

**REVIEW OF ANNUAL REPORT AND AUDITED ACCOUNTS OF INDIAN RAILWAY
CATERING AND TOURISM CORPORATION LIMITED FOR THE YEAR 2017-18**

Background

Indian Railway Catering and Tourism Corporation Limited (IRCTC), was incorporated on 27th September 1999 under the Companies Act, 1956 as an extended arm of the Indian Railways to upgrade, professionalize and manage the catering and hospitality services at stations, on trains and other locations and to promote domestic and international tourism through development of budget hotels, special tour packages, information & commercial publicity and global reservation systems. The authorised share capital of the company is Rs. 50 crores and paid up share capital is Rs. 40 crores, fully subscribed by Ministry of Railways, Government of India.

Financial Performance Highlights

During the financial year 2017-18, the Company achieved a total income of Rs. 1,549.40 crore, as compared to Rs. 1,598.71 crore in the previous year. The Company earned Profit before tax of Rs. 341.48 crore in 2017-18 as compared to Rs. 331.45 crore in 2016-17 and Profit after tax of Rs. 222.02 crore in 2017-18 as compared to Rs. 214.69 crore in 2016-17.

The Board of Directors has recommended a Final dividend of Rs. 106.89 crore (including Dividend Distribution Tax) for F.Y. 2017-18 as against Rs.101.92 crore paid in the previous year.

The last five years financial highlights are as below:

(Rs. in Crores)

S. NO.	PARTICULARS	2013-14	2014-15	2015-16	2016-17	2017-18
1	Total Income	954.70	1,141.21	1,523.41	1598.71	1549.40
2	Total Expenditure	810.52	906.76	1,193.58	1242.31	1181.35
3	Gross Margin	144.18	234.45	329.82	356.40	368.05
4	Profit Before Taxes	127.41	214.03	306.79	331.45	341.48
5	Provision for Taxes	55.40	83.40	109.49	116.76	119.46
6	Profit After Tax	72.01	130.63	197.30	214.69	222.02
7.	Dividend	14.40	26.13	75.45	84.68	88.81
8	Net worth	346.92	444.25	700.57	778.34	947.71
9.	Number of Employees	1672	1511	1483	1494	1464
10.	RATIO					
(i)	Total expenditure/total income	84.90%	79.46%	78.35%	77.71%	76.25

The activities of company can be broadly grouped under following four segments:

1. Catering & Hospitality
2. Travel & Tourism
3. Internet Ticketing
4. Packaged Drinking Water(Rail Neer)

Catering & Hospitality:

During the year, IRCTC had 335 mobile units including 1 Tejas and Gatiman each, 17 Rajdhani, 24 Shatabdis, 19 Durontos, 12 Hamsafars, 15 Janshatabdis and 246 Mail/Express trains. IRCTC managed 247 Static Units including 167 Refreshment Rooms, 53 Jan Ahaars and 27 Cell Kitchens.

During the year, 16 kitchen units(Refreshment Rooms, Cell Kitchens and Base kitchens) were upgraded with installation of equipments like tilting boiling kettle, tilting braising pan, vegetable process and chapatti making machine.

During the year, company commissioned 25 Food Plazas and 29 Fast Food Units thereby managing 254 operational units in all.

E-catering is expanding and around 250 stations have already been made live. The average daily bookings under E-catering for financial year 2017-18 stood at 5188 meals.

IRCTC has commissioned 5 Executive Launges at Vishakhapatanam, New Delhi, Vijayavada, Agra Cantt. And Jaipur. The company also operates two Rail Yatri Niwas(New Delhi, Howrah) and two Budget Hotels(Puri, Ranchi)

Travel & Tourism:

IRCTC has become one of the leading travel and tourism companies in the market. The various tourism products of IRCTC include luxury train Maharajas Express, Buddhist Circuit Special Train, Bharat Darshan Train, Rail Tour Packages, International and domestic Air Packages, Land Tour Packages, Hotel bookings, Car rental, LTC Tours and Event Management. IRCTC has launched its tourism Portal www.irctctourism.com for online travel solutions to customers.

The total income from travel and tourism business of IRCTC was Rs. 406.54 crore in 2017-18 as against Rs. 528.67 crores in 2016-17 registering a decline of 23.1% due to lower revenue from State Special Tourist Trains.

Internet Ticketing:

E-ticketing now accounts for 65.83% of reserved tickets on Indian Railways booked online. On an average, more than 6.75 lakh tickets were sold daily through IRCTC's website during the 2017-18. The site offers round the clock ticket booking except for 35 minutes from 23:45 hrs to 00:20 hrs.

Year	2016-17	2017-18
No. of E-Tickets Booked (in Lakhs)	2092.95	2466.47
No. of Passengers Booked E-tickets (in Lakhs)	3730.87	4340
E-ticketing Revenue Collection (in Crores)	24485.21	28475.48

During the year, the following have been the highlights of Internet Ticketing segment:

- UPI/BHIM payment option made available to users.
- Aadhar Linkage to user ID to allow 12 tickets in a month
- Cab booking facility provided.
- International users can book tickets under Foreign Tourist Quota online.

Packaged Drinking Water (Rail Neer) :

At present, IRCTC has seven operational Railneer plants located at Delhi, Patna, Palur, Ambernath, Amethi, Parassala and Bilaspur, out of which Rail Neer Plants at Amethi and Parassala are under PPP mode.

The total production of Rail Neer at Nangloi, Danapur, Palur, Ambernath, Amethi, Parassala & Bilaspur plants was 20.20 crore bottles against total production of 18.70 crore bottles in previous year. The capacity utilization of all plants was 82% as on 31st March, 2018.

