

**REVIEW OF ANNUAL REPORT AND AUDITED ACCOUNTS OF INDIAN RAILWAY
CATERING AND TOURISM CORPORATION LIMITED FOR THE YEAR 2013-14**

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 ₹ 50 crores and paid up share capital is ₹ 20 crores, fully subscribed by Ministry of Railways, Government of India.

Financial Performance Highlights

During the year 2013-14, the Company achieved a total income of ₹ 954.70 crore, as compared to ₹ 719.69 crore in 2012-13 thereby registering a growth of 32.66%. Profit before tax of ₹ 127.41 crore was achieved during the year 2013-14 as compared to ₹ 92.41 crore in the previous year 2012-13.

The financial highlights are as below:

(₹ in Crores)

S. NO.	PARTICULARS	2012-13	2013-14
1	Total Income	719.69	954.70
2	Total Expenditure	611.24	810.52
3	Gross Margin	108.45	144.18
4	Profit Before Taxes	92.41	127.41
5	Provision for Taxes	33.57	55.40
6	Profit After Tax	58.84	72.01
7.	Dividend	11.77	14.40
8	Net worth	291.77	346.92
9.	Number of Employees	1725	1672

Catering & Hospitality:

During the year 2013-14, the Company's revenue from departmental catering increased to ₹ 280.83 crore as against ₹ 241.15 crore in the year 2012-13 and revenue from licensee catering increased to ₹ 26.89 crore as against ₹ 21.44 crore in the year 2012-13. Revenue from Non railway catering units increased to ₹ 37.41 crore as against ₹ 21.44 crore in 2012-13.

For the first time, IRCTC provided catering services in the first "premium train" introduced on Indian Railways. It also managed the Catering Services of Election Special trains. IRCTC, in close coordination with Ministry of Home Affairs (MHA), CRPF Head Quarters and Control Offices, managed the Catering Services for Special Trains & the splinter coaches in which more than ₹ 10.5 lakh meals were served to

the security personnel travelling to all hooks and corners of the country for conducting the General Election 2014.

IRCTC has set up Jan Ahaar Cafeterias at Railway Stations all over Indian Railways. The Jan Ahaars are being managed departmentally. Standard & Economy meals with "A la Carte" menu items are being offered to the passengers in the Jan Ahaars. Currently, 14 Jan Ahaars are being operated by IRCTC. Total Revenue from Management of Jan Ahaar for 2013-14 is about ₹ 8.86 Cr and other Departmental static unit is about ₹ 65.57 Cr.

During the year, the Company commissioned 50 Food Plazas/Fast Food Units, making the total number of operational units to 157. The Central Kitchen's (ISO 22000:2005 certified) present clientele are Corporates and Railways having share of ₹ 4.8 crore (being 38.84% of turnover) and Railways ₹ 7.5 crore (being 61.16% of turnover) respectively.

Internet Ticketing:

Internet Ticketing has emerged as one of the largest e-commerce sites in the entire Asia Pacific region with an exponential growth. On an average, more than 3 lakh tickets are sold through IRCTC's website in a day with a peak load of 5.84 lakh tickets in a day. During the year 2013-14, this segment of your Company registered an income of ₹ 228.49 crore from E-ticket Service charge as against ₹ 187.94 crore achieved during year 2012-13 thereby registering an increase of 21.58 % over previous year.

During 2013-14, your Company commissioned a Journey planner and trial version of Next Generation E-Ticketing System (NGeT) was successfully launched by Hon'ble Minister of Railways on 13th August, 2014.

Numerous initiatives have been taken in Internet Ticketing Segment during the year 2013-14 viz E-Wallet, Mobile Bookings, SMS booking, Launch of IRCTC Lite Website and online booking of Retiring Rooms, Premium Trains with Dynamic Pricing, E-Retail.

Travel & Tourism:

Travel & Tourism Business generated an income of ₹ 324.14 Crore in the year 2013-14 as compared to ₹ 188.71 crore in the year 2012-13 recording a growth of 71.77%. This includes revenue from Maharajas' Express.

During the year, 70 trips of Bharat Darshan Tourist Train were operated across the country and visitors from more than 30 countries have travelled on Buddhist Circuit Special Train and rated it as excellent.

Number of passengers who availed the IRCTC tour packages during the year are mentioned below:

Particulars	Number of passengers availed the IRCTC tour packages
Rail Tour package	31,082 passengers
Holiday package	8,718 passengers
RTP with charter coach/train	8,971 passengers
Customized tour package	2,503 passengers
Educational Tour	16,403 student and teacher (including 1847 students from "Gyan Uday" Trains operated for Delhi University)

In the year 2013-14, IRCTC got permission of Corporate Travel from Ministry of Finance to book tickets for Ministries/ PSUs and other autonomous bodies which made IRCTC as the third Company to provide these services. IRCTC is offering complete Travel services to Corporates which include air ticketing, booking of domestic as well as International hotels, cab rental, passport and visa facilitation, insurance & forex. During 2013-14, IRCTC has provided Corporate Travel services to 35 PSUs, 20 Ministries and other customers also.

During the year 2013-2014, total of 758 passengers availed the services of Maharajas' Express in 28 trips against 642 passengers in 26 trips in 2012-13 an increase of 18%.

In the year 2013-14, IRCTC operated first Panj takht on 16.02.2014 ex- Dhuri and covering all major takhts of Sikh religion like Amritsar, Bhatinda, Anandpur Sahib, Nanded and Patna with 274 passengers. IRCTC has operated 47 special trains with co-ordination of Indian Railways for the movement of paramilitary forces across India for Parliament Elections 2014.

With regard to Outbound & Domestic Air Packages, the number of passengers served during the FY 2013-14 were approx 600 as against 218 no. of passengers during the previous year.

Packaged Drinking Water (Rail Neer):

The total production of Rail Neer at Nangloi, Danapur and Palur plants was ₹ 10.98 crore bottles against total production of ₹ 10.45 crore bottles in previous year. Turnover for the segment for the year 2013-14 was ₹ 88.17.

During the year, the Company established another Rail Neer Plant at Ambarnath. The commercial production of same has started in August, 2014 and low weight preform and caps have been introduced for the new design bottle at Ambarnath. Further, work of setting up a 500 ml line has been completed at Rail Neer Plant, Nangloi.

Accolades

Relentless efforts of IRCTC have brought home many laurels and accolades for the organization. A glimpse at some of the awards been won by IRCTC during 2013-14 is as follows:

- ❖ e-INDIA award in the category "Internal Management – ICT in HR & Payroll" for the project "IRCTC PAYROLL/ORACLE HRMS". (23.7.13)
- ❖ Forbes India Leadership Award to Sh. Rakesh Kumar Tandon, CMD, IRCTC as the Best CEO – Public Sector (16.10.13)
- ❖ World Travel Award 2013 for the Maharajas' Express as the World's Leading Luxury Train (30.11.13)
- ❖ India Pride Award in the Consumer Industry Category by the Bhaskar Group (19.12.13)
- ❖ News Ink Legend PSU Shining Award as the Dynamic PSU of the Year for Excellence in Green Business Operation (31.1.14)
- ❖ Indian Restaurant Award 2014 for the special initiative in catering in the security special trains run during the General Election 2014 from March to May, 2014.
