

CATERING



More smiles per mile

E-TICKET



PACKAGED WATER



TOUR & TRAVEL



Indian Railway Catering and Tourism Corporation Limited

(A Govt. of India Enterprise-Mini Ratna Category-I)

21ST ANNUAL REPORT 2019-20

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to read more
about us



To know more visit
www.irctc.com

Chairman's Message



We believe, our agile and dynamic business model, our ability to constantly innovate and expand our operations played a crucial role to instil faith and trust in our company, projecting us as a reliable entity among the investor community.

Page 06



An Overview of our business



We are adamant about our preferences to maximize customer convenience while ensuring utmost comfort.

Page 12

Touching millions of lives



Over the years, we have diversified our service offerings to enhance customer delight and provide an unforgettable experience to travellers.

Page 09

For years, we have kept our customers at the core of our success, designing and delivering services that encompass a vast array of travel needs. From ticketing to catering, from holiday packages to accommodation facilities – **we've got it all covered. We understand the needs of our patrons and are consistently focused on setting new standards of efficiency and ease.**

With a plan to maximize convenience while ensuring utmost comfort, at IRCTC, we have discovered gateways to delight-to cater and curate memorable travel experiences.

At IRCTC, we are guided by our zeal to assure safety, security and punctuality – touching lives across social divides and geographical barriers. As we take strides to set new standards and embark on a new journey, we remain dedicated to our loyal customers – to always serve as a preferred travel partner, delivering

**More smiles
per mile!**





IRCTC at a Glance

Indian Railway Catering & Tourism Corporation Ltd (IRCTC) is the only entity authorized by Indian Railways to provide catering services to railways, online railway tickets and packaged drinking water at railway stations and trains in India.

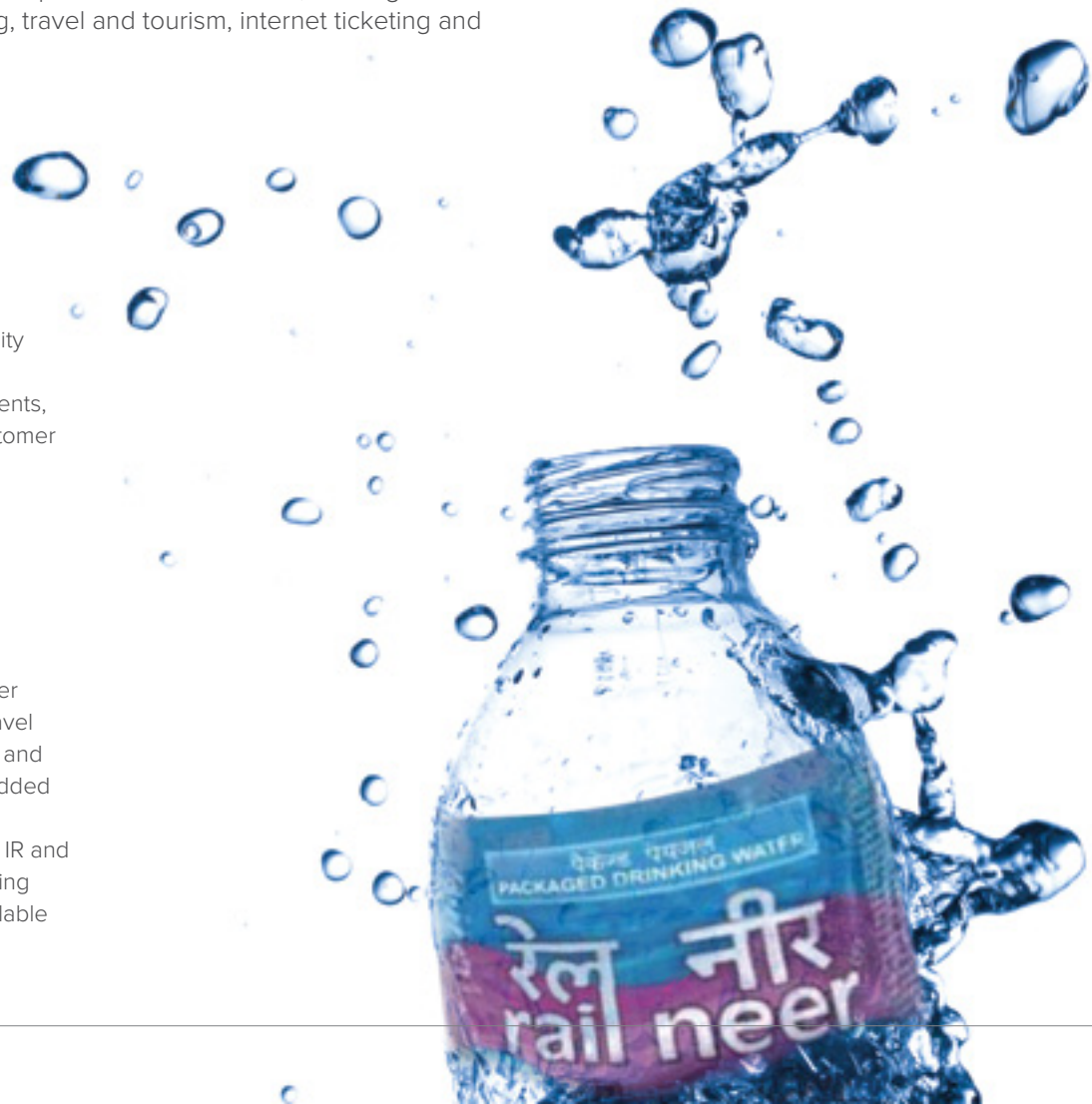
Established in 1999, as an extended arm of Ministry of Railways, it was developed to upgrade and professionalise catering and hospitality services in Indian Railways as well as to promote domestic and international tourism through development of budget hotels, special tour packages, and global reservation systems. We are a one-stop solution for travellers, offering a wide range of services including catering, travel and tourism, internet ticketing and packaged drinking water.

Vision

To be the leading provider of high quality travel, tourism and hospitality related services for a range of customer segments, to consistently deliver outstanding customer satisfaction.

Mission

IRCTC aims to establish itself as a leader in the area(s) of hospitality services, Travel and Tourism, packaged drinking water, and Internet Ticketing by providing value added products and services for passengers, tourists and other customers, targeting IR and Non-IR related services alike and building a resilient business portfolio that is scalable and based on core competence.





Our service offerings



Catering & Hospitality



Internet Ticketing



Travel & Tourism



Packaged Drinking Water
(Rail Neer)

Key facts about IRCTC

Mini-ratna (Category-I Public Sector Enterprise)

Status conferred by the Government of India, on May 1, 2008

31.4

Average transaction volume per month in FY 2019-20 (in Million)

www.irctc.co.in

is one of the most transacted websites in the Asia-Pacific region

India's

Only authorised entity providing online ticket booking and catering services for passengers travelling by Indian Railways

1446

Employees

111.92 times

IPO overall subscribed

27.93%

CAGR growth in PAT between FY 2015-16 to FY 2019-20

Most successful IPO

in the last two fiscal years in terms of overall subscription and the best performed IPO in respect of PSUs

11.49%

CAGR growth in Revenue between FY 2015-16 to FY 2019-20

Debt-free

Company as on 31st March 2020



Leveraging our strengths

Diversified portfolio

Apart from having a dominant market share in Indian Railways, we have diversified our offerings by foraying into non-railway segments including air ticket booking, e-catering, tour packages, executive lounges and budget hotel booking. Our endeavour is to be a one-stop-solution for all types of travel needs and be the preferred travel booking partner.

Authorized Entity

We are the only entity authorized by the Indian Railways to provide online railway tickets, catering services to railways and packaged drinking water at railway stations and during train journeys.

Sustainable business model

IRCTC has a track record of delivering consistent growth in revenue and profitability. On the back of favourable regulatory policies and growing passenger traffic, our top line and bottom line are expected to witness sustained growth in the long-run.



Our top line has grown at a CAGR of 11.49% over the past five years while our bottom line has registered a CAGR growth of 27.93% during the same period.

Attractive financial matrices

Over the years, we have aspired to maintain healthy ratios through a prudent risk management and capital allocation strategy.

Our RoE and ROCE as on 31st March 2020 stood at 39.81%.

Robust balance sheet

Our operating cash stood at ₹ 597.39 Crores as on 31st March 2020

and the fact that we are a debt-free company validates our financial discipline. The strong balance sheet also enables us to meet our short-term obligations, execute our strategies & growth plans and navigate through uncertainties and cyclic slowdowns.

Strong governance framework

For years we have implemented systems and internal control procedures to enable adherence to regulatory frameworks and assure greater transparency across organizational verticals. It has empowered us to strategically sustain the foundations for strong performance while building bonds with internal as well as external stakeholders.

Experienced Board and management

The multi-sectoral experience and the deep domain knowledge of our senior management guides us to chart new trajectories of growth and provides direction to tide through tough times. It is the strength of our leadership that helps us to retain our competitive edge and consistently unlock opportunities for future success.



Chairman's Message

“

Our IPO received
spectacular response
and we are absolutely
thrilled to share our
very first annual report
after our successful
listing at BSE and NSE.

Growth in operating revenues in
FY 2019-20 by

21.68%

over FY 2018-19



Dear Shareholders

Fiscal year 2019-20 was a milestone year for us at IRCTC. Our IPO received spectacular response and we are absolutely thrilled to share our very first annual report after our successful listing at BSE and NSE. One of the most successful IPOs in over 20 months, it was subscribed more than 112 times. We believe, our agile and dynamic business model, our ability to constantly innovate and expand our operations played a crucial role to instil faith and trust in our company, projecting us as a reliable entity among the investor community.

Trade conflicts and political uncertainties resulted in significant economic volatility and considerably affected global trade and investor confidence in the last fiscal. This, coupled with the Covid-19 pandemic in early 2020, severely impacted growth of the Indian as well as global economy. The virus outbreak wreaked havoc across the world as lives were lost and job losses became rampant. Economic activity too came to a complete halt due to substantial disruptions to production and supply chains around the world. In a post-pandemic world, we continue to grapple with the realities of a new world as threats of a recession loom large over major advanced and developing economies.

As travel restrictions became rampant, the global travel and tourism industry emerged as one of the worst hit sectors. In difficult times such as this, what mattered was our ability to rethink the future together and take strides to achieve our goals despite challenges.

While the world is embracing a 'new normal', we at IRCTC have been working relentlessly to resume operations. We have adopted preventive measures to

follow safety protocols and have provided adequate training to all our employees, prioritizing their safety and well-being while ensuring business continuity. Further, a detailed Standard Operating Procedure (SOP) is being prepared with a strong emphasis on automating manual processes.

In a dynamic and fast-paced environment, we recognize the need to be future-ready and rely on advanced technology to ensure smoother and seamless operations. We have also adopted AI (Artificial Intelligence) powered chatbots to redress customer grievances. Further, we intend to introduce robotic process automation to simplify repetitive and complex processes like Invoice Generation, MIS Reports (daily, weekly and monthly) and PRS & Bank reconciliation.

To improve user experiences on our website and mobile applications, we are constantly improving the user interface. Further, to check inadvertent booking of Tatkal tickets, we plan to adopt Google reCaptcha software. We also realize that our digital infrastructure is constantly at risk and have therefore, resorted to security systems to protect our IT infrastructure from Distributed Denial of Service (DDOS) attacks. Accordingly, on-premise DDOS mitigation devices will be deployed in our data centre to tackle cyber threats. Aimed at increasing overall efficiency, reducing errors and driving cost synergies, these digital transformations are anticipated to revamp IRCTC's image and pave the way for a future focused company.

During the year under review, our zest to drive sustainable business growth continued undeterred. We remained focused on strengthening our market



We launched the first corporate train in FY 2019-20 making us the first company to do so in the Indian Railways network.

share across segments, driving innovation and capitalizing on opportunities to deliver differentiated services. We also launched the first corporate train in FY 2019-20, the first company to introduce this service on the Indian Railways network.

To improve our catering & hospitality business, we have planned strategic interventions that are designed to facilitate customer convenience. While we introduced biodegradable meal trays to serve food in premium trains like Rajdhani, Shatabdi, Duronto and Tejas, we have also inducted Train Hostesses from recognised Air Hostess Institutes to efficiently serve passengers. In an endeavour to promote transparency in our meal services, we have introduced QR codes on meals boxes supplied from IRCTC kitchens. It allows passengers to obtain vital information pertaining to its preparation, name of the kitchens and links to live feeds from IRCTC's base kitchens. We have also upgraded the infrastructure of 46 base kitchens to enable live streaming of operations on Rail Drishti and IRCTC web portal.

Chairman's Message

IRCTC enjoys a monopoly to manufacture and distribute packaged drinking water at all railway stations and in trains across India. As of 31st March 2020, we have 14 Rail Neer plants with installed production capacity of ~ 1.4 Million litres per day, catering to ~ 60% of the current demand of packaged drinking water. We are planning to further increase our capacity with the construction of 3 new plants in Bhusawal, Vijayawada, and Una. Besides, 4 more Rail Neer plants, at Vishakhapatnam, Bhubaneswar, Kota and Ranchi, have been approved and are expected to be commissioned by 2021-22.

In an effort to enhance customer delight and improve experiences, we are constantly upgrading our online booking infrastructure with cutting edge technology. In the post demonetisation period, IRCTC's convenience fees were suspended under an order from the Ministry of Finance. It has been reinstated during the year and is anticipated to further improve our margin and provide better return to our shareholders.

On the back of steady operational performances, our revenues from operation grew by 21.68% to ₹ 2275.48 Crores in FY 2019-20 as compared to ₹ 1870 Crores in FY 2018-19. Our EBITDA increased by 67.62% from ₹ 472.16 Crores in FY 2018-19 to ₹ 791.45 Crores in FY 2019-20. Our PAT also improved by 71.30%, to touch ₹ 528.57 Crores during the year under review from ₹ 308.56 Crores in the year ago period.

Considering the outstanding performance of the Company, during 2019-20, the Directors have recommend a final dividend of ₹ 2.50/- per share (₹ 40 Crores) for FY 2019-20. This is in addition to the interim dividend of ₹ 10/- per share (₹ 160 Crores) declared in February 2020.



We enjoy a monopoly position in manufacturing and distribution of packaged drinking water at all railway stations and in trains across India.

Economic conditions were not particularly conducive in FY 2019-20, but we delivered impressive results despite macroeconomic uncertainties and a complete closure of operations towards the end of the fourth quarter of FY 2019-20. IRCTC believes in the strength of its team and remains enthused to strategically navigate through the global pandemic and serve its customers better. As a stronger and a socially responsible business, we are also prepared to step up and meet the unprecedented challenges posed by the COVID-19 outbreak. We remain optimistic about creating long-term value for all our stakeholders including customers, suppliers, investors and society, while realigning our efforts to adopt a 'new normal'.

The Company understands its responsibility towards society and as responsible corporate citizen, to combat Covid-19 fight, contributed ₹ 20 Crores to PM CARES Fund alongwith one day salary of employees amounting to approx 20 Lakhs, which was lauded by Hon'ble Prime Minister of India.

On behalf of the Board of Directors, I would like to express my sincerest gratitude towards everyone at IRCTC for their hard work, dedication and support. I would also like to thank our shareholders for your continued support and trust. I am also thankful to the agencies / government institutions, particularly the Ministry of Railways, Ministry of Tourism, Department



of Public Enterprises and Zonal Railways, Comptroller and Auditor General of India and all the State Governments for their support and guidance.

The world around us is changing at a frenetic pace and as we acknowledge and embrace such transformations, we continue to pave the way for a better and brighter tomorrow.

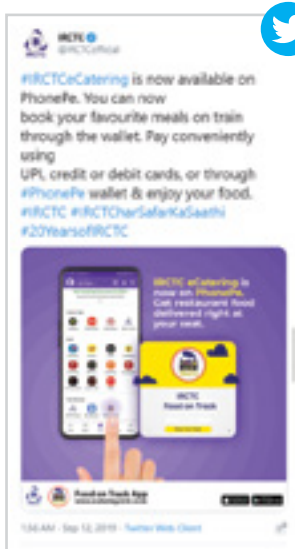
Regards

M.P. Mall

Chairman & Managing Director

Touching millions of lives

At IRCTC, our endeavour is to provide our customers an unforgettable and memorable experience. Over the years, we have diversified our service offerings to enhance customer delight and provide an unforgettable experience to travellers. Our constant focus on building a customer-centric business model has enabled us to touch lives across the nations.





