

RVNL/SECY/STEX/2025

14.08.2025

National Stock Exchange of India Ltd. Exchange Plaza, Plot no. C-1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 Scrip: RVNL	BSE Ltd. Department of Corporate Service, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001 Scrip: 542649
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Sub: Transcript of Conference Call with Investors

Ref: Regulation 30 of the SEBI (LODR) Regulations, 2015

Dear Sir/Madam,

This is in continuation to our letter dated 12.08.2025 regarding intimation of the Audio Recording of Conference Call with Investors /Analysts/Institutions on the website of the Company. Transcript of the said Concall is attached herewith.

Transcript of the audio call is available on the website at the below link:

https://rvnl.org/RVNL_cms/uploads/boardmeeting/Transcript12082025.pdf

You are requested to take the same on your records.

Thanking you,

Yours faithfully,
For Rail Vikas Nigam Limited

(Kalpana Dubey)
Company Secretary & Compliance Officer



“Rail Vikas Nigam Limited Q1 FY '26 Earnings Conference Call”

August 12, 2025



MANAGEMENT: **MR. PRADEEP GAUR – CHAIRMAN AND MANAGING
DIRECTOR, RAIL VIKAS NIGAM LIMITED**
**MRS. ANUPAM BAN – DIRECTOR PERSONNEL, RAIL
VIKAS NIGAM LIMITED**
**MR. M. P. SINGH – DIRECTOR OPERATIONS, RAIL
VIKAS NIGAM LIMITED**
**MR. CHANDAN KUMAR VERMA – CHIEF FINANCIAL
OFFICER, RAIL VIKAS NIGAM LIMITED**
MODERATOR: **MR. VISHAL PERIWAL – ANTIQUE STOCK BROKING**

Moderator: Ladies and gentlemen, good day and welcome to Rail Vikas Nigam Limited Q1 FY '26 Earnings Call hosted by Antique Stock Broking. Please note that this call will end at 3.40 pm in the Indian Standard Time.

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

I now hand the conference over to Mr. Vishal Periwal from Antique Stock Broking. Thank you and over to you, sir.

Vishal Periwal: Yes, thanks and good afternoon, everyone and apologies for the slight delay in the start of the call. I welcome you all for the Quarter 1 FY '26 Post-Result Earnings Call of Rail Vikas Nigam Limited.

The dais for this call is led by the management team of RVNL, starting with Mr. Pradeep Gaur Ji, who is the Chairman and Managing Director; Mrs. Anupam Ban Ji, who is the Director Personnel; Mr. M. P. Singh Ji, Director Operations and accompanied by Mr. Chandan Kumar Verma Ji, who is the Chief Financial Officer.

So, as usual, we will have a brief from the management and then we will have lines open for Q&A. Thank you and over to you, sir.

Pradeep Gaur: Thank you so much and it is a pleasure to interact with investors. So, I think without much wasting of time, we will take your call because time is limited. So, we are ready to answer all the queries from the investors. Hello, Mr. Vishal.

Moderator: Hello. Yes, sir. Should we go ahead with the questions?

Pradeep Gaur: Please go ahead because we are constrained for time today. So, we can go ahead.

Moderator: All right. We will now begin the question-and-answer session. The first question is from the line of Mr. Vishal from Antique Stock Broking. Please go ahead, sir.

Vishal Periwal: Yes, sir. I think the result got posted some time back. So, I think maybe that is the reason people are just absorbing the result. So, if I can ask a few questions, can you share a couple of updates in terms of like, what has been the order inflow last quarter, how we have closed the order book, anything that can be provided?

M. P. Singh: Good afternoon. In this particular quarter, there has been some order inflows from civil engineering and electrical engineering. The total orders won in this quarter is roughly of value of Rs. 1,000 crores and total contracts which are now organized, one stands at around 96 contracts. The residual value of the contracts which we have won through open bidding is around

Rs. 60,500 crores and coupled with our orders, which are our legacy railway projects, that is around Rs. 41,000 crores. So, roughly, the order book of RVNL is Rs. 1,01,000 crores, which is unlimited.

Vishal Periwal:

Right, sir. And in terms of also that usually we do provide the split of this order book, anything on sector wise, how this is panning out, anything that you can provide?

