have been received during the year. With 44 locomotives, business of offering shunting locomotives on wet lease including operations and maintenance continued to be well received by domestic non-railway clients.

Key Domestic Projects:

During the year, Company was engaged in domestic projects which included High Speed Passenger Corridor between Ahmedabad-Mumbai, Dedicated Freight Corridor between Dadri-JNPT Mumbai, Railway Construction Project of doubling, 3rd line, electrification and upgradation of workshops.

Key Foreign Projects:

The Company was engaged in technical services for Metro project in Mauritius, Supply of coaches to Bangladesh, Supply of Diesel Electric Multiple units train sets and broad gauge locomotives to Sri Lanka, Meter gauge locomotives to Myanmar, Engineering consultancy for new standard gauge railway line in Gabon, integrated check posts at Birat Nagar, Nepal, road project at Botswana and Guyana.

Make in India, Digital India and Skill India Mission:

In line with Make in India initiative, the Joint Venture Company with SAIL (SAIL RITES Bengal Wagon India Private Ltd.) started manufacturing and rehabilitation of wagons at Kulti, West Bengal.

In line with Digital India initiative, the company has implemented SAP based Enterprise Resource Planning, E-procurement for works, goods and services.

In line with Skill India Mission initiative, the Company provided training to Apprentices in the non-technical and non-engineering categories in various sectors of operations like, highways, ports, bridges, electrical and signalling projects.

Corporate Social Responsibility

RITES spent Rs. 9.9 crore on various CSR activities during the year 2017-18.