Scaling Up: Our Financial Highlights

Revenue from Operations

(₹ in Crores)

FY 16	1381.73
FY 17	1538.93
FY 18	1471.17
FY 19	1870.00
FY 20	2275.48

Net worth

(₹ in Crores)

FY 16	700.57
FY 17	778.34
FY 18	945.37
FY 19	1071.02
FY 20	1327.82

EBITDA

(₹ in Crores)

FY 16	328.95
FY 17	352.99
FY 18	360.30
FY 19	472.16
FY 20	791.45

PAT

(₹ in Crores)

FY 16	197.29
FY 17	214.69
FY 18	219.52
FY 19	308.56
FY 20	528.57

ROCE

(in %)

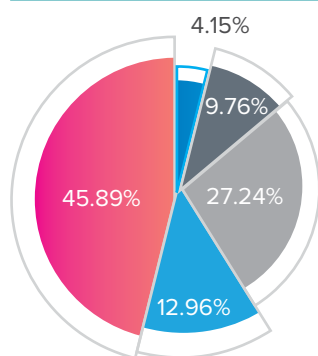
FY 16	28.16
FY 17	27.58
FY 18	23.22
FY 19	28.81
FY 20	39.81

Dividend per share

(in ₹)

FY 16	37.73
FY 17	21.17
FY 18	22.20
FY 19	7.65
FY 20	12.50

Operating revenue mix



- ▶ Catering
- ▶ Railneer
- ▶ Internet Ticketing
- ▶ Tourism
- ▶ State Teerath





An Overview of our business

Travel Needs, Covered



Our plan is simple – we are adamant about our preferences to maximize customer convenience while ensuring utmost comfort. Taking care of varied travel needs, ranging from catering and ticketing to hospitality and tourism, we are ready to delight you with exceptional travel experiences.

**We've
got you
covered!**



Our Business Segment – Catering

We are the largest hospitality and catering company in India offering services in passenger trains and railway station premises. Through our catering segment, we undertake other ancillary business activities. Here's what we offer through our catering vertical

45.89%

Share in total operating revenue

Mobile Catering Business

We offer on-board catering services through our pantry cars in various trains. We also offer train side vending contracts, for taking orders from passengers in trains without pantry cars.



417

Passenger trains with pantry cars



Other Hospitality Business

We offer a number of value-added services to passengers in the form of executive lounges, retiring rooms and budget hotels at major railway stations across the country. These are designed to cater to the needs of mid-segment and high-end passengers, looking for a comfortable place to relax.



169

Refreshment Rooms

293

Food Plazas/Fast Food Units



Static Catering

Under this segment, we have established Food Plazas/ Fast Food Units Refreshment Rooms, Jan Ahaar and Cell & Base Kitchens at railway stations. Through these units we serve sumptuous dishes at affordable rates.


56

Jan Ahaars

24

Cell Kitchens

11

Base kitchens



E-catering

Our latest service offering, e-catering allows passengers to book food from our partner restaurants and food outlets through a mobile application, during train journeys. The food is then delivered directly to the passengers' seat.


353

Stations covered with our e-catering services

21,571

Average daily meal bookings in our e-catering segment



New Initiatives undertaken



QR codes affixed on meal boxes supplied from IRCTC kitchen units



Installed 12256 metallic plates on trains stating 'If you don't get bill, your food is free', stressing on the need to ask for invoices for services availed on the train.



Mandatory for vendors to issue invoices through PoS machines



Installed CCTV cameras in IRCTC kitchen units



Installation of Automatic Food tray packing machined in Base Kitchen, New Delhi



Battery operated refrigerated E carts to transport food packets from Kitchens to Trains at Base Kitchen, New Delhi

Outlook

By the end of the first quarter of 2020-21, nearly 100 sections over the Indian Railway network is expected to be covered by TSV arrangements. IRCTC plans to commission approximately 50 additional Food Plazas (FPs)/Fast Food Units (FFUs) and 3 more Executive Lounges in Varanasi Jn., Hazrat Nizamuddin, New Delhi (Paharganj side) in FY 2020-21. Alongside, 5 more Retiring Rooms are expected to be commissioned during the same period.

*As on 31st March 2020

Our Business Segment – Internet Ticketing

With an endeavour to bring passenger reservation systems to consumer fingertips, we forayed into the internet ticketing system for Indian Railways in 2002. We are the only company authorized by Indian railways to offer online railway tickets through our website and mobile application. The segment has been growing at a steady pace as internet penetration continues to rise with the use of smart phones. The increasing per capita income and rise in disposable income will only boost the growth of this segment in the coming years.



4.41 Crores

IRCTC Mobile app
downloads



Key statistics*

53.81%

CAGR growth in ticket booking since 2002

27.24%

Share in total operating revenue

3019.04 Lakhs

Tickets booked

8.25 Lakhs

Average number of tickets booked per day through our platform in FY 2019-20

24*7

Booking services available

₹ 34,054.74 Crores

Collected as ticket fare from users

*As on 31st March 2020

New Initiatives undertaken

- CAPTCHA-based login introduced on Mobile App to enhance security during peak hours
- Provision for E-ticketing Service for Armed Forces & Central Paramilitary Forces
- Launched IRCTC Rail Connect Mobile App on iOS Platform
- New User Interface of IRCTC Rail Connect Mobile App launched on Android Platform
- IRCTC Event Management Portal launched

Outlook

To enhance efficiency of e-ticketing services, a new user interface was developed for the e-ticketing website (desktop and mobile) as well as Mobile Apps on Android and iOS platforms. The use of Google reCaptcha tool on the website and Mobile Apps helps to detect Bots during ARP and Tatkal openings, thereby preventing unauthorized bookings. In an effort to further boost its system, IRCTC has deployed On-Premise DDOS Mitigation Devices in its Data Center.





Our Business Segment – Packaged Drinking Water

To cater to passenger amenities on trains, we launched Rail Neer, a safe and trusted packaged drinking water brand. It is processed and purified in state-of-the-art plants to ensure maximum hygiene. It is available on all trains and stations within the Indian Railways network.

Key statistics*

9.76%

Share in total
operating revenue

79%

Capacity Utilization

27.50

Bottles produced (in Crores)

22.15%

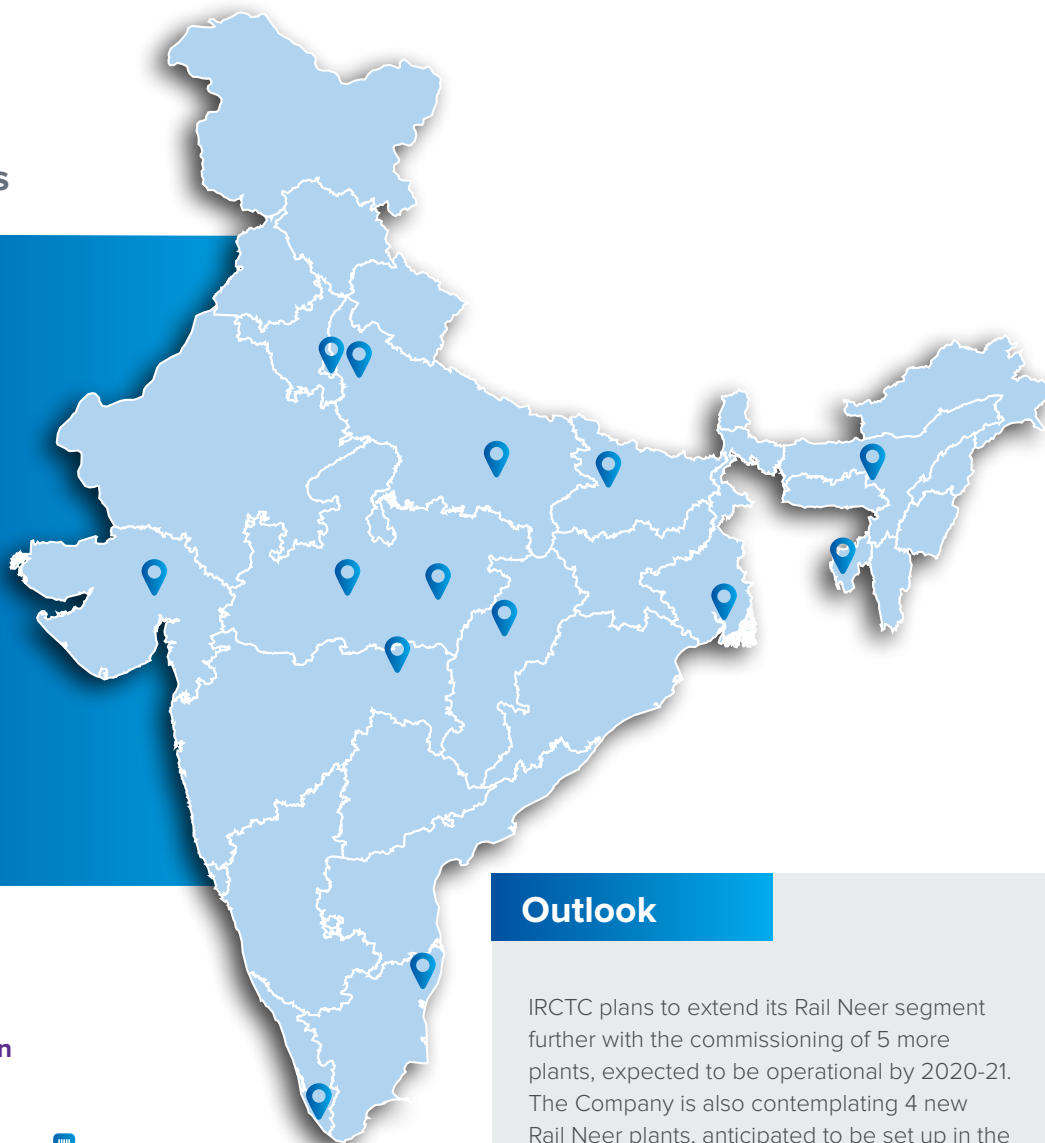
CAGR growth in
production volume
since 2003

*As on 31st March 2020



Our plant locations

Nangloi
 Danapur
 Palur
 Ambernath
 Amethi
 Parassala
 Bilaspur
 Sanand
 Hapur
 Mandideep
 Nagpur
 Jagiroad
 Jabalpur
 Sankrail



New Initiatives undertaken



Hologram embedded on Rail Neer bottles to prevent counterfeits and sale of spurious water



Use of Handheld Terminals (HHT) for monitoring distribution operations at Rail Neer plants

Outlook

IRCTC plans to extend its Rail Neer segment further with the commissioning of 5 more plants, expected to be operational by 2020-21. The Company is also contemplating 4 new Rail Neer plants, anticipated to be set up in the near future.





Our Business Segment – Travel and Tourism

With a rich heritage and myriad attractions, India is home to some of the finest landscapes in the world. A hotbed for tourists from around the world, our country offers a mosaic of multicultural experiences. Over the past two decades, we, at IRCTC, have been constantly working towards promoting and developing rail tourism. Today, IRCTC is one of the leading travel and tourism companies in India, catering to diverse customer needs. Our travel and tourism segment offers the following services:

Key statistics*

17.11%

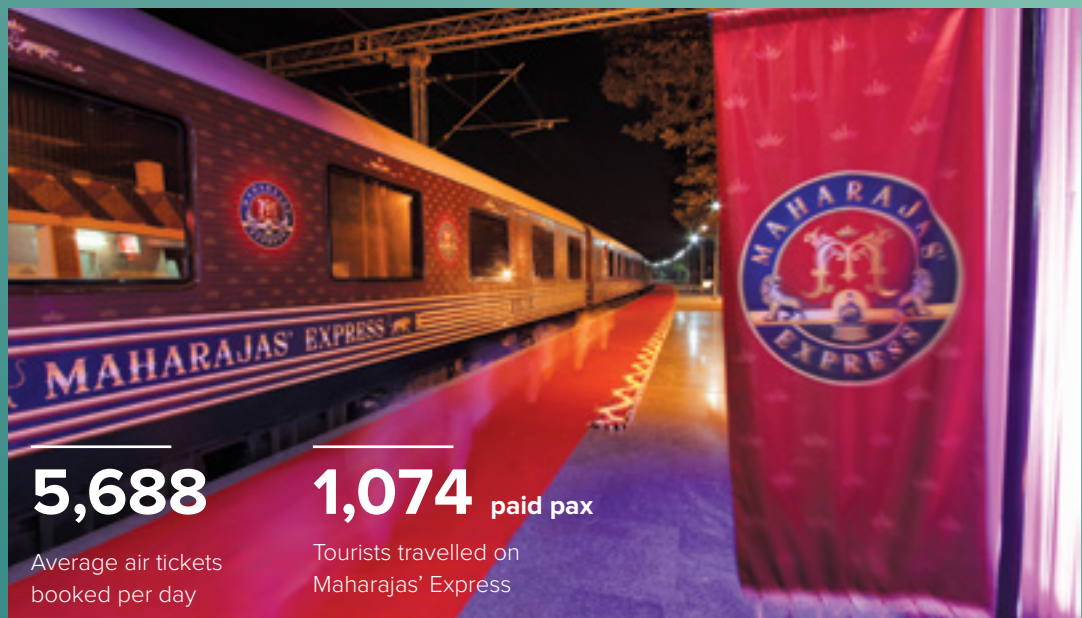
(including State
Teertha special trains)
Share in total
operating revenue

3,629 pax

Tourists availed our
outbound tour packages

81

Chartered trains
operated



5,688

Average air tickets
booked per day

1,074 paid pax

Tourists travelled on
Maharajas' Express

*As on 31st March 2020

Domestic Tour packages

We offer our passengers a host of domestic tour packages including rail tours, holidays, charter coach and train travel, customized tour packages, domestic air packages and specially curated educational trips for students.

Luxury Travel

We run special and luxury trains including Maharajas' Express, Buddhist Circuit Special Train and Golden Chariot to offer a luxurious experience to our travellers.

Mass Tourism

We operate special tour packages for the masses. Bharat Darshan/ Aastha Circuit Tourist trains, state special trains for various state governments, AC Tourist Trains and pilgrim special trains are also run on the IRCTC network.

Outbound Tour Packages

IRCTC offers various outbound tour packages to various tourist destinations around the world.

Air Ticket and Corporate Travel

We provide domestic and international airline ticketing services to our customers. We also offer complete travel solutions for various Ministries/ Government institutions/ PSUs/ Corporates, providing services ranging from air ticketing and hotel bookings to fulfilling Visa requirements for international travel and delivering FOREX services.

Other activities

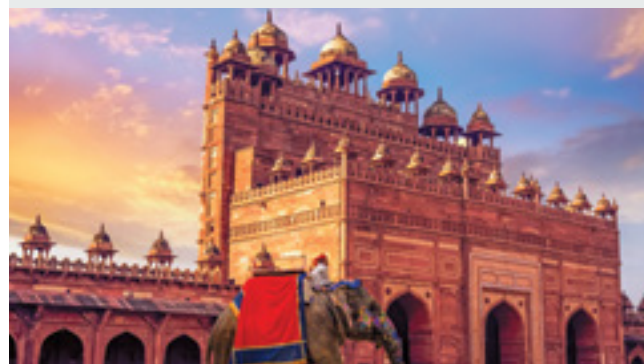
We offer value added services to our consumers for management and organisation of various conferences and events and also provide incentive packages for Indian Railways, PSUs, Education Department and other prominent institutions. Our platform also enables bookings for charter trains, coaches & Saloon Cars, cruise packages, Air Charter and other services.

New Initiatives undertaken

- Introduced two Tejas Trains on the 'Lucknow-New Delhi' and 'Ahmedabad-Mumbai' routes. One passenger train was launched on the 'Varanasi-Indore' route
- Launched international cruise packages
- Operated River Cruise packages to Gangasagar, Sunderban and on the Godavari River
- Organized IRCTC's first Adventure tourism package to North East India
- Introduced packages for heritage routes of Patalpani-Kalakund
- Initiated 'Pind Daan' package for Gaya & Haridwar and 'Rann Utsav' package for Gujarat
- Launch of Pilgrim Special Trains for tourists

Outlook

IRCTC is aggressively promoting its rail based tourism products along with multiple other services in its travel and tourism segment. The Company has recently launched international cruise packages along with domestic packages for river cruises to appeal to a large customer base. It is also constantly upgrading and introducing new service offerings to design solutions aimed at capturing a larger market.



Awards and Recognition – Our greatest laurels



IRCTC's tourism vertical has been conferred India e-Retail Awards 2019, in the category 'Leisure and Travel e Retailer of the Year' at a ceremony held at Lalit Hotel, New Delhi on 13.10.2019.



IRCTC Rail Connect app awarded for best content in an e-commerce app in a specialized category during the India Content Leadership Awards –ICL 2019 on 04.10.2019



IRCTC presented with Express IT award 2019, organised by Financial Express (Indian Express) on 13.12.2019.



Rail Neer conferred with Asia's Most Trusted Brand Awards 2019 in a function organised in Bangkok, Thailand on 11.12.2019 by IBC infomedia Pvt Ltd, a division of International Brand Consulting Corporation USA.



Digital Innovation Award was presented to IRCTC by Express computers on 26.09.2019



Customer Centric Excellence Award presented to IRCTC from ET Now during the Business leader of the year award function held on 16.02.2020 at Taj Lands End Mumbai.



Company of the year award presented to IRCTC from ET Now during the Business leader of the year award function held on 16.02.2020 at Taj Lands End Mumbai.