M. P. Singh:

Our order book is spread out on various sectors. The orders which we are having from the civil engineering contracts, which is from the railways, highways, metros, the orders are around Rs. 26,000 crores. Orders which are from the electrical is around Rs. 10,900 crores and orders from signalling and telecom is of value total is around Rs. 14,700 crores. In civil engineering part, our orders are in metro sector of roughly around Rs. 10,000 crores. The highway sector is around Rs. 9,000 crores and the civil engineering sector, which includes traditional railways, irrigation etc., is around Rs. 7,000 crores. And electrical is spread over the overhead electrification that is 2 x 25 conversion in railways. Then RDSS that is a distribution system of the state transports is a major component and the transmission line also comprises of a major segment. And other than that, in the signaling sector, we have got some of the railway contracts for automatic signalling or through modernization form of coverage system and a major contract of BharatNet, in which the capital cost is around Rs. 6,800 and considering the complete O&M cost is spread over a 10-year period, it will be around Rs. 13,000 crores. And we have got a significant order of Vande Bharat manufacturing also, of which the capital cost is Rs. 8,640 crores. That is RVNL's share in the JV. That is the roughly breakup of the different sectoral orders along with the railways, RVNL.

Vishal Periwal:

Got it, sir. And in terms of our revenue profile earlier, at the end of Financial Year '25, we were hinting that we can clock a revenue growth of in the range of 10% odd. So, given, I think what I have seen that the 1st quarter has been a bit of muted for us and also for the industry. So, how do you see this growth number panning out for us for the full year?

Pradeep Gaur:

Actually, let me say it. I think the situation is very much in control because of course, as expected, the proportion of turnover from railways is coming down. It is in the range of almost 25% down. But kindly appreciate that turnover from bidding has increased by 3 times. So, now, this sort of balancing will happen because the turnover from railways will continuously slide. But it will be compensated by increase in the turnover from bidding project. So, I am sure that because overall, now it is minus 3.42% as of 1st quarter. But now, I can share it that we have gone beyond, gone more than last year as we stand today. So, things will change and things will rise again. This turnover will be not only able to match last year, it will increase it also.

Vishal Periwal:

That is heartening to hear that, sir. And even, particularly on the margin front, I think we are noticing there has been a bit of pressure on the margins for this quarter. So, is it fair to say it is primarily a couple of line items, like other expenses they have increased and even, like, the other line item particularly increased, which you are seeing. So, that is more to do with like, the

competitive bid projects, they are entering into revenue recognition. So, their margins are a bit lower or anything that can be provided to explain the margin dip, sir?

M. P. Singh: Actually, when you see the gross margin, there is a slight dip in the gross margin by roughly 13.57%. It is due to mainly the income from MoR has decreased, but the income from projects from bidding has increased by, say, 67%. And net margin decreased, there is a reason for that because some of the onerous contracts where some loss has been recognized, they have been accounted for. And in BharatNet project, there were some pre-bid expenses, they were also accounted for roughly value of Rs. 20 crores and Rs. 40 crores due to the onerous cost. So, this Rs. 60 crores has gone into, which has decreased our PBT, and which ultimately resulted in decrease in PAT.

Vishal Periwal: Sorry, sir, I just missed on that. So, Rs. 60 crores, what was the nature of that? Sorry, I missed.

Chandan Kumar Verma: Yes, basically, there is a one-time expenditure in a BharatNet project in which we have done one consultancy work, pre-bid consultancy work for the bidding survey and bidding all that thing. This is a one-time expenditure which has been booked in expenditure, indirect expenditure. Further, a few commercial decisions, maybe it is too early because in most of the bidding projects we have taken on a spread basis, expenditure just started booking in these projects. That is why there may be.

M. P. Singh: It will not be a final picture.

Chandan Kumar Verma: We anticipate that there may be some losses at the end of the project, but in due course, we are doing the value addition. We have some change of scope, which we have to get sanctioned from the plan. After that, the picture will improve. But right now, yes, we have recognized the three new projects which are onerous contracts in this quarter.

Vishal Periwal: Sure, sir, I have a few more questions. I will come back in the queue, sir.

Moderator: Thank you. The next question is from the line of Mr. Rajesh Agarwal from MoneyOre. Please go ahead, sir.

Rajesh Agarwal: Hello. Sir, on account of Bharat Sanchar order, how much losses extra you have booked?

Chandan Kumar Verma: Pardon? Please repeat your question.

Rajesh Agarwal: On account of BharatNet order, how much extra expenses you have booked without commensurating revenue?

Chandan Kumar Verma: Rs. 20 crores, approx. Rs. 20 crores.

Rajesh Agarwal: Approx Rs. 20 crores. And any other one-off is there?

- Pradeep Gaur:** Kindly repeat.
- Rajesh Agarwal:** Any other one-off expenses are there?
- M. P. Singh:** No other one-off expenses. No such other expenses.
- Rajesh Agarwal:** And you feel from 2nd quarter, the revenue mix will start improving?
- M. P. Singh:** Yes, we are quite hopeful, second quarter. It is already the reshoots are visible and in this quarter, we expect to cover the substantial ground and we hope that our revenue will match last year's revenue to the 2nd quarter cumulatively.
- Pradeep Gaur:** No. We are already ahead now. As of today, we are already ahead in revenue compared to the last year. So, definitely we are making it up by projects taken on bidding. So, revenue-wise, absolutely no issue. We will be exceeding the last year's revenue.
- Rajesh Agarwal:** And margins, sir?
- Pradeep Gaur:** Margins, there is a slight dip in the margins. That is based on, I will request Mr. Chandan Verma to stay on this.
- Chandan Kumar Verma:** Actually, in bidding projects, booking has just started. Most of the projects, we have just started executing the work. So, no doubt, it is very early to say that, but margins will improve once the work will start in full swing and change of scope, there are too many claims are there to be sanctioned from the plan. Once these claims will be settled, the margins will improve.
- Rajesh Agarwal:** Understood. Thank you, sir. And sir, for JV, when the profitability from the JVs will come? Other railway JVs? Kutch railway and all?
- Chandan Kumar Verma:** Yes, Kutch railway. Basically, Krishnapatnam, this year they have their own profit for the first time. And in other JVs also, the traffic has improved. So, we are hopeful that this year will get dividends. SPRCL has already given a dividend. Even two SPVs have given a dividend this year. So, we are hopeful that with the improvement in traffic, more dividends will come to--
- M. P. Singh:** Traffic will increase and their liabilities will also go down the cost of the capital which they have taken a loan for
- Rajesh Agarwal:** And sir, Vande project is in schedule now?
- Pradeep Gaur:** Which project?
- Rajesh Agarwal:** Vande Bharat.

- M. P. Singh:** Yes, all the roadblocks have been cleared and now it is in advance designing stage and production has started in Latur factory. And we hope to see the first prototype in June 26. And after that, the regular production will start.
- Pradeep Gaur:** Actually, background, you must be aware of it because the configuration and all that, which has led to 10 months delay. And railways have increased the time also by 10 months.
- Rajesh Agarwal:** Understood, sir. Thank you.
- Moderator:** Thank you. The next question is from the line of Mr. Vishal from Antique Stock Broking. Please go ahead, sir.
- Vishal Periwal:** Yes, sir. Thanks for the opportunity again. Sir, on Vande Bharat, I think you did mention June 26 is first prototype. So, how exactly things work after that? When we start recognizing revenue, how much time it takes from a prototype to actually commercially rolling out? So, can you give some background of this?
- M. P. Singh:** Yes, first, as we expect the first prototype to roll out by next June, so revenue will also start flowing out. As per the contract condition, 90% of the cost of the train set will be given on production of prototype and after its successful trial balance, 10% will also be released as revenue. And once the trials are successful and proving trials are held and the prototype is cleared for regular production, the regular production will start. So, in the next financial year, that is Financial Year '26-27, along with the prototype, we expect to see the regular production of the train sets also.
- Pradeep Gaur:** I will just add to what Mr. M. P. Singh has mentioned that this trial normally takes 60 days. And the positive part is we are following only ICF design, because this is basically the design whatever already trains are running, except difference is the existing trains are chair cars and this will be sleeper coaches. So, there is a slight change in configuration, but by and large, the same ICF design is being followed. So, we expect this trial should not take much issues because it is again ICF design. And as soon as these trials are over, I must give comfort that we have already ordered for spare components and all for 10 sets immediately. So, immediately, the production will start, and I am quite sure in Financial Year '26-27, we can expect revenue of at least 6-8 Vande Bharat trains.
- M. P. Singh:** Two prototypes and just regular production trains.
- Pradeep Gaur:** And even these two prototypes will become part of that 120 train sets what we are going to deliver.
- Vishal Periwal:** Got it, sir. And then this 120 train sets, this order will get conclude by when, like 27 is maybe 6-8 train sets?
- Pradeep Gaur:** 2032, 5 years total. There is a break up of year wide.