IRCTC felicitated at the International Business Leadership Awards 2019, in a function organised in Bangkok, Thailand on 11.12.2019 by IBC infomedia Pvt Ltd, a division of International Brand Consulting Corporation USA.



IRCTC won the Governance Now PSU Award, under the Financial Category: Strategic Investments, in the 7th edition of PSU Awards held on 19th February 2020, at The Lalit, New Delhi.



IRCTC AI Chatbot 'AskDISHA' has been honoured with Asia Leadership award for "Innovation Using Technology" in Mumbai on 27.11.2019.

Profile of the Board of Directors



Shri M. P. Mall

Chairman & Managing Director



Smt. Rajni Hasija

Director (Tourism & Marketing)



Shri Ajit Kumar

Director (Finance)



Shri Neeraj Sharma

Government Nominee Director



Shri Vinay Srivastava

Government Nominee Director



Prof. Sachin Chaturvedi

Independent Director



**Shri Comal Ramachandran
Sundaramurti**

Independent Director



Ms. Sarita Deshpande

Independent Director

Shri M. P. Mall

Chairman & Managing Director

Shri. M.P. Mall, an Indian Railway Accounts Service officer (1984 batch) is currently serving as the Chairman & Managing Director of IRCTC. He is an MBA in finance and has a vast experience of more than 30 years in Administrative Services in Indian Railways and has also served in the Ministry of Urban Development. He headed the finance & accounts projects of IRCON International at Malaysia, where he successfully designed the counter trade deal mechanism.

Shri. Mall's journey with IRCTC began in the year 2007 when he was serving the organisation as Group General Manager/ Finance and after a short stint of about 3 years in the Ministry of Railways as Executive Director, he joined back IRCTC as Director/Finance in Jan'2013. As Chairman & Managing Director of the corporation, Mr. Mall exercises statutory and corporate responsibilities to ensure efficient and profitable operations of the company and manages specific tasks pertaining to the areas of financial management and accounting, business strategy and processes. During his current tenure, IRCTC managed to reach great heights of success.

Smt. Rajni Hasija

Director (Tourism & Marketing)

Smt. Rajni Hasija is an officer of Indian Railway Traffic Service (IRTS) of 1988 batch. She is a science scholar with an M.Phil from Delhi University. She also possesses a post graduate diploma in Human Resource Management and a degree in Law. In her illustrious career in Indian Railways, spread over 29 years, she has worked in various managerial capacities in various divisions, zones as well as various Public

Sector Undertakings and has extensive experience in the field of IT, marketing, operations and planning. She has also been associated with IRCTC in the capacity of Group General Manager, handling the IT business segment and serving as the overall in-charge of an entire zone. Smt. Hasija had a pioneering role in the inception and development of the internet ticketing site of railways 'www.irctc.co.in'. With her sound technical knowledge, organizing and planning skill and ability to communicate with her peers and team, she has successfully completed very challenging and time-bound projects for IRCTC, which ranged from planning and execution of the dynamic online cum counter ticketing platform for Commonwealth Games 2010 to the successful launch of Maharajas' Express Luxury Tourist Train – the flagship tourism product of IRCTC. She is also holding the additional charge of Director (Catering Services) since 2nd July 2019.

Shri Ajit Kumar

Director (Finance)

Shri Ajit Kumar, Indian Railway Accounts Service (IRAS) of 1989 Batch has vast experience in different organizations of Railways as well as outside bodies. Apart from Division and Headquarters, he has worked in Diesel Locomotives Workshop (DLW), Railway Electrification, IRPMU. Shri Ajit Kumar has served as Director/Finance Accounts in NDMC. He was also Member Finance/Rail Land Development Authority (RLDA) and Board member of Indian Railways Station Development Corporation (IRSDC). His legal expertise played an instrumental role to successfully handle tasks pertaining to documentation of Tender & Contracts. In Northern Railway, he looked after Catering Contracts and earning tenders of the Commercial Department. Before taking charge as Director/Finance,

IRCTC, he was posted as Financial Adviser & Chief Accounting Officer (FA&CAO) in Indian Railway Organization for Alternative Fuels (IROAF) under Ministry of Railways.

Shri Neeraj Sharma

Government Nominee Director

Shri Neeraj Sharma, ED (Passenger Marketing), Railway Board is the Part-Time Government Director of our Company. He has been on the Board of our Company since July 12, 2018. He is an officer of the Indian Railway Traffic Service (IRTS) 1991 batch. Mr. Sharma is a post graduate from Govind Ballabh Pant University of Agriculture and Technology, Nainital and a Ph.D from Indian Agriculture Research Institute, New Delhi. During his association of more than 25 years with Indian Railways, he has held various positions in North Eastern Railway and Northern Railway, including his tenures as Assistant Operations Manager, Divisional Operations Manager, Senior Divisional Operations, Senior Divisional Commercial Manager Professor Administration, Disaster Management in IRITM (Indian Railway Institute of Transport Management), Lucknow, Chief Public Relations Officer, Northern Railway and Chief Commercial Manager (Passenger Marketing), Northern Railway. Due to his accomplishments, he has been awarded twice with Minister of Railways Award, the highest recognition in Indian Railways.

Shri Vinay Srivastava

Government Nominee Director

Mr. Vinay Srivastava has 26 years of multifaceted experience in Government Service. A Mechanical Engineer from Jamalpur with a Masters Degree in Public Administration from Syracuse University,

Profile of the Board of Directors

he has experience of Rolling Stock Design, Manufacture, Testing and Operations. He is presently working as Executive Director in Railway Board looking after Passenger Rolling Stock and Public Sector Units of the Railways. He has worked as Chief Mechanical Engineer in Indian Railways Organization for Alternate Fuels, where he was in charge of solar energy, biofuels, fuel cell propelled vehicles and other alternate sources of energy. He has worked in RCF Kapurthala in Coach Production and Coach Design, and as Sr DME Hyderabad in South Central Railway. He has also worked in RDSO in Administration, Testing and Carriage Directorate. Apart from Railways he has also worked in public facing role as Regional Passport Officer Lucknow in MEA. He also has policy experience at the highest levels while working as Director in Cabinet Secretariat, handling infrastructure ministries including MoUD, HUPA, Railways, Road Transport, Civil Aviation etc and managed Coordination roles with State Governments. He has also worked as an aide to Minister in the Ministries of Environment Forest and Climate Change, HRD and Information and Broadcasting.

Prof. Sachin Chaturvedi

Independent Director

Prof. Sachin Chaturvedi is the Part-Time (non-official) Independent Director of our Company. Prof. Sachin Chaturvedi is Director General at the Research and Information System for Developing Countries (RIS), a New Delhi-based autonomous Think-Tank. He has also worked on trade and innovation linkages with special focus on WTO. Prof. Chaturvedi has served as a Visiting Professor at the Jawaharlal Nehru University (JNU) and has also worked as consultant to the UN Food and Agriculture Organisation, World Bank, UN-ESCAP, UNESCO, OECD, the Commonwealth

Secretariat, IUCN, and to the Government of India's Department of Biotechnology and the Ministry of Environment and Forests, among other organizations. His experience includes working at the University of Amsterdam on a project on International Development Cooperation and Biotechnology for Developing Countries, supported by the Dutch Ministry of External Affairs. He is on the Editorial Advisory Board of IDS Bulletin (UK); and is Editor of Asian Biotechnology Development Review. He has authored and edited nine books apart from publishing several research articles in various prestigious journals.

Shri Comal Ramachandran Sundaramurti

Independent Director

Shri Comal Ramachandran Sundaramurti is a Part-Time (non-official) Independent Director of our Company. He has been on the Board of our Company since October 13, 2017. He holds a Bachelor's degree in Science (Hons.) from St. Stephens College, University of Delhi and a Master's degree

in Business Administration from Faculty of Management Studies, University of Delhi. He is former Controller General of Accounts, Ministry of Finance and has held various prestigious positions including Controller General of Accounts, Ministry of Finance, Principal Chief Controller of Accounts, CBEC, Addl. Joint & Deputy Controller General of Accounts to Ministry of Finance, Director (Budget), Department of Economic Affairs, Deputy & Under Secretary to Ministry of Commerce.

Ms. Sarita Deshpande

Independent Director

Ms. Sarita Deshpande is a Part-Time (non-official) Independent Director of our Company. She has been on the Board of our Company since March 29, 2018. She holds a Bachelor's degree in Arts and Law from Bhopal University. She works as an Advocate in District Court of Bhopal and has held various prestigious positions including Chairperson of Social Welfare Board, Parshad at Municipal Corporation, Bhopal and also worked as Panch at the District level.

Key Managerial Personnel



Mr. Ajai Srivastava

CFO (upto 09.07.2020)



Mrs. Suman Kalra

Company Secretary and Compliance Officer

Corporate Information

Board of Directors

Shri M. P. Mall

Chairman & Managing Director
DIN: 02316235

Shri Sriram Venkatachalam

Director (Catering Services)
(upto 30.06.2019)
DIN: 0744520

Smt. Rajni Hasija

Director (Tourism & Marketing)
DIN: 08083674

Shri Ajit Kumar

Director (Finance)
w.e.f 29.05.2020
DIN: 07247362

Smt. Smita Rawat

ED(NFR & T), Railway Board
(upto 10.10.2019)
Government Nominee Director
DIN: 07670758

Shri Neeraj Sharma

ED (PM), Railway Board
Government Nominee Director
DIN: 08177824

Shri Narendra

Executive Director/F (PPP), Railway Board (from 19.08.2019 up to 15.01.2020)
Government Nominee Director
DIN: 08422372

Shri Sanjeeb Kumar

Executive Director/F(PPP), Railway Board, (from 13.02.2020 up to 05.05.2020)
Government Nominee Director
DIN: 03383641

Shri Vinay Srivastava

Executive Director(PSU), Railway Board
w.e.f. 20.03.2020
Government Nominee Director
DIN: 08638850

Dr. Rabi Narayan Bohidar

Independent Director
(upto 30.01.2020)
DIN: 00637818

Dr. Dheeraj Sharma

Independent Director
(upto 30.01.2020)
DIN: 07683375

Smt. Kanak Aggarwal

Independent Director
(upto 30.01.2020)
DIN: 00074469

Prof. Sachin Chaturvedi

Independent Director
DIN: 07960871

Shri C. R. Sundaramurti

Independent Director
DIN: 07965899

Ms. Sarita Deshpande

Independent Director
DIN: 08098222

Supplementary Information

CFO

Mr. Ajai Srivastava (upto 09.07.2020)
Mr. Ajit Kumar, (w.e.f 10.07.2020)

Company Secretary and Compliance Officer

Ms. Suman Kalra

Statutory Auditors

M/s Serva Associates,
Chartered Accountants,
1011-1014, 10th Floor, RG Trade Tower,
Netaji Subhash Place, Pitam Pura,
Delhi -110034

Internal Auditors

M/s K.S. Choudhary & Co.,
Chartered Accountants,
212, M.J. Shopping Centre,
3, Veer Savarkar Block, Shakarpur,
Delhi-11 0092

Cost Auditors

M/s R.J. Goel & Co.
31, Community Centre, Ashok Vihar,
Phase - I, Delhi - 110052.

Secretarial Auditor

M/s Amit Agrawal & Associates
(Company Secretaries)
H-63, Vijay Chowk, Laxmi Nagar,
Delhi - 110 092.

Registered & Corporate Office

11th Floor, Statesman House, B-148,
Barakhamba Road, Connaught Place,
New Delhi - 110001

Internet Ticketing

New Operations Center, Northern
Railway Reservation Office, IRCA
Complex, State Entry Road,
New Delhi- 110 055.

Tourism Office

M-13, Punj House, Block M,
Connaught Place, New Delhi-110001

Railneer Plant, Nangloi

Northern Railway's Wireless Station Area,
Opp. Nangloi Bus Depot, Rohtak Road,
Nangloi, Delhi - 110 041.

Railneer Plant, Danapur

Loco Colony, South R.P.F. Barracks,
Khagaul, Danapur, Patna- 801 105.

Railneer Plant, Palur

Palur Railway Station Village and Post
Palur, Taluk- Chengalpattu,
Kanchipuram, Tamil Nadu – 603101



Corporate Information

Railneer Plant, Ambernath

Near GIP Dam, Additional MIDC, Post Anand Nagar, Ambernath (East), Thane, Maharashtra - 421506

Railneer Plant, Amethi

Plot No. C11 & 12 UPSIDC Industrial Area, Takaria Gauriganj, Amethi, Uttar Pradesh - 227409

Railneer Plant, Parassala

Railway Yard, New Parassala Railway Station, Kerala - 695502

Railneer Plant, Bilaspur

Plot No. 22/23, Sector-B, Sirgitti Industrial Area, Bilaspur, Chattisgarh- 495004

Railneer Plant, Hapur

I-2, Industrial Area, Massori Gulavathi Road, Hapur Uttar Pradesh - 245101

Railneer Plant, Nagpur

D-53, MIDC Buti Bori Industrial Area, Nagpur, Maharastra - 440016

Railneer Plant, Sankrail

FP3/8, Food Park, Phase-III, Sankrail, Howrah, West Bengal - 711302

Railneer Plant, Bhopal

Plot No. 01, Warehousing Complex, Industrial Area, Manideep, Phase-II, Raisen, Madhya Pradesh - 462046

Railneer Plant, Jagi Road

Village Borkhal under Uttar khola Mouza, Amlighat, Morigaon, Guwahati, Assam - 782410

Railneer Plant, Sanand-II, Ahmedabad

Plot No. 668 Sanand-II, Industrial Estate, Ahmedabad - 382170

Railneer Plant, Jabalpur

Plot No. 11, Sec- E, IGC Maneri Mandla, Jabalpur - 481885

Zonal Offices

North Zone

Rail Yatri Niwas, Ground Floor, New Delhi Railway Station, Ajmeri Gate Side, New Delhi - 110 002.

East Zone

Old Koilaghat Building (Ground Floor), 3, Koilaghat Street, Kolkata - 700 001.

West Zone

2nd Floor, New Administrative Building, Central Railway, CST, Mumbai - 400001.

South Zone

6A, The Rain Tree Place, 9, Mc Nicolas Road, Chetpet, Chennai - 600 031.

South Central Zone

3rd Floor, Oxford Plaza, Sarojini Devi Road, Secunderabad, Andhra Pradesh – 500003.

Website: www.irttc.com

E-mail ID: investors@irttc.com

Bankers

HDFC Bank
ICICI Bank
Bank of Baroda
Punjab National Bank
SBI
Corporation Bank
Oriental Bank of Commerce
Syndicate Bank
Canara Bank
Bank of India
Union Bank of India
Andhra Bank
Indian Bank
IDBI Bank
Citibank
Axis Bank
Standard Chartered Bank

Yes Bank
UCO Bank
Federal Bank
Karnataka Bank
IndusInd Bank
Kotak Mahindra
Central Bank of India
Bank of Maharashtra
Allahabad Bank
Karur Vysya Bank
Indian Overseas Bank
RBL Bank Ltd
South Indian Bank
IDFC First Bank
AU Small Finance Bank

Registrar & Share Transfer Agent:

Alankit Assignment Limited

Address: 4E/2, Alankit House, Jhandewalan Extension near Jhandewalan Metro Station New Delhi-110055

Email id: rta@alankit.com

Phone Number: 011-42541234

Share Listed at:

Stock Exchanges	SCRIP Code/ Symbol
BSE Limited (BSE)	542830
National Stock Exchange of India Limited (NSE)	IRCTC

Depositories:

National Securities Depository Limited (NSDL)

Central Depository Services (India) Limited (CDSL)

ISIN No:

INE335Y01012

Ten years Financial Highlights

Sr. Particulars No.		(Amount ₹ in Crores)									
		2010-11	2011-12*	2012-13*	2013-14*	2014-15*	2015-16**	2016-17**	2017-18**	2018-19**	2019-20**
1	Total Income	764.93	554.11	719.69	954.70	1,141.21	1,523.41	1,598.71	1544.75	1958.94	2353.54
2	Expenditure (including increase/decrease in stock)	620.69	462.83	611.24	810.52	906.76	1,193.58	1,242.31	1,184.45	1,486.78	1,562.09
3	Operating Margin	144.24	91.28	108.45	144.18	234.45	329.82	356.40	360.30	472.16	791.45
4	Interest Expenses	0.30	-	-	-	-	1.81	2.54	2.91	2.35	7.27
5	Depreciation	14.15	14.74	16.04	16.77	20.42	21.22	22.41	23.66	28.64	39.94
6	Profit before Tax	129.79	76.54	92.41	127.41	214.03	306.79	331.45	338.98	478.56	745.35
7	Profit after tax	60.79	48.54	58.84	72.01	130.63	197.30	214.69	219.52	308.56	528.57
8	Dividend Declared	12.16	9.71	11.77	14.40	26.13	75.45	84.68	88.81	122.37	200.00
9	Foreign Projects Reserve	-	-	-	-	-	-	-	-	-	-
10	Transfer to General Reserve	45.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00
11	Other Reserves	2.00	-	-	-	-	-	-	-	-	-
12	Reserve and Surplus	191.41	226.70	271.77	326.92	424.25	680.57	738.34	905.37	911.02	1,167.82
13	Fixed Assets (Gross Block)	135.18	178.76	203.12	213.52	276.84	310.69	337.62	336.63	356.35	380.96
14	Inventories	6.21	5.45	9.08	9.53	9.54	8.26	6.58	7.41	7.89	9.76
15	Foreign exchange earnings	13.27	12.53	11.06	11.80	21.89	35.23	47.51	37.59	33.54	43.32
16	Share Capital	20.00	20.00	20.00	20.00	20.00	20.00	40.00	40.00	160.00	160.00
17	Capital Employed	211.41	246.70	291.77	346.92	444.25	700.57	778.34	945.37	1,071.02	1,327.82
18	Government Investment	-	-	-	-	-	-	-	-	-	-
19	Net Worth	211.41	246.70	291.77	346.92	444.25	700.57	778.34	945.37	1,071.02	1,327.82
20	Profit before tax to Capital employed (in%)	61.39	31.03	31.67	36.73	48.18	43.79	42.58	35.86	44.68	56.13
21	Operating Margin to capital employed (in %)	68.23	37.00	37.17	41.56	52.77	47.08	45.79	38.11	44.09	59.61
22	Profit after tax to share capital (in%)	303.95	242.70	294.19	360.05	653.15	986.48	536.73	548.80	192.85	330.36
23	Expenditure to income (in %)	81.14	83.53	84.93	84.90	79.46	78.35	77.71	76.68	75.90	66.37
24	Number of employees	1,934	1,762	1,725	1,672	1,511	1,483	1,494	1,464	1,509	1,446
25	Income per employee	0.40	0.31	0.42	0.57	0.76	1.03	1.07	1.06	1.30	1.63
26	Foreign exchange earning per employee	0.01	0.01	0.01	0.01	0.01	0.02	0.03	0.03	0.02	0.03
27	Current Ratio	1.22	1.23	1.20	1.45	1.55	1.96	1.80	1.60	1.55	1.60
28	Debt/ Equity Ratio	-	-	-	-	-	-	-	-	-	-
29	Investments	-	-	-	-	-	-	-	-	-	-

* Figures are as per Revised Schedule VI format of Balance Sheet

** Figures are as per IND-AS Financial Statements

Directors' Report

Dear Shareholders,

The Directors are pleased to present the 21st Annual Report on the operations and results of your Company together with the audited financial statements, Auditors' Report and review of financial statements by the Comptroller and Auditor General of India (CAG) for the financial year ended 31st March, 2020. The detailed financial and operational performance of the Company is produced in the report.

1. FINANCIAL PERFORMANCE:

The key highlights of the financial performance of the Company during F.Y.2019-20 along with the corresponding performance in F.Y.2018-19 are mentioned below:

Particulars	(₹ in Crores)		
	F.Y. 2019-20	F.Y. 2018-19	% age Increase/ (Decrease)
Turnover	2275.48	1870.00	21.68
Total Income	2353.54	1958.94	20.14
Profit before tax	745.35	478.56	55.75
Provision for Tax	216.78	170.00	27.52
Profit after tax	528.57	308.56	71.30
Dividend (including Interim dividend of ₹ 160 Crores for 2019-20 and ₹ 60 Crores for 2018-19)	200	122.37	63.44
Reserves & Surplus	1167.82	911.02	28.19
Net Worth	1327.82	1071.02	23.98
Earnings Per Share (₹)	33.04	19.12	72.80

a. Disinvestment through IPO

The Government of India announced the disinvestment of Company's shares during the financial year 2019-20. Accordingly, Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, appointed IDBI Capital Markets & Securities Limited, SBI Capital Markets Limited and Yes Securities (India) Limited as Book Running Lead Managers (BRLMs) and Crawford Bayley & Co. and Hogan Lovells International LLP as Domestic and International Legal Advisors for carrying out the process of disinvestment of 2,01,60,000 equity shares (including Employee Reservation Portion of 1,60,000 equity shares i.e. 0.10% of paid-up share capital) i.e. 12.60% of the paid up equity share capital of the Company through Initial Public Offering (IPO) of shares by the Promoters (i.e. Government of India) to the public.

The public issue was opened on 30th September, 2019 and closed on 3rd October, 2019 at an offer price of ₹ 320/- per equity Share (including a share premium of ₹ 310/- per equity Share) with discount of ₹ 10/- per equity share for retail investors and eligible employees.

The Company's IPO received an overwhelming response and was subscribed more than 112 times, making it the most

successful IPO in last two fiscal years and so far the best performed IPO in respect of PSUs.

The Company's shares were admitted into both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and are traded under International Securities Identification Number (ISIN) – INE335Y01012. The Company's shares were listed on 14th October, 2019 on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).



Listing Ceremony of IRCTC held on 14th October 2019 at BSE Limited

The proceeds of the issue amounting of ₹ 637.97 Crores was credited to the account of Government of India, PAO, DIPAM. Listing of equity shares has made the Company more recognizable and has enhanced the brand image of IRCTC.

b. Capital Structure:

As on 31st March, 2020, the Authorised share capital of the Company was ₹ 250 Crores comprising of 25 Crores equity shares of ₹ 10/- each and paid up share capital of the Company was ₹ 160 Crores comprising of 16 Crores equity shares of ₹ 10/- each. In the beginning of the year, the entire equity share capital of ₹ 160 Crores was held by President of India and its nominees.

Due to the disinvestment announced by Govt. of India, as mentioned in the para (a), 2,01,60,000 equity shares were offered through IPO. Subsequent to the IPO, the President of India held 13,98,39,944 shares and 56 shares were held by the nominees of President of India [seven nominees holding eight shares each]. However, these 56 shares held by seven nominees of President of India were also transferred to President of India, during the year. In view of above, as on 31st March, 2020, the President of India (Government of India) through Ministry of Railways holds 13,98,40,000 equity shares i.e. 87.40% of the paid up equity share capital of the Company.

The details of dematerialization of shares, Demat Suspense Account / Unclaimed Suspense Account is provided in the Corporate Governance Report as annexed to this report.

c. Dividend

The Board of Directors had declared an interim dividend of ₹ 10/- per equity share (i.e. 100% on the paid-up share capital of ₹ 160 Crores) amounting to ₹ 160 Crores on the paid-up share capital of ₹ 160 Crores, in February 2020. The said interim dividend was paid to all the shareholders in March 2020. Further, the Board of Directors in its meeting held in July, 2020 has recommended, a final dividend (over and above the interim dividend) of ₹ 2.50 per equity share (i.e. 25% on the paid-up equity share capital of ₹ 160 Crores) amounting to ₹ 40 Crores, out of profit for the year 2019-20, subject to approval of the shareholders in the AGM.

As per the guidelines issued by Department of Investment and Public Asset Management (DIPAM) the minimum dividend to be paid for the year should be at least 5% of net worth or 30% of profit after tax, whichever is higher. With this, the total dividend for year 2019-20 would be aggregated to ₹ 200 Crores (i.e. 125% on the paid-up equity share capital of ₹ 160 Crores), which works out to 37.84% of the post-tax profits for 2019-20 and 15.06% of Networth as at 31st March, 2020.

Your Company, in a short span of six months of its market debut, made its place in the list of top 500 listed companies, based on the market capitalization of the Company, as on 31st March 2020. The Company ranked 131st and 129th on BSE and NSE respectively, at the end of the financial year 2020.

In view of above and in pursuance to the requirements of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"), your Company has formulated a Dividend Distribution Policy. The Dividend Distribution Policy is given as a separate annexure as **Annexure-E** and is available on Company's website i.e. www.irctc.com.

d. Transfer to Reserves

During 2019-20, the Company transferred ₹ 35.00 Crores to General reserves.

e. Contribution to Revenue of Ministry of Railways

The Company also contributes by way of revenue share to Ministry of Railways (MoR) and the total share of such contribution was ₹ 413.56 Crores during the year as against ₹ 316.38 Crores during the previous year. Contribution to the revenue of (MoR) comprises of Haulage Charges, Concession fee, License fee, User Charges and Dividend.

2. COVID-19

We all witnessed an unprecedented global breakout of the COVID-19 pandemic in the last quarter of financial year 2019-20, leading to a humanitarian crisis, lockdown across many countries and a significant economic fallout.

In India, the second half of March saw an intensified slowdown due to the virus outbreak, resultant containment measures by various states and finally, a nation-wide lockdown. Though, 2019-20 financials did not see a significant impact of Covid-19, the first quarter of FY 21 may observe an adverse impact on the Company's revenue as the entire Tourism and Hospitality industry in India as well across the world has been impacted from the pandemic. Since the situation is quite volatile, the Company is assessing and monitoring the situation regularly.

As a responsible citizen, we stood with the nation in the fight against COVID-19 and despite huge constraints, distributed more than 21 Lakhs meals cooked food items to the needy people at various locations across the country in close coordination with the Local Administration, NGOs and Railway Protection Force (RPF) from our 30+ kitchen units set up at various locations. The Company also distributed around 2.72 Lakhs railneer bottles to Delhi and Mumbai

police personnel during the lockdown period. We also supplied around 3.26 Lakhs meals in 1st phase of “Shramik Special trains” (from 1st May 2020 to 7th May, 2020) run by Indian Railways for migrant labourers.

As directed by SEBI, vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020, the Company filed the disclosure regarding material impact of Covid-19 on IRCTC business and details regarding Company’s readiness to combat the challenge posed by this pandemic. The Company’s financial statements for the year 2019-20 also reflected the impact of Covid-19 to the extent applicable.

IRCTC is a reputed brand in the travel and hospitality industry in our country, and as team, is in all preparedness to gradually commence our activities by adhering and ensuring

all safety health protocols issued by Government of India. A periodical review on the pandemic situation across the country along with the feedback from our valued customers will help us to foray and enter the new normal for hospitality sector in the post Covid-19 scenario.

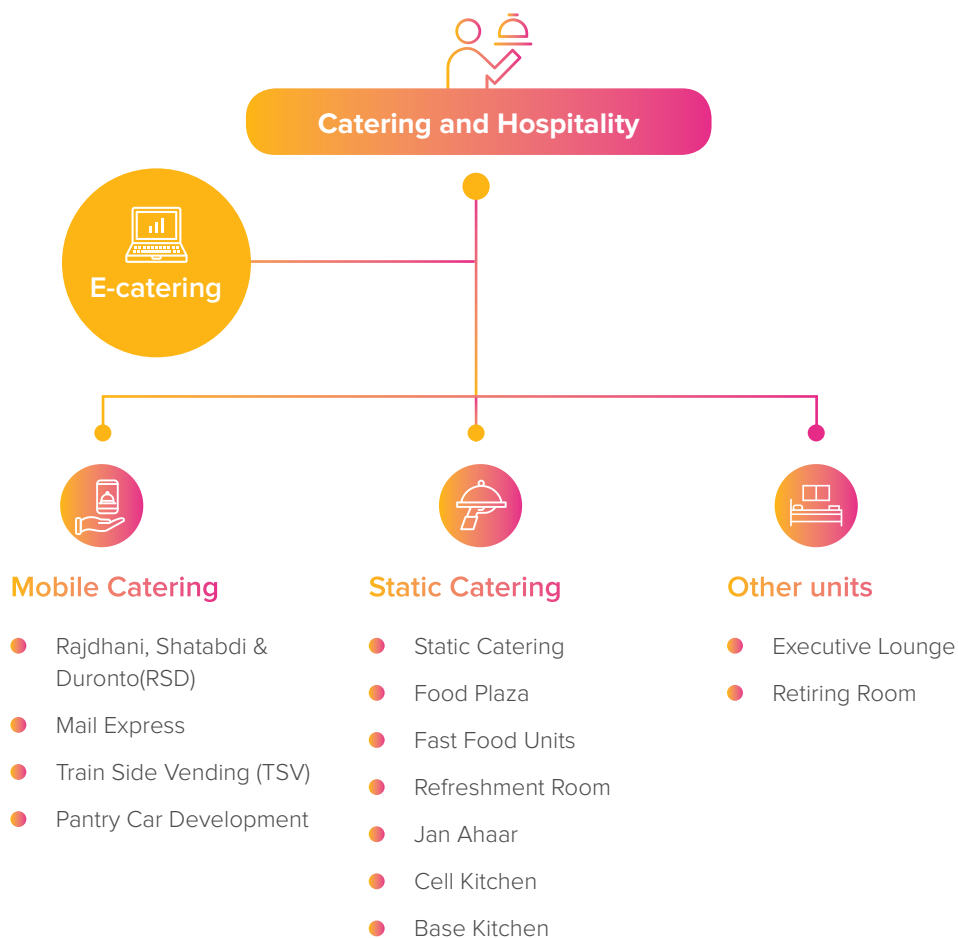
3. OPERATIONAL PERFORMANCE

The segment wise operational performance of the Company during FY 2019-20 is detailed below:

- Catering & Hospitality;
- Travel & Tourism;
- Internet Ticketing;
- Packaged Drinking Water (Rail Neer).

a. CATERING & HOSPITALITY:

The Catering and Hospitality segment of IRCTC is segregated as produced below:



● **Railway Catering**

i. Mobile Catering

Mobile catering refers to catering services provided to rail travellers aboard a train, through a pantry car (on-board cooking facility) attached to the train or base kitchens (large cooking and packing facility within/near Railway premises for food preparation and distribution to trains or static units) located at major stations in the country.

As on 31st March 2020, IRCTC managed on-board catering services on 417 trains (24 Rajdhani, 2 Tejas, 1 Gatiman, 2 Vande Bharat, 23 Shatabdis, 18 Durontos and 347 Mail/Express trains).

As per Catering Policy-2017, IRCTC is supposed to unbundle catering services by creating a distinction, primarily between food preparation and food distribution. IRCTC has set up some new kitchens and has also upgraded existing ones to prepare the food under its own supervision. The process for setting up and upgradation of more kitchens is underway. These kitchens are being provided with modern equipments. Details of new/upgraded kitchens have been mentioned under respective head.

ii. Train Side Vending (TSV)

A large number of trains do not have pantry cars attached to them. To arrange for on-board catering services on such trains, IRCTC appoints a Licensee for operation of Train Side Vending (TSV), who arranges food which includes Standard Meals viz., Breakfast & Lunch/Dinner in partial and complete unbundling model to be picked up from Nominated /Approved Kitchen units' en-route and serve to passengers according to their needs through vendors, who travel on the trains and pick up orders. As on 31st March, 2020, contracts for 26 sections over Indian Railway network have been finalized for provision of TSV services for trains without Pantry Cars.

iii. Pantry Car design and development

IRCTC is in the process of re-designing of pantry cars with modern equipment, as per the directions of the Railway Board, to implement flameless cooking. A new design submitted to Rail Coach Factory Kapurthala was finalized in consultation with RDSO. Accordingly, Railway Board has been requested to direct RCF to manufacture 02 prototype Pantry Cars with flameless cooking facility. On the basis of performance of prototype pantry car, all pantry cars will be re-designed.

The significant features of redesigned Pantry cars would include, compact pantry cars with all modern flameless cooking equipment, fully AC LHB coach, adequate storage

facility for dry and perishable items, sufficient staff berths (23 nos.), proper exhaust system, appropriate garbage bins etc.

iv. Base Kitchens

Base Kitchens are large cooking and packing facilities set up in the vicinity of railway premises whether inside or outside Railway premises from where food is prepared and disturbed in trains or to the static units.

As on 31st March, 2020, IRCTC managed 11 Base Kitchens, located at New Delhi, Howrah, Ahmedabad, Patna, Mumbai Central, Mumbai CST, Ballarshah, Nagpur, Balasore, Sealdah and Kharagpur Jn. The Base Kitchens at New Delhi and Howrah are managed departmentally, i.e. by IRCTC itself. However, for other locations, service providers have been engaged for operations. Third party food safety supervisors have been deployed at these kitchens to test the food samples, to standardise the procedure and to train the staff.



With an aim to bring uniformity in passenger experience, the Company introduced new technology to monitor the food production process in its base kitchens. The new system comprises a network of CCTV cameras, installed at its Base Kitchens. **Total 46 Base Kitchen/Kitchen units have been linked with CCTV cameras to enable live streaming from these kitchens.**

As per Catering Policy 2017, IRCTC has to set up modern Base Kitchens for production of hygienic meals that will be transferred to trains. Accordingly, 55 locations have been identified for setting up base kitchens/ kitchen units and work for the same is in process. In 2019-20, seven kitchens have been upgraded.

● Quality Control

To make provision for standard quality meals and service for passengers, IRCTC has put the following system in place.