- Vishal Periwal:** Right, sir.
- Pradeep Gaur:** So, we are geared up for that. So, once it is just, our original target for September 25 to roll out the first prototype. But unfortunately, these 10 months got us this one and delayed the whole thing. So, that is why it is now June 26 and definitely in the Financial Year '26-27 itself, things will start in right turn.
- Vishal Periwal:** Got it, sir. And I think earlier we used to hear that, like, this 120 train sets and plus couple of peers also got 80-odd train sets, these 200 train sets, this pie is almost like 500-1000 odd train sets. So, anything that are more orders are coming or anything that can be shared as of now for Vande Bharat?
- Pradeep Gaur:** I do not think any tenders are now, as of now, in the pipeline. It is because there were some tenders about aluminum purchases and all that, but that could not be finalized. So, I think presently these 200 train sets is what it is in the pipeline.
- M. P. Singh:** 200 train sets by contract and ICF and RCF will be producing their railway production unit. They will be continuing to produce the train sets.
- Vishal Periwal:** And then, so we have this ICF, we are mapped to ICF. So, for the 80 train set, the peers are mapped to other coach factories?
- M. P. Singh:** No, 80 train set is awarded to the other bidder, consortium that is BHEL and Titagarh Wagons. So, they will be in contract matching to our basically train set rates. So, they will be producing 80 train sets in their manufacturing facility.
- Vishal Periwal:** And both the things will go parallelly, like prototype, when we are doing, they are also doing prototype, they are entering into commercial, we are also?
- M. P. Singh:** Yes, because they will be doing their own engineering and other things, but both of them will be on basically ICF platform only.
- Vishal Periwal:** ICF, got it, sir.
- Pradeep Gaur:** But they will be manufacturing their train sets in ICF only. Like, we are going to do it in Latur, they will manufacture it in ICF.
- Vishal Periwal:** Got it. And then, sir, any developments that is happening for a couple of JVs that we have formed, any business traction that are we seeing anything, or as of now, they are still at MoU stage and more like a prelim discussion that usually happens before any business pickups. So, it is at that stage only, is that fair to say, or any updates that can be provided?
- M. P. Singh:** You are talking about the MoUs, which RVNL has entered?

- Vishal Periwal:** Yes, sir.
- M. P. Singh:** So, we have entered into couple of MoUs and we are seeing good potential coming from it, like in maintenance of the rolling stock and engines. Indian Railways has come up with some of the bids also for maintenance of the electrical engines at two workshops. So, we have already formed MoU with the two companies and we hope to compete in those projects. Simultaneously, in the nuclear sector also with the Rosatom, we are entering into MoU and we have given a proposal to the Ministry of Railways also. That is an upcoming sector and with the Government of India's focus on nuclear power in a big way, we hope to gain certain business from that sector also. And in the solar sector also, with our success in JV in Uzbekistan and Saudi Arabia, we hope to continue with the momentum in the solar projects also. And in Armenia, we are bidding on solar. With the Jackson, with whom we had a project completed in Uzbekistan and an ongoing project in Saudi Arabia. In Romania, we are going for some solar projects.
- Pradeep Gaur:** That will be almost 800 megawatts. So, this MoU and JV partnership, we are expanding it further to go to Europe now.
- Vishal Periwal:** Maybe one last question from my side, sir. As of now, what is the international order book pie in our 1 lakh crores order book?
- M. P. Singh:** Which part? Around Rs. 4,000 crores.
- Pradeep Gaur:** Let me add, we have already bid in the present year itself around Rs. 10,000 crores, we have bid. And another Rs. 6,000 crores is in pipeline. We are expecting to bid almost Rs. 30,000-Rs. 35,000 crores of projects this year only overseas. So, even if the strike rate is around 15%-20%, we hope that this order book will increase now. Because this is one of the main areas of focus, which we are really going all out to get some good orders abroad.
- Vishal Periwal:** Got it. And like a couple of procurements and everything that has been done for Vande Bharat, it is still some time to actually physically or commercially roll out. So, as of now, what sort of margin that you are seeing that one can make in Vande Bharat? Maybe single-digit, high single-digit, low double-digit or anything?
- Pradeep Gaur:** The cost has been bid based on working the cost. And what I will add that most of the supply chain is established supply chain, which we are already supplying to ICF. So, mostly, we have gone by the same order. So, I think there is nothing extraordinary happening as of now. So, I think it is going in the direction at which we had planned. Because in this, it is ICF design, we are ordering to the same supply chain, except for one or two things where it is abroad, one or two issues were there about sanctions, etc., but those have also been overcome.
- Vishal Periwal:** Sure, sir, I think I have taken a good.
- Pradeep Gaur:** Nothing extraordinary, neither on positive side nor on negative side.

Vishal Periwal: Sure, sir. And thank you, sir. I will come back in the queue.

Moderator: Thank you. Ladies and gentlemen, in the interest of time, that was the last question. On behalf of Rail Vikas Nigam Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you so much.