- (i) **Regular & Surprise Inspections:** Surprise Inspections are carried out in trains and static units of IRCTC by Executive & above level officers of IRCTC's Zones and designated Railways officers. Necessary corrective actions are taken on the deficiencies noticed during these inspections.
- (ii) **Food Safety Supervisors:** Two National Accreditation Board for testing and calibration laboratories (NABL) accredited labs have been assigned the task of ensuring quality in bulk production units. Food Safety Supervisors in 40 production units have been assigned accordingly. Food Safety Supervisors monitor food preparation, conduct daily/ weekly/ audits as per specified criteria and impart routine training to the kitchen staff and collect food samples for lab testing on a regular basis, to ensure quality food production.
- (iii) **Food Sampling:** Food samples are regularly picked up by the designated Food Safety Supervisors deployed by IRCTC and Indian Railway Officials from all the units and sent to NABL accredited labs for testing.
- (iv) **On Board deployment of Catering Supervisors:** IRCTC has deployed supervisors/ Catering assistants for regular monitoring of catering services on all premium/Mail/ Express trains having pantry cars and also to address the grievances of passengers on real time basis
- (v) **Unbundling Model:** Food is being supplied from designated Base kitchens to the trains as per the unbundling policy (Catering Policy 2017). Standard meals are loaded from en-route IRCTC nominated Kitchen Units to trains. IRCTC has deployed food safety supervisors in the kitchens to ensure good quality and correct quantity of food.

(vi) **QR Codes:** QR codes are being affixed on meal boxes supplied from IRCTC kitchen units. Passengers can scan these QR codes and get information about date of preparation, name of kitchen, FSSAI, weight, live CCTV streaming link etc. As on 31.03.2020, QR codes on 29 units have been made live. IRCTC has finalised contracts for QR Codes in 38 Base Kitchens. Out of these, QR codes are being attached to meal packets from 29 Kitchen Units and it is going to be implemented in 09 other kitchen units. Moreover, another 25 units will also be covered soon.

(vii) **CCTV Monitoring:** To ensure real time monitoring of Kitchen units, IRCTC has installed CCTV cameras in IRCTC kitchen units. These cameras are being monitored 24 X 7 at IRCTC Corporate Office and Central control. The general public can also view live feeds from CCTVs through Rail Drishti portal. 46 Kitchen units have already been linked to Rail Drishti portal to enable Live streaming facility.



(viii) **POS handheld billing Machines:** To eradicate overcharging, IRCTC has made mandatory for its vendors to issue invoices through POS machines. These machines enable issuing of bills for every transaction, including those in a moving train. This also ensures proper accounting system and control. At present, all units, mobile and static, have provision for billing through POS. All units also have facility for cashless transaction of one or another kind, as per viability and demand. Nearly 5000 POS machines have been installed and are being used in 347 Mail Express trains.



- (ix) **Metallic plate:** For public awareness regarding POS billing, IRCTC has installed 12256 Metallic plates on trains informing passengers, "If you don't get bill, your food is free". The above plates have been fixed at prominent places inside various trains



● **Periodic Screening by Independent Agencies:-**

- (i) **Third Party Food Audits:** Third Party Food Safety & Hygiene audits are conducted by NABCB (National Accreditation Board for Certification Bodies) accredited Auditors in all base kitchens, trains, Food plazas/Fast Food Units. In year 2019-20 third party food safety & hygiene audit were conducted in all important trains and static units.
- (ii) **Customer Satisfaction Survey:** In year 2019-20 Customer Satisfaction survey has been conducted in all IRCTC managed trains regularly by MRSI (Market Research Society of India) member Agencies to get the feedback and opinion of travelling passengers.

● **Static Catering**

Static catering refers to catering services offered to patrons at static units at railway establishments located at railway stations across the country.

These static units include Jan Ahars (unit serving economy combo meals comprising of regional and local items), Cell Kitchens (mini base kitchens supplying food to trains or static units), Refreshment Rooms (unit where a-la-carte items, ready-to-eat meals, and thali meals are served), Food Plazas (multi-cuisine plaza serving food items at market-driven rates), Fast Food Units (major units selling fast food items through self-service counters), and Food Courts (cluster of stalls selling food items such as branded products/eatables).

IRCTC managed 169 Refreshment rooms, 56 Jan Ahars and 24 Cell Kitchens as on 31st March, 2020. These units are situated on Railway platforms and sell low budget eatables. A list of items to be sold on these units along with their prices is provided by Ministry of Railways/IRCTC. These

units usually sell items to passengers on the platform and sometimes supply food to moving trains.

● **Food Plazas(FPs)/Fast Food Units(FFUs)/Food Courts:**

Fast Food Units are major units, where through self-service counters, fast food items are sold. In these outlets, packaged food is served to customers in take-away packets.

Food Plaza is a multi-cuisine plaza giving a variety of choice for eating. The quality and rates for items of food plazas are market-driven. Food court is a cluster of stalls at a nominated place, where food items such as branded products/eatables are provided.

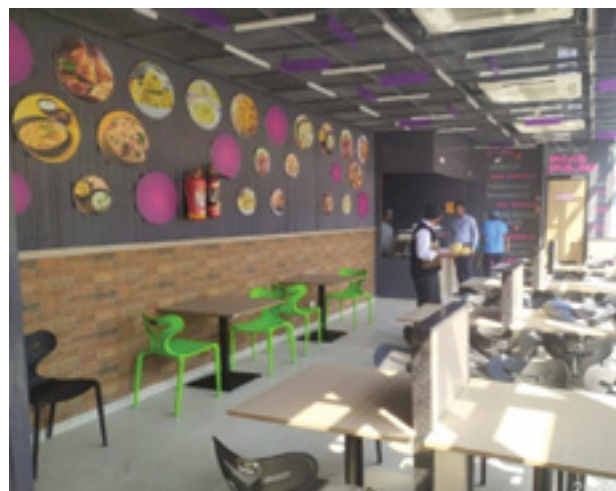
The food plaza/fast food unit business is a segment where prices are market driven. Food Plazas normally provide multi-cuisine food under one roof, in a relaxed dine-in atmosphere with a good ambience and a common kitchen to provide a wide variety of food items.

During the year, the Company commissioned 16 Food Plazas and 40 Fast Food Units, thereby managing 293 operational units as on 31st March, 2020. The company also awarded – 21 FPs and 34 FFU during 2019-20. The total earnings from FPs/FFUs for FY 2019-20 have been approximately ₹ 67.77 Crores. IRCTC has roped in branded players like Domino's, Adyar Anand Bhawan and Hotel Sravana Bhawan in FY 2019-20.

In FY 2020-21, IRCTC plans to commission approximately 50 additional Food Plazas (FPs)/Fast Food Units (FFUs).

50

Number of additional Food Plazas (FPs) / Fast Food Units (FFUs) planned to be commissioned in FY 2020-21



Food Plaza Sealdah

● E-Catering

E-Catering service allows passengers to book food from partner restaurants. Food is directly delivered to passengers in respective train berths. Booking of food has to be done in advance. Services are available through select stations to bonafide passengers in reserved trains only i.e. based on PNR. It has been introduced to provide a range of options to passengers for ordering food of their choice. The prices of food booked under e-Catering are market driven. Menu is freely set by restaurants depending on common preferences.

This service was started on Indian Railways in 2014 with limited vendors, in 28 trains. Subsequently, it was based out of stations and has been expanded to **358** stations. As of now, **690** vendors (either directly associated with IRCTC or are under **08** appointed food aggregators) are currently providing e-catering services on these stations. On an average, 21,571 meals were booked per day through e-catering in Financial Year 2019-20, in comparison to 11,858 meals per day in 2018-19, registering a growth of 82%.

A number of brands like Domino's, Subway, Haldiram's, Faasos, Biryani Blues, A2B, Sravana Bhawan, Nirula's etc. have already associated with e-catering platforms of IRCTC.

Growth of e-Catering

Financial Year	Total Meals (booked)	Meals per day	% increase vis-a-vis previous year
2014 – 2015	1490	22	
2015 – 2016	161679	443	1914
2016 – 2017	1559670	4273	865
2017 – 2018	1893511	5188	21
2018 – 2019	4328312	11858	129
2019 –2020	7873415	21571	82

This service can be availed by train passengers, through the website - www.ecatering.irctc.co.in and mobile App – Food on track, which is available on both Android and iOS platforms, along with telephone calls to 1323. The short code 1323 can also be used for customer support.

To ensure transparency, system generated invoices are issued to passengers against each e-catering order, which is the first-of-its-kind service on Indian Railways.

● Executive Lounges

The Company opens world class Executive lounges (private areas) as part of development of Indian Railways. Executive lounges is one of its class fully air conditioned facility, where railway passenger can stay while waiting for train.

IRCTC has set up 06 Executive Lounges at New Delhi, Agra Cantt, Jaipur, Ahmedabad, Madurai & Sealdah and 3 more stations viz. Varanasi Jn., Hazarat Nizamuddin, New Delhi (Paharganj side), are expected to be commissioned in FY 2020-21. These lounges are provided with airport like ambience, resting facilities and buffet facilities.



Executive Lounge, Madurai



Executive Lounge, Ahmedabad

● Retiring Rooms

With a view to provide improved passenger amenities and effective post-arrival/pre-departure facilities by utilising the available resources at Railway Stations, Ministry of Railways has mandated IRCTC to renovate, operate and maintain Retiring Rooms at Railway Stations. Accordingly, IRCTC undertook the renovation work at all A-1 & A category stations through reputed private hospitality service providers, to upgrade Retiring Rooms with star hotel like facilities. The tariffs are different at different category of stations and service providers have the flexibility to charge as per facilities and standards provided. Common facilities

available in the Retiring Rooms include Air Conditioned Rooms and Dormitories, quality linen, locker facility for luggage, LED Television, bathrooms with all basic facilities such as WC, Geysers, Shower etc. with pantry and housekeeping services. The refurbished Retiring Rooms have been appreciated and praised by passengers at large.

IRCTC has awarded contracts of Retiring Rooms for 14 stations in 2019-20. Total 09 locations have been commissioned in 2019-2020. For FY 2020-21, 5 more Retiring Rooms are expected to be commissioned.



● Budget Hotels

IRCTC has been mandated by the Indian Railways for developing, operating and maintaining Budget Hotels. The sites have been given to IRCTC on license basis with permission to sub-license the rights to third party through Public-Private Partnership.

The Company is presently operating two Rail Yatri Niwas at Ginger Rail Yatri Niwas, New Delhi and Sampath Rail Yatri Niwas Howrah and two BNR Hotels from Puri and Ranchi.



● Performance of MOU Targets for the year 2019-20 and achievements thereof:

- (i) **Imparting of Recognition of Prior Learning (RPL) training to employees of Contractors by IRCTC in coordination with National Skill Development Corporation (NSDC) under Pradhan Mantri Kaushal Vikas Yojna (PMKVY) scheme.**

During the fiscal year 2019-20, IRCTC/CO launched RPL training on pan India level. Under this program IRCTC Licensee Catering Staff (Steward, Cook & Pantry Car Manager) engaged in onboard catering services got short term skill training to improve catering services in trains. A total of 7,444 staff enrolled for the training and 5598 candidates have successfully completed their training and were provided with skill certificates from MSDE (Ministry of Skill development & Entrepreneurship).

● Complaint Monitoring and Redressal:

IRCTC has developed an internet based module for Catering Services Information Management or (E-CSIM), with a

comprehensive portal for its catering business. The module is also being used for online redressal of catering complaints at stations and on trains. Alternatively, a passenger can also give feedback or make complaints against catering services on 'Rail Madad', which allows passengers to lodge complaints through mobile app/website and enables them to check redressal status in real-time.

● **Digitisation of Information:-Catering Service Information Management (CSIM)**

IRCTC is one of the largest public sector company in the field of hospitality and has always emphasized the need for a computerized database for streamlining its vast catering and packaged drinking water business and also to ensure transparency and foster better relationship with its business partners.

With this aim, the company launched its Catering Services Information Management (CSIM) portal, www.catering.irctc.co.in on 1st April, 2019. The portal offers comprehensive information about the catering business of IRCTC, for all stakeholders including railway zones, licensees, employees and customers. The module covers all verticals of the hospitality business such as mobile and static catering, Rail Neer package drinking water, water vending machines, e-catering, retiring rooms, executive lounge and budget hotels.

The CSIM dashboard provides vital information about the catering and hospitality business of IRCTC. All related tools of the module visually track, analyze and display key performance indicators, metrics and key data points to monitor and respond to the exact status of licensee, vendors and customers' feedback. As on date, a total of 251 licensees of mobile and static catering units and water vending machines are registered in CSIM.

CSIM, with its various modules in different hospitality product lines, mobile catering, static catering, water vending machines and Rail Neer package drinking water, has a database of various units, licensees and other stakeholders of these business segments. It provides features for automatic license fee calculation, invoice generation and payments tracking to ensure seamless operation on a day to day basis.

CSIM also has a separate module for registering complaints related to Mobile, static and WVM units from different sources eg. Rail Madad / 139 / Twitter / CPGRAM / Zones etc. The complaints are duly acknowledged and redressed by the concerned officials / Licensee and the same is updated in the system. The process aims at to ensure maximum corporate governance through digitisation.

The other important feature is the facility to upload and view vital documents related to the catering and hospitality business, such as MoUs, policies, reports, and Parliament Questions. It provides access to questions as well as answers given related to various catering verticals. A search bar is also available for accessing the databank in future.

The in-house CSIM module is a dynamic pool of information related to various catering and hospitality business and is being used as a rule book for departments and it has brought about much needed automation, leading to greater efficacy in operations of the catering departments. IRCTC is continuously upgrading its CSIM module to enhance operational ease and transparency in the catering business.

b. TRAVEL AND TOURISM

India, with its rich and diversified historical, natural and cultural heritage, is home to numerous attractive tourist destinations. The country's geography and topography has a tremendous potential to attract tourists from across the globe.

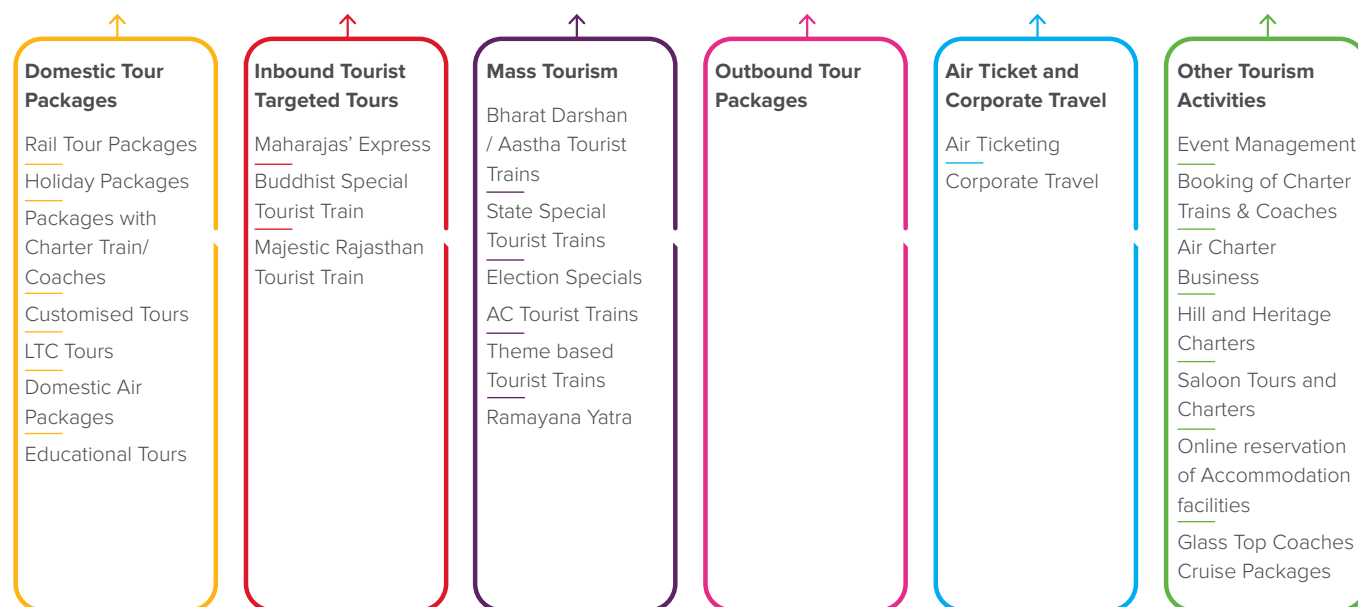
With globalization and overall development of the country in terms of infrastructure and tourism facilities, foreign tourist arrivals to India has tripled from 3 Million per year in 2003 to around 11 Million in 2018 and analysts expect to see more than 30 Million tourists in India annually, by 2028. At the same time, domestic tourism to all states and Union Territories have improved India's rapidly growing tourism sector and it now plays a huge role in the nation's economy, supporting tens of millions of jobs and generating billions of dollars each year.

In its annual analysis quantifying the global economic and employment impact of Travel & Tourism in 185 countries and 25 regions, the World Travel & Tourism Council's (WTTC) research reveals that the sector accounted for 10.4% of global GDP and 319 Million jobs, or 10% of total employment in 2018. Domestic tourism, which represented 71.2% of all tourism spending in 2018, had the strongest growth in developing nations and it continues to support opportunities for development and regional economic benefits. India contributed 6% to Global Travel and Tourism GDP Growth in 2018. The report further forecast that by 2029, India will have nearly 14 Million 'new travelling households', which will be second only to China. India stood at the 8th position, among the World's Top 20 largest Travel & Tourism economies in 2018.

As per the report of WTTC, Travel & Tourism contributes to 10.4% of Global GDP and is directly responsible for generating one in 10 of the world's jobs, and for eight successive years, has outpaced the growth of the global economy. However, the Corona pandemic affected the travel and tourism business drastically. The research conducted by WTTC shows a severe Travel & Tourism GDP loss of up to US\$2.1 trillion, globally, in 2020. It estimates that upto 75 Million jobs in global Travel & Tourism are at immediate risk due to the coronavirus pandemic. However, the real impact on Tourism due to the virus outbreak is yet to be ascertained.

The tourism Business of IRCTC during 2019-20 is broadly classified as below:

IRCTC's Tourism Products and Services



IRCTC in Tourism Business

IRCTC, today, has become one of the leading travel and tourism companies in the market catering to the needs of diverse tourist segments. With the strength of being a Railway PSU, IRCTC specialises in rail tourism, and, at present, is the market leader in this segment. Besides rail tourism, IRCTC has also diversified into various other tourism businesses for increasing the market share in the immensely competitive tourism market.

The various tourism business segments of IRCTC include Luxury Train Tours Maharajas' Express, Buddhist Circuit Special Train, Bharat Darshan Special Tourist Trains, Rail Tour Packages, International and Domestic Air packages, Land Tour Packages, Hotel booking, Customised and LTC tours and Event Management, Initialisation of operation and management of Private Trains operated on sectors like, Lucknow- Delhi- Lucknow, Ahmedabad- Mumbai- Ahmedabad and Varanasi- Indore- Varanasi. IRCTC has an exclusive tourism portal, www.irctctourism.com for booking various tourism products through a single platform.

The income from Travel & Tourism Business of IRCTC has observed increase of 18.29% from ₹ 251.25 Crores in 2018-19 to ₹ 297.20 Crores in 2019- 20. The Income from State Teerth Tourism Business of IRCTC has observed a decrease of 51% from ₹ 194.57 Crores in 2018- 19 to ₹ 94.94 Crores in 2019-20.

Since the virus outbreak in December 2019, inbound, outbound and domestic tourism was impacted and IRCTC was also affected due to this crisis. Most of the tourist trains such as Bharat Darshan, Pilgrim special, State specials, and luxury trains like Maharajas' Express, Golden Chariot, Buddhist Special Trains etc planned for last quarter of 2019-20 were to be cancelled. The outbound tours planned to various international destinations had to be called off. There had been an evident reduction in domestic tourists which affected our domestic tourism products such as Rail Tour Packages, Holiday Packages, LTC Tours etc.

Domestic Tourism

- (i). **Rail Tour packages** - This is a comprehensive package of IRCTC, where it offers an all-inclusive package with confirmed onward and return rail journey tickets along with road transfers, accommodation, meals and sight-seeing at reasonable rates. During the year 19-20, more than 13,630 tourists have availed the RTP service of IRCTC against a total of 9,606 tourists in the previous year.
- (ii). **Holiday packages** - IRCTC also operates Holiday Packages (Land Packages) which includes road transfers, accommodation, meals and sight-seeing. In FY 2019- 20, a total of 58,337 passengers availed IRCTC land packages against 33,725 passengers in the previous year.

(iii). **Packages with charter coach and train** - These are all-inclusive packages like Rail Tour Packages, where the train travel is arranged through chartered coaches or trains by IRCTC. In FY 2019- 20, IRCTC operated 22 RTP with charter trains/ coaches catering to 1211 passengers whereas, during FY 2018-19, IRCTC conducted 12 tours and served 610 passengers.

(iv). **Customized tour package** - IRCTC's flexibility in accommodating the demands of the customer is clearly demonstrated in customised tour packages. These packages are tailor-made as per the requirement of the tourists and are designed according to budget, level of luxury, places of Interest etc. During the year, a total of 1700 tourists availed these packages.

(v). **Leave Travel Concession (LTCs):**

Government of India has authorised IRCTC as one among three PSUs for operating LTC tours. IRCTC offers general and customised LTC packages to Government employees. IRCTC arranged exclusive LTC packages for 19 passengers. All IRCTC tours qualify for LTC travel.

(vi). **Domestic Air packages**

Air packages are increasingly becoming popular. IRCTC operated packages from all the Zones to various destinations like Shirdi, Goa, Delhi, Tirupati, Gangtok, Darjeeling, Kalimpong, Andaman & Nicobar, Ladakh, Srinagar, Kashmir, Mumbai, Mysoor, Coorg, Bangalore and more. During the year, 6464 passengers availed 322 domestic air package tours.

(vii). **Educational Tours**

IRCTC operates educational tours for students under its "travel to learn" scheme and has tie-ups with various State Governments as well as private schools for operating educational tours for students. During the year 2019- 20, a total of 1,47,451 students (including students of Delhi local tours) benefitted from our Educational tours.

● **Inbound Tourist Targeted Tours**

(i) **Maharajas' Express**

Maharajas' Express has created a brand image for IRCTC in the international arena, as a luxury tourism brand. Launched in the year 2010, the Maharajas' Express has been awarded as the World's leading Luxury Tourist Train consecutively from 2012 to 2018, at the World Travel Awards. Maharajas' Express operates on four different itineraries. Three packages cover 6 Nights/ 7 Days and one 3 Nights/ 4 Days package is designed to visit places like Udaipur,



Jodhpur, Bikaner, Jaipur, Ranthambore, Agra, Khajuraho and Varanasi. The itineraries have been uploaded with departure dates on the website of the train www.the-maharajas.com. The train is operated during the tourist season, from September to April.

During the year 2019-20, a total of 1,074 tourists availed the services of Maharajas' Express over 25 trips, as against 1142 tourists in 32 trips in the previous year. Average Passenger per trip has increased from 36 pax during 2018-19 to 43 pax during 2019-20.



(ii) **Buddhist Circuit Special Train:**

IRCTC operates The Buddhist Circuit Special Tourist Train since 2007. This is a fully air-conditioned train offering a 7 Nights and 8 Days package covering all major Buddhist Pilgrimages in India and Lumbini in Nepal. The new rake of Buddhist Circuit Train has advanced features like Two Dining Cars, Vacuum Bio-toilets, Air Suspension springs, Security lockers, modified 2AC coaches with side seating facility, On-board housekeeping & security, CCTV cameras, accidental insurance facility, Foot massager & Mini library, etc. The itineraries have been uploaded with departure dates on the website of the train www.irc tcbuddhisttrain.com. During the year, a total of 365 tourists travelled through this train as compared to 408 tourists in 2018-19.

(iii) Golden Chariot:

Golden Chariot, the only luxury train being operated in South India by Karnataka State Tourism Development Corporation was taken over by IRCTC for marketing, operations and maintenance for a period of 10 years through an Agreement signed between the two organisations in November 2019. The Agreement was signed in the august presence of Hon'ble Minister of State for Railways, Sh. Suresh Angadi, Hon'ble Minister of Tourism, Govt. of Karnataka, Sh. C T Ravi, Chairman, Railway Board, Sh. V K Yadav and other senior officers of Ministry of Railways, IRCTC and KSTDC.

IRCTC took over physical possession of the train in January 2020 and a number of refurbishment works were initiated, including change of upholstery and drapery, replacement of floor carpets in rooms to vinyl flooring, complete renovation of bathrooms and floor of both restaurants, installation of new corridor carpets, repair and procurement of new kitchen equipment, procurement of smart TVs with subscriptions to Netflix, Amazon, Hotstar etc. for all guest cabins, procurement of crockery, cutlery, glassware, room and restaurant linen of international repute. New features were added to the train including installation of CCTV cameras in public areas, and installation of fire alarm system. Provision for seamless wifi connectivity was also enabled in the train.

Three trips of an itinerary Pride of Karnataka were planned in March - April 2020 to mark a new beginning of the train. The 6 Nights/7 Days trip would have covered Bandipur National Park, Mysore, Halebidu-Chikmangalur, Hampi, Badami-Pattadakal-Aihole and Goa. These trips were cancelled due to the outbreak of Coronavirus.

Website of the train was revamped and online booking facility was added to it to promote direct bookings on the website. Agents within India were sensitised about the enhanced features of the train and new itineraries and international marketing was also initiated.

However, due to various restrictions imposed by countries including India, on the movement of international travellers due to the Covid-19 pandemic, trips had to be cancelled.

Itineraries and departure dates for the season 2020-21 and 2021-22 have already been announced and published on the official website www.goldenchariot.org. Three itineraries viz. Pride of Karnataka (6 Nights/7 Days), Jewels of South (6 Nights/7 Days) and Glimpses of Karnataka (3 Nights/4 Days) have been planned for various destinations in Karnataka, Tamil Nadu, Kerala and Goa.

(iv) Outbound Tour Packages

Realising the potential of the outbound tourist market in the country, IRCTC has started operating outbound tour packages to various tourist destinations across the world. In FY 2019- 20, approx. 3,629 tourists availed the outbound tour packages and generated an income of ₹ 27.98 Crores for IRCTC, as compared to 4,164 tourists and an income of ₹ 27.38 Crores in FY 2018-19.

The MoU 2019-20 target of "Increase in revenue from International & Domestic Air packages over previous year" by 15% **(Excellent)** has been achieved by IRCTC in spite of the setbacks caused due to the Coronavirus outbreak.

● **Air Ticketing And Corporate Travel**

(i) Online Air ticketing:

IRCTC's air-ticketing micro-site www.airirctc.co.in provides online booking facility of Domestic as well as International Air-tickets at very competitive prices with the lowest facilitation charges in comparison to Online Travel Agents (OTA) in the market.



IRCTC Air has the facility of Mobile app for Android and IOS users, which is a boon for making Airline bookings on the go. **During FY 2019- 20, an average of 5688 air tickets were booked, per day, through IRCTC air ticket website as compared to 4,676 air tickets in FY 2018-19, registering a growth of approx 20%, surpassing the MoU 2019-20 target of "Increase in Air Ticket booking over previous year by 15%" (Excellent).** IRCTC is also providing insurance coverage of ₹ 50 Lakhs to each passenger on complimentary basis for all online bookings made through web & app.

(ii) Corporate Travel Business:

IRCTC offers complete Travel Solutions for Corporates, including air ticketing, booking of domestic LTC tickets as well as International tickets, hotel bookings, Visa facilitation, Insurance etc. IRCTC has tied-up with more than 110 PSUs/ Ministries/ Government Departments & institutions.

● Mass Tourism

(i) Bharat Darshan/ Aastha Circuit Tourist Train:

One of the most popular tourism products of IRCTC, Bharat Darshan Tourist Trains are special tourist trains offered by the company to primarily target the common man. These trains operate from various cities across the length and breadth of the country, on various circuits, covering various tourist destinations. Attractively priced at ₹ 900/- per day, per passenger, for Non-AC Sleeper Class and ₹ 1100/- per day, per passenger, for 3AC class, the tour package is inclusive of rail and road travel, all meals, sightseeing and accommodation. Above all, tourists are also insured with accidental insurance of up to ₹ 10 Lakhs. **During FY 2019- 20, IRCTC have operated 92 trips of Bharat Darshan as against 99 trips of Bharat Darshan Tourist Trains in FY 2018-19.**



(ii) State Special trains

IRCTC runs these special train tours in collaboration with various state governments. The government selects the beneficiaries of the tour package, mostly senior citizens. These train tours cover various tourism and pilgrimage sites across India. During FY 2019-20, IRCTC tied up with State Governments of Delhi, Madhya Pradesh, Odisha, Rajasthan & Jharkhand and operated the State Special trains. During the year, a total of 64,733 tourists availed these tours in 68 trips. An income of ₹ 94.94 Crores was generated from the operation of State Special trains.

(iii) IRCTC Trains:

As per the directives to privatise Indian Railways, management & operation of passenger trains was supposed to be allocated to private players. IRCTC was mandated to operate three passenger trains. The trains IRCTC presently operates are

- LKO-NDLS Tejas
- ADI-MMCT Tejas
- Varanasi-Indore AC passenger train.

IRCTC has inaugurated its 1st passenger train on 4th Oct, 2019 on the Lucknow to New Delhi sector. The train was inaugurated by Hon'ble Chief Minister of Uttarpradesh, Sh Yogi Adithyanath. The second train was inaugurated on the Ahmedabad- Mumbai- Ahmedabad route on 17th Jan, 2020 by the Hon'ble Chief Minister of GUJRAT, Sh. Vijay Rupani and the 3rd passenger train and the first overnight passenger train was inaugurated on 16th Feb, 2020 on the Varanasi- Indore- Varanasi line.



Railways have provided these trains to IRCTC on lease after paying applicable lease charges and in return, IRCTC also has to make payments to Railways as Fixed and Variable charges for operating these trains.



Along with a host of features and facilities being offered by IRCTC to the passengers of Tejas Express, in the form of exclusive food and beverage services, on-board security, housekeeping and infotainment services, IRCTC is offering a comprehensive service along with a travel insurance, without any additional cost to the passengers.

This complimentary travel insurance with coverage of ₹ 25 Lakhs is being offered to each and every passenger

travelling on IRCTC trains. General travel insurance coverage with exclusive coverage of ₹ 1 Lakhs against household theft / robbery during the travel period of the passengers is being offered by IRCTC.

In case of an accidental death and permanent disablement, an insurance claim of ₹ 25 Lakhs will be handed out. Through partial disbursement, an amount of upto ₹ 15 Lakhs and upto ₹ 5 Lakhs for emergency hospitalization will be handed over to the passengers of IRCTC trains.

Besides, IRCTC also pays a compensation of ₹ 100/- in case of delays of more than one hour and ₹ 250/- in case of delays of more than two hours to every passenger.

The Lucknow- New Delhi Tejas commences its trip from Lucknow in the morning and returns from New Delhi in the afternoon. This train stops at Ghaziabad and Kanpur. Similarly, the Ahmedabad-Mumbai Tejas starts in the morning from Ahmedabad and returns from Mumbai by evening. The ADI Tejas have enroute stops at Nanded, Vadodara, Bharuch, Surat, Vapi and Borivali. Both these trains run 6 days a week.

The first overnight train of IRCTC from Varanasi to Indore, named Kashi Mahakal Express, runs in two routes. While this train runs in route BSB-SLN-LKO-CNB-JHS-BINA-BPL-UJN-INDB for 4 days (2 up and down trips), it runs for 2 days (1 trip up and down) in BSB-ALD-CNB-JHS-BINA-BPL-UJN-INDB route. The train has enroute stops at Lucknow, Kanpur, Jhansi, Bhopal and Ujjain.

The salient features of IRCTC Trains are

- i. Exclusive reservation counters at stations.
- ii. Train tickets can be exclusively booked on IRCTC website www.irctc.co.in and its mobile app "IRCTC Rail Connect". Tickets can also be booked through IRCTC's online travel partners like Paytm, Ixigo, PhonePe, Make My Trip, Google, Ibibo, Railyatri etc.
 - Advance reservation period of 60 days.
 - Children below 5 years of age are exempted from fare
 - Dynamic Train fare
 - High quality food and beverages.
 - Regional delicacies served on trains to suit the preference of passengers.
 - On board hospitality services managed through professional and competent staff from either gender.
 - Professional On-board Hospitality and Security Staff available at all times.

- Availability of complimentary RO water on trains
- Easily accessible complimentary on-board infotainment services during your entire journey
- Complimentary On-board Travel and Tourism Magazine
- Complimentary Travel Insurance of ₹ 25 Lakhs for every passenger with a coverage of ₹ 1 Lakh for household theft / robbery during the travel period.
- Compensation to passengers for train delays.

(iv) Election Special Trains:

IRCTC has been entrusted with the job of moving the Military and Para-Military forces for the general and assembly elections from FY 2013-14 onwards. IRCTC has been nominated as a Single window for booking and movement of Election Special Trains. During FY 2019-20, IRCTC operated 346 trains for moving Para-military forces for General Election and generated an income of ₹ 6.23 Crores (only 5% facilitation charge of IRCTC).

(v) AC Tourist Train:

Utilizing the conventional rake of the Buddhist Special Tourist Train, IRCTC operated the AC Tourist Train tour packages for the first time in FY 2018-19. During the FY 2019-20, IRCTC have operated 8 AC Tourist Train tours for 1501 passengers, as compared to 4 AC Tourist Train for 665 passengers in FY 2018-19.

(vi) Pilgrim Special Tourist Trains (PSTT):

IRCTC is planning to operate Pilgrim Special Trains and requested Railway Board to provide separate rakes for operation of Pilgrim Special Tourist Trains. PSTT will have 5 sleeper and 5 3AC coaches. Attractively priced at ₹ 900/- per day, per passenger, for Non-AC Sleeper Class and ₹ 1500/- per day, per pax, for 3AC class passengers, the tour package will be an all-inclusive package consisting of rail and road travel, all meals, sightseeing and accommodation.

(vii) Theme Based Tourist trains:

a) Ramayana Express:

IRCTC launched and operated four special tourist trains, "Ramayana Express". One train was operated from Tirunelveli in Tamil Nadu. The destinations covered are Allahabad, Ayodhya, Buxar, Chitrakoot Dham, Hampi, Janakpuri (Nepal), Nandigram, Nasik, Raghunathpur, Shringaverpur, Sitamarhi and Varanasi etc. The train operated all inclusive tour package from 05.03.2020 to 18.03.2020.



b) Temple Tours:

Another unique tour package of IRCTC covers the temples of Andhra Pradesh and Karnataka. The “Temple Tour of Andhra Pradesh” operated from 11.12.2019 to 17.12.2019 ex-Madurai. The package covers destinations like Ahobilam- Mahanandi- SriSailam- Bhadrachalam- Simhachalam- Annavaram. Other Temple Tours, “Temple Tour of South Canara” operated from 05.12.2019 to 09.12.2019 ex- Madurai. The package covers Murudeshwara- Kollur- Mookambika- Sringeri- Horanadu- Dharmasthala. The package has provided services to 708 passengers.

Other Tourism Activities

(i) Event Management:

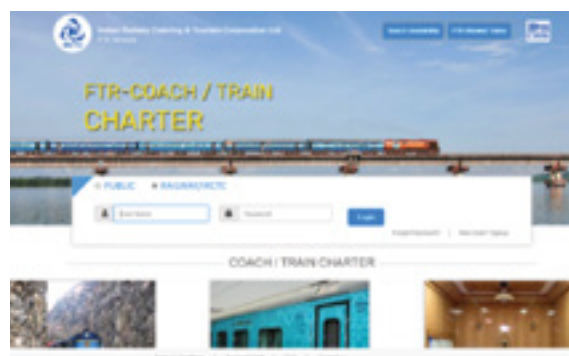
IRCTC has ventured into Event Management business and organised various Conferences, Events and Incentive packages for Indian Railways, PSUs, Education Department and other prominent institutions. IRCTC had the privilege of managing the event for Hon'ble Prime Minister, Hon'ble President, Hon'ble Minister for Railways & other prominent personalities. During FY 2019- 20, IRCTC has conducted and managed various Events such as “Sanghosthi”, majorly for Indian Railways, and generated an income of 81.82 Lakhs.

Realising the potential of event management as a business segment, IRCTC plans to position itself as a full-fledged event management company and offer its event management services for organising various events (Meetings, Incentive tours, Conferences and Expositions – MICE) for Ministry of Railways, its PSUs and other government organizations across the country.

(ii) Booking of Charter Trains and Coaches:

IRCTC has operated 568 (81 trains & 487 coaches) charters in the financial year 2019-20 for various tourist groups. Ministry of Railways nominated IRCTC as the single window agency for online booking of all trains

and coaches on charter basis. The website for online booking of FTR Trains/ coaches is www.ftr.irtc.co.in.



(iii) Cruise Packages:

International Cruise packages: : IRCTC has ventured into a new business of Cruise packages across the world (International and Domestic). IRCTC has operated its first cruise package with Norwegian Getaway Cruise from 24th Jun 2019 to 06th July 2019 including Emirates Return Flight, Hotel stay (1+1 Nights), Insurance & Visa charges (Denmark) for a 12N/13D package, generating a revenue of 62.5 Lakhs.

Norwegian Getaway cruise started from Copenhagen (Denmark) on 25th Jun 2019 and continued till 04th July 2019 (9N/10D), covering Warnemunde (Germany), Gdynia (Poland), Helsinki (Finland), St. Petersburg (Russia), Stockholm (Sweden) and back to Copenhagen (Denmark).

Further, IRCTC has recently launched 10 International and 6 Domestic Cruise packages which are also available on IRCTC's tourism portal.

River Cruise packages: IRCTC has collaborated with river cruise liners for operation of river cruise on the mighty Ganges and the Brahmaputra in the domestic market. Gangasagar and Sunderland Domestic River cruise packages has also been launched and uploaded on IRCTC tourism portal.

With this, IRCTC has achieved the MOU target of launching of International Cruise packages as well as Domestic River cruise packages in India with excellent rating in the both targets.

IRCTC has ventured into a new business segment of Air Charter. On the pilot run basis, IRCTC has provided service to Ministry of Railways and operated four Air charters during the FY 2018- 19. Initially, the business will be restricted to Government clients and will be later extended to all, after stabilising operations in the market.

(iv) Hill and Heritage Charters

IRCTC actively promotes the 5 Hill Railways of India viz. Nilgiri Mountain Railway (NMR), Darjeeling Himalayan Railway (DHR), Kalka-Shimla Railway, Kangra Valley Railway and Matheran Railway. IRCTC operates hill charters over Kalka-Shimla, Nilgiri Mountain Railway and Darjeeling Himalayan Railways, UNESCO's "World Heritage Sites". IRCTC has recently launched packages for Kalakund, which is situated in the recently introduced Heritage section of Patalpani- Kalakund under Ratlam Division of Indian Railways.

(v) Luxurious Railway Saloon Car

Ministry of Railways decided to open bookings for its fleet of luxurious saloon coaches and has entrusted IRCTC with the task of marketing and booking these special packages. A Saloon Car generally has a living room, two air-conditioned bedrooms – one twin bedroom and the other similar to an AC First Class coupe with attached baths, dining area and a kitchen. Optional services like attendant, catering, pick and drop is arranged as per demand of tourists. During FY 2019- 20, IRCTC has successfully operated 33 saloon charters across India, in comparison to 20 Saloon Cars in the previous year. IRCTC has requested Railways to provide 6 exclusive fully AC Saloon Cars for operating charters and Saloon Car tours across its five Zonal Offices and 1 in New Delhi.

(vi) Online booking of Retiring Rooms at Stations and Hotel Booking:

- IRCTC has been providing the convenience of booking of retiring rooms online to Railway passengers having confirmed PNR across 537 Railway stations through IRCTC tourism portal. Passengers can also book Retiring Rooms on the go on Android and IOS mobile Apps. Hourly booking is also available at 43 stations. About 65 % of total retiring room bookings are being done online. 20% of the bookings are being done through mobile apps.
- IRCTC has started upgrading and managing services of Retiring rooms at 16 Railway stations, including Sealdah, Rajinder Nagar, Tata Nagar, Udupi, Madgaon, Ahmedabad, Vadodara, Thivim, Lucknow, Jaipur, Gorkhpur, Tirucharpalli, Madurai, Kachiguda, Tirupati & Bilaspur. The upgraded retiring rooms have hotel like facilities such as fully AC, Wifi, TV, Geyser, linen, sofas etc.
- Total bookings during FY 2019- 20 were 4.46 Lakhs and total revenue was ₹ 22.66 Crores.

(vii) Advance Tourism:

IRCTC Tourism is offering a tour package of five nights and six days to Meghalaya. The tour will comprise flights

connecting Bengaluru with Guwahati and a motorcycle-based journey to Mawsynram and Mawlyngbna in Meghalaya.

(viii) IRCTC Mobile Apps:

Mobile Apps and Mobile responsive websites are the need of the hour for customers. Therefore, to promote IRCTC's products, IRCTC has introduced user friendly travel and tourism mobile Apps. 'IRCTC Air' and 'IRCTC Tourism' mobile application were launched on 31st May 2016. The application for IRCTC App is already available for Android and IOS users. An integrated IRCTC app, "IRCTC Connect", featuring Rail & Air ticketing and IRCTC Tourism has been released on 10.01.2017. Till 31st March 2020, IRCTC Rail connect app was downloaded more than 1 Crore times and packages are being booked regularly on the app. A Mobile App has been developed on Android as well as iOS for Maharajas' Express to simplify the guest feedback system and promote off-board excursions. App also has features for detailed itinerary, live train tracking etc.

(ix) Tourism Portal :

In an era of modern technology where internet, websites and apps are ruling the world, IRCTC has realised the potential of growing as an Online Travel Agency. IRCTC launched its tourism portal www.irctctourism.com in March 2007, and has been offering complete online travel solutions to the customers since the last 9 years. The portal has won the "National Tourism Award" in the year 2008, "Website of the Year" for three consecutive years i.e. 2014, 2015 & 2016 from "Leisure & Travel" by Matrix Lab and has been awarded "Indian e-retail award" for four consecutive years, from 2015 to 2018, by Franchise India. The portal offers on-line booking of Tourist Trains, Air tickets, Hotels, Saloon Cars, AC Tourist Trains, Event Management, Tour packages on rail, air or land. To be at par with the user friendliness and facilities offered by other OTAs, IRCTC has revamped its tourism website. Golden Chariot Train has also launched its website in 2019-20. Total Bookings in 2019-20 was 518277, catering to 12.18 Lakhs passengers and generating gross revenues of 282.83 Crores.

(x) Online Feedback module:

IRCTC started taking online feedback of tourists/ passengers travelling or availing service on IRCTC tourist trains, packages, etc. through Tablets, during the course of the tour, to get actual feedback of passengers and to take necessary action for making their product better. IRCTC Tourism department has circulated 3 tablets to each zone for regular online feedbacks.

(xi) Part Payment facility:

Online and Offline Customers can now utilize the Part payment facility to book their Tourism packages and plan their journeys in advance without blocking the full amount.

(xii) Online Hotel Booking:

IRCTC integrated accommodation partners (Hotel, Home stay, Bed & Breakfast, PGs, Dormitories, paying Guest Houses, YatriNivas, holiday Homes, start up etc.) on its platform for online bookings through <https://www.hotel.irctctourism.com> or 'irctctourism' mobile apps – Android & IOS

At present following hotels can be booked:-

- Le Roi Hotels
- Oyo Rooms
- FAb Hotels
- Oga Hotels
- Comopolitian Hotels
- Ginger Hotels

Customers can now book more than 3172 hotels across 135 cities, with a starting tariff of ₹ 600/-. Most of the Hotels are located near Railway Stations, Airports and city centres. IRCTC offers No cancellation charges if cancelled before 24 hrs of check-in.

● Tourism Planning

The extremely diversified tourism product lines provide IRCTC tremendous scope of growth in the field of tourism. In line with this, the company plans to further enhance and consolidate its tourism business in the coming years by expanding and streamlining existing business lines as well as introducing new product lines.

IRCTC tourism needs to be more dynamic and flexible to tackle the situation after the Coronavirus pandemic. The industry is expected to take a minimum of 10 months to recover after the pandemic is controlled.

However Specific thrust areas identified now for the coming year would be:-

- Cruise Packages:** IRCTC will focus on launching packages with Cruise liners across the globe. IRCTC will block seats/ rooms in Cruises and sell them at Domestic & International level.
- River Cruise Packages:** IRCTC is also going to tie up with reputed Companies in India to offer Luxury

River Cruise Tours. These tours will be offered to Maharajas Express guests also.

- AC Tourist Trains:** IRCTC will utilise the conventional rake of Buddhist for operation of more AC Tourist Trains and launch and operate various tourist itineraries across India.
- Pilgrim Special Tourist Trains:** IRCTC is planning to launch and operate Pilgrim Special Train with three new rakes to be obtained from Railways. IRCTC will use the rakes across India, round the year. Mixed rakes will be used for this purpose, for instance, 5 coaches of Non-AC sleeper class and 5 coaches of 3AC.
- Adventure Tourism:** IRCTC will continue to operate various Adventure tour packages to North East. More adventure tourism packages will be launched to other parts of India. The activities include biking, hiking, mountaineering, etc.
- Passenger Trains:** IRCTC is planning to take more passenger trains from the clusters identified by Indian Railways for privatisation of Indian Railways through joint ventures or independently. IRCTC is also planning to take charge of other trains available with Indian Railways, namely "Tejas Express", for booking, management and operational activities with IRCTC. However, the final decision will be based on the analysis of the financials and performance of this vertical.
- FOREX, VISA & International Travel Insurance:** IRCTC has tie-ups with service providers for FOREX, VISA & Overseas Insurance. These businesses mainly target IRCTC's outbound tour package clients and its Corporate clients.

● SOCIAL MEDIA PRESENCE OF IRCTC

IRCTC is one of the foremost travel and tourism companies in the country and over the last couple of years, IRCTC has developed a strong brand presence across the most popular social media platforms on the internet such as: Facebook, Twitter, Instagram and LinkedIn. This presence has given IRCTC an edge over others to connect with a massive audience base and deliver better



solutions or products to the customers. IRCTC has also been proactive in responding to the grievances received through their social media channels.

During the year 2019-20, IRCTC received a total of 5,19,452 mentions across the internet, out of which 3,23,477 were from social media platforms and the remaining 1,95,975 were from other sources such as news websites, online forums etc. As a brand, IRCTC has managed to garner great response from its users on social media, with people sharing IRCTC posts 5,81,837 times in 2019-20 and receiving 1,33,899 positive mentions across social networks.

IRCTC saw an exponential growth in its follower base on its official social media handle that manages official posts, IRCTC Air and IRCTC Tourism. The Instagram platform saw the biggest jump of 10301% increase in followers, while LinkedIn followers increased 199% in the current year. Twitter follower base also increased by 73%, followed by Facebook follower growth of 19%.

The growth in social media follower base was also complemented by a rise in website traffic, resulting in a 58% increase in traffic on the IRCTC Tourism website.

The social media strategy of Maharajas' Express – IRCTC's flagship premier luxury train was focused on International guests who were looking to travel to India and experience luxury while exploring the cultural heritage of this country. Maharajas' website went through a complete overhaul during the year 2019-20 and as a result, it saw an increase of 34% in traffic. The social media platforms of Maharajas' Express also saw an increase in followers with Instagram being the most popular platform during 2019-20. Instagram follower base increased 64.79%, followed by Facebook at 10.3% and Twitter by approx. 9% during 2019-20.

For promotion of the Buddhist Circuit Tourist Train, IRCTC initiated two pronged online marketing strategy with social media marketing and constant marketing efforts across other digital mediums which helped the premium tourist train to increase its website traffic by a huge 218% during the year 2019-20. The social media platforms such as Instagram and Facebook also saw a followers growth of 93% and 52%, respectively.

IRCTC Air's visibility in search engines improved in comparison to the previous year. Total traffic increased from 182248 in March 2019 to 202470 in March 2020, registering a growth of 11.10% organic traffic. IRCTC Air has constantly ranked on the first page of Google Search Engine Results due to our Search Engine Optimization and Search Engine Marketing efforts.

c. INTERNET TICKETING

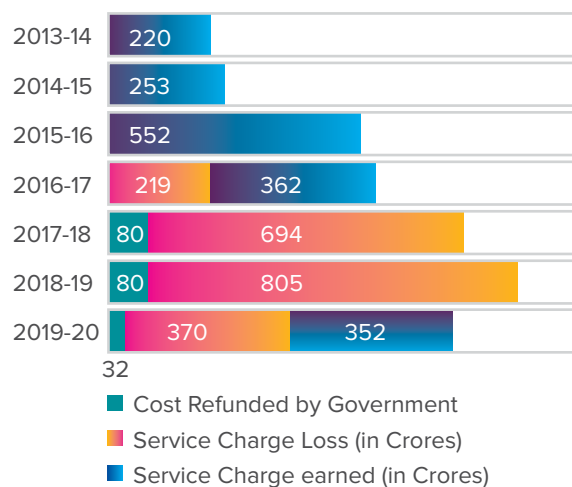
IRCTC's e-ticketing service has continued to grow from strength to strength, ever since it came into the market and now accounts for 72.75% of reserved tickets booked online on Indian Railways in 2019-20. On an average, 8.25 Lakhs tickets were sold daily through IRCTC's website and Mobile App during 2019-20. The site offers round the clock ticket booking services, except for a 35 minute break from 2345 hrs to 0020 hrs.

(i) Service Charge:

A nominal service charge was earlier levied by IRCTC @ ₹ 20/- per e-ticket for Non-AC classes and @ ₹ 40/- per e-ticket for AC classes. But, it was withdrawn by Ministry of Railways w.e.f. 23-Nov-2016 to promote digital payment and the same continued till 31-Aug-2019.

Continued withdrawal of service charge has resulted in a loss in turnover, amounting to ₹ 370 Crores in 2019-20. Total Revenue loss from e-ticketing service charge from the date of its withdrawal in 23-Nov-2016 to 31-Aug-2019 has been ₹ 2,088 Crores. For the FY 2019-20, reimbursement of ₹ 32.26 Crores has been made by Ministry of Railways to IRCTC, in the 1st quarter, for maintenance and operations of Internet Ticketing System.

IRCTC E-Ticketing Service Charge/Convenience Fee (₹ in Crores)



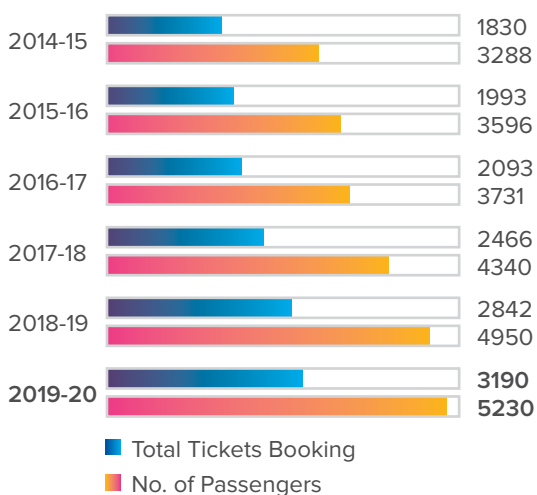
The withdrawal of service charge on the tickets, though has reduced the income from this segment, efforts have been made to encash full potential of website along with mobile application schemes through data monetization, retail management etc.

IRCTC has started collection of Convenience Fee on e-ticket bookings w.e.f. 01-Sep-2019 at the rate of ₹ 15/- + GST per ticket for Non AC Classes and ₹ 30/- + GST per ticket for AC Classes (including First Class/FC). For BHIM/UPI payments, the Convenience Fee is charged at a reduced rate of ₹ 10/- + GST per ticket for Non- AC Classes and ₹ 20/- + GST per ticket for AC Classes.

(ii) Earnings:

a. No. of E-Tickets and Passengers Booked:

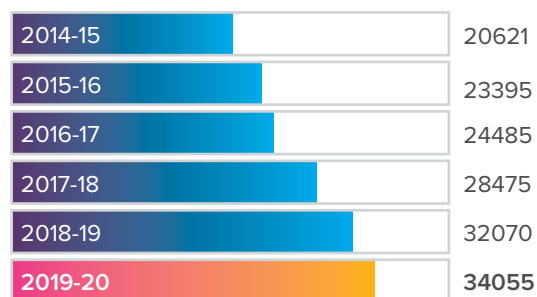
A total of 3019.04 Lakhs tickets have been booked in 2019-20 as compared to 2841.72 Lakhs in 2018-19. Total 5229.62 Lakhs passengers booked E-Tickets in 2019-20 as compared to 4949.51 Lakhs passengers in 2018-19. The ratio of Passenger to Ticket during the year was 1.73:1. Number of tickets booked during the year has reduced due to the countrywide lockdown imposed due to the COVID-19 Pandemic.



b. E-ticketing Revenue Collection:

During the year 2019-20, a total of ₹ 34054.74 Crores was collected as Ticket Fare from the users as E-ticketing revenue, which is 6.19% more than last year's collection of ₹ 32,069.70 Crores.

Ticketing Fare Collected (in Crores)



(iii) MOU Targets 2019-20 and Achievements thereof:

S. No.	Target	Status of achievement
1.	Setting up and operationalization of OTP based system for ensuring refund to all customers who booked their rail e-tickets through agents, by 31-Oct-2019	Achieved on 25-Sep-2019
2.	Creation of own booking engine for handling all kinds of event ticketing like exhibitions, games etc. by 31-Dec-2019	Achieved on 21-Nov-2019

(iv) New Initiatives Taken During 2019-20

- CAPTCHA based login introduced to enhance security during peak hours on Mobile App (w.e.f. 16-Jun-19).
- Three days Cyber Security Awareness Training Programme conducted for IRCTC Employees from 28-Jun-2019 to 30-Jun-2019
- Highest booking in a day through IRCTC Rail Connect Mobile App - 4,69,949 tickets were booked on 01-Jul-2019
- Railway Complaints registration is now available by dialling 139 and Rail Madad (w.e.f. 15-Jul-2019)
- Boarding point change of System Tickets made available to Rail Users through IRCTC Website (w.e.f. 25-Jul-2019)
- NDRF (National Disaster Response Force of Central Paramilitary Forces) e-ticketing system has been launched for booking Reserved Rail e-tickets for NDRF personnel (w.e.f. 23-Aug-2019).
- The Convenience Fee on online tickets booked through IRCTC has been started w.e.f. 01-Sep-2019.
- A Convenience Fee of ₹ 15/- + GST per ticket for Non-AC Classes and ₹ 30/- + GST per ticket for AC Classes is being levied on online tickets booked through IRCTC, irrespective of the number of passengers booked on a ticket;
- For the Users, who will be making online payment for e-tickets through BHIM/UPI mode of payment, the Convenience Fee would be charged at a reduced rate of ₹ 10/- + GST per ticket for Non- AC Classes and ₹ 20/- + GST per ticket for AC Classes, irrespective of the number of passengers booked on a ticket.



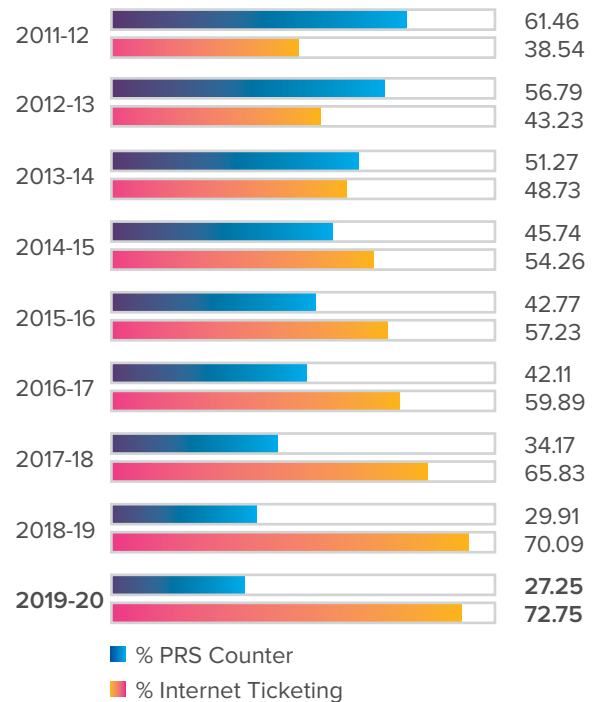
- OTP (One Time Password) based refund process through SMS, for tickets cancelled by Retail Service Providers (agents) and also for the tickets which remain fully waitlisted, when such tickets have been booked by the passengers through agents, has been launched w.e.f. 25-Sept-2019. OTP SMS based refund process brings transparency in the system and benefits the customer. It is a user friendly facility wherein passenger will know about the exact refund amount received by agent on his behalf, against a cancelled ticket or fully waitlisted dropped ticket. **(MOU Target - 31-Oct-2019)**
- Group Bookings made live on IRCTC Tejas Trains w.e.f. 01-Oct-2019.
- IRCTC Tejas Train on LJJ-NDLS-LJJ route was launched on 04-Oct -2019 and all its ticketing operations have been handled by the IT Centre.
- IRCTC Rail Connect Mobile App on iOS Platform was launched on 10-Oct-2019
- New User Interface of IRCTC Rail Connect Mobile App on Android Platform was launched on. 14-Oct-2019
- Introduction of Gallery/Videos section in IRCTC Rail Connect Mobile App on iOS Platform- launched on 06-Nov-2019.
- Last transaction details feature added in transaction history menu of IRCTC Rail Connect Mobile App:
- Launched
 - On Android Platform - 08-Nov-2019.
 - On iOS Platform - 03- Jan-2020
- Event Management Portal launched and utilized for events on 21 & 22-Nov-2019. This portal will cater to online registrations for events like workshops, seminars etc. and facilitate online bookings for exhibitions, games events etc., **(MOU Target – 31-Dec-2019)**
- New Premium Card has been introduced in IRCTC Loyalty Program w.e.f. 21-Nov-2019.
- Fundamental Duties were displayed on ERS, Home Page, Alerts & Updates section of IRCTC website, www.irctc.co.in from 25-Nov-2019.
- Fundamental Duties have been displayed on IRCTC Rail Connect Mobile App:
 - On Android Platform - 25-Nov-2019.
 - On iOS Platform - 27-Nov-2019
- IRCTC Convenience Fee at reduced rates of ₹ 10/- (Non-AC Classes) and ₹ 20/- (AC Classes) on the tickets booked through BHIM/UPI payment mode has been started w.e.f. 01-Jan-2020.
- Another IRCTC Tejas Train on ADI-MMCT-ADI route was launched on 17-Jan -2019 and its ticketing operations have been handled by IT Centre.
- New payment options like Payment Gateway and UPI payment options have been enabled for e-Wallet registration and deposit, which offers more payment options to users (w.e.f. 27-Jan-2020)
- IRCTC launched its 3rd Train- Kashi Mahakal Express from INDB to BSB via Ujjain and its ticketing operations are being handled by IT Centre (w.e.f. 20-Feb-2020)
- Mandatory and Free Travel Insurance up to ₹ 10 Lakhs has been provided for the passengers of Mahakal Express w.e.f. 20-Feb-2020.

- Highest Tickets booked in a minute: 26,458 tickets (05-Mar-2020 11:02 am)
- Booking SMS is now being sent only to registered mobile numbers of users, w.e.f. 11-Mar-2020. Previously the booking SMS was sent to the passenger's mobile number.
- Re-Verification of email IDs/mobile numbers of IRCTC users have been started to keep genuine users on the system w.e.f. 12-Mar-2020.
- Following Banks/ Payment Providers have been integrated on IRCTC Rail Connect Mobile App for booking Reserved Rail e-tickets by the customers:
 - i. ICICI Bank Payment Gateway for providing Debit/ Credit Card payment modes:
 - On Android Platform - w.e.f. 23-May-2010
 - ii. UPI (powered by PayTM):
 - On Android Platform - w.e.f. 03-Jun-2019
 - iii. Airpay - for providing Multiple Payment modes (MPP)
 - On Android Platform - w.e.f. 24-Jul-2019
 - iv. HDFC Bank - for providing Multiple Payment modes (MPP)
 - On Android Platform - w.e.f. 09-Aug-2020.
 - v. American Express Bank Payment Gateway for providing Credit Card (Domestic) payment mode
 - On Android Platform - w.e.f. 26-Feb-2020.
 - On iOS Platform - w.e.f. 20-Mar-2020

(v) Highlights of Internet Ticketing (2019-20)

- Total number of tickets booked were 3019.04 Lakhs, 6.26% higher than last year.
- Total Train Ticket Fare for online e-ticketing during the year was ₹ 34054.74 Crores, 6.19% higher than last year.
- 4.46 Crores Mobile App (on Android & iOS) Downloads till 31st March, 2020.
- Mobile Bookings: The average Mobile App bookings during 2019-20 were 3.86 Lakhs tickets per day, as compared to 2.79 Lakhs tickets in 2018-19. 47% of IRCTC e-Tickets have been booked through IRCTC Rail Connect Mobile App.
- About 72.75% of Reserved Rail tickets were booked online in 2019-20, as compared to 70.01% in 2018-19.

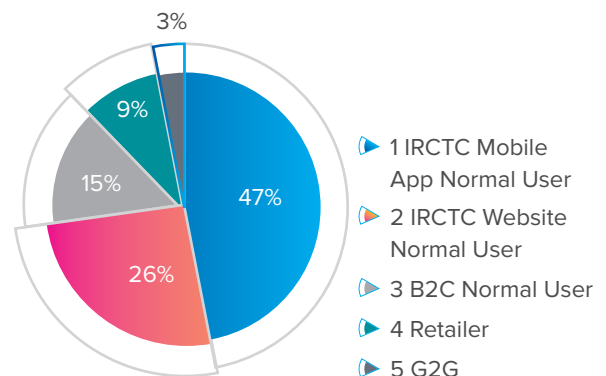
Growth of Online Reserved Rail Ticketing



(vi) Segment wise IRCTC e-ticketing share

S. No.	Segment	Total Booking (Nos. in Lakhs)	Booking Amount (₹ in Crores)	Share in %age
1	IRCTC Mobile App Normal User	1,415.24	17,269.72	47%
2	IRCTC Website Normal User	770.47	6,775.11	26%
3	B2C Normal User	464.47	4,230.81	15%
4	Retailer Agents	276.02	4,038.09	9%
5	G2G	92.84	1,741.01	3%
Total		3,019.04	34,054.74	100%

(vii) Ticket Booking Segment Wise % age



d. PACKAGED DRINKING WATER (RAILNEER)

As on 31.03.2020, IRCTC has fourteen operational plants located at Delhi, Patna, Palur, Ambernath, Amethi, Parassala, Bilaspur, Sanand, Hapur, Mandideep, Nagpur, Jagiroad, Jabalpur and Sankrail, of which the plants at Amethi, Parassala, Sanand, Hapur, Mandideep, Nagpur, Jagiroad, Jabalpur and Sankrail operate under PPP.

Performance of Rail Neer Plants during FY 2019-20 as compared with 2018-19 as given below:

Financial Year	Production (bottles in Crores)	Turnover (₹ in Crores)	Plant Utilisation (%)
2019-20	27.50 (approx)	237.99	79%
2018-19	21.50	189.04	83%

Quality: Rail Neer Plant at Nangloi, Danapur, Palur and Bilaspur are accredited with ISO: 9001- 2015 quality management system certification and Rail Neer Plant, Ambernath is accredited with ISO:22000-2015 certification.

The result of the tests carried out by accredited laboratories on Rail Neer Packaged Drinking Water indicates that the quality of Rail Neer conforms to European Economic Community (EEC) norms for pesticide residue.

During 2019-20, three new Rail Neer plants at Jagiroad near Guwahati (Assam), Maneri near Jabalpur (M.P) and Sankrail near Howrah (W.B) has been set up.



(i) Technology/Capacity up gradation:

- To combat design duplication and consequent sale of spurious water, a hologram has been embedded on the Rail Neer bottle as a safety feature.
- Use of Handheld Terminals (HHT) for monitoring Rail Neer distribution operations in plants.

- Rail Neer Carrying and Forwarding Agencies (CFAs) have been empowered to issue invoice through Handheld Terminals (HHTs) to licensees, enabling live record and reconciliation of sale and supply of stock to trains and catering units in one plant as pilot project. This has simplified the process of bill settlement in real time, rendering accurate results every time. It has also resulted in savings in stationary and offers time for reconciliation. Further, the data has been proposed to be populated on IRCTC's server to assess performance of Rail Neer operations and utilize it as a decision making tool.

(ii) Road Ahead :

- Average daily requirement of Packaged Drinking Water on Indian Railways is approx 18 Lakhs bottles/day. IRCTC's production capacity is 14.08 Lakhs bottles/day, spread over fourteen working plants. With the commissioning of five more Plants, capacity will be enhanced to approx 17.68 Lakhs bottles per day, which will be operational by 2020-21, and it is considered adequate for meeting current demand on Indian Railways. The newly set up plants at Jagiroad, Jabalpur and Sankrail have started commercial operation.
- Rail Neer Plants at Una (H.P) and Bhusawal (MH) are in advanced stages of completion and Rail Neer Plant at Mallavalli near Vijayawada is in civil construction phase. All three plants are expected to be commissioned in FY 2020-21.
- Further, setting up of two more plants at Bhubaneswar and Simhadri near Vishakhapatnam are under tendering process.

(iii) Water Vending Machines

Ministry of Railways has directed IRCTC to provide purified, chilled and potable drinking water to railway passengers at an affordable rate (@ ₹ 5/- per 1 litre) through **Water Vending Machines (WVMs)**, thereby reducing pollution on account of lesser consumption of plastic bottles. It will also help to generate employment in station premises.

Till 31st March 2020, your Company has cumulatively installed 1926 Water Vending Machines. Out of 1194 stations of category of A1, A, B and C, a total of 685 stations have been provided with WVMs, covering around 97% of A-1 category stations.

Awards Received during the year - Rail Neer was awarded with Asia's most trusted brand award 2019, in the packaged drinking water category.

4. HUMAN RESOURCE DEVELOPMENT

The Human Resource Development (HRD) function in IRCTC has been designed in a way to adopt latest methods to constantly update the knowledge, ability, skills and productivity of the employees. IRCTC firmly believes in the resource-based theory which emphasises that investment in people adds to the value of the company. HRD also ensures putting the right people to the right task to get the maximum output. The employees are provided appropriate guidance for transformation of their knowledge into skills. The employees are encouraged to engage as partners in the organization which creates a healthy and harmonious environment for achieving the aims/objectives and targets of the corporation.

As on 31st March, 2020, the Company had total manpower strength of 2494 with the following details:

Category	No. of Employees
Regular Employees	1384
Deputationists	62
On Contract	393*
Out Sourced	655#

*Engaged on contract basis for mobile catering supervision for a period of two years.

Engaged through manpower agency for supplying support services.

The percentage of women employees, SC/ST/OBC employees, persons with disabilities and ex-servicemen out of regular employees of the Company is mentioned below:

Category	No. of Employees	% of total no. of regular employees (1384)
Women employees	102	7.37
SC Personnel	261	18.86
ST Personnel	73	5.27
Other Backward Classes	341	24.64
Persons with Disabilities	05	0.36

(i) MoU targets 2019-20 and achievements thereof:

S. Target No.	Status of Achievement
1 Designing a structured induction and on boarding policy for new recruits	Achieved. Policy issued on 30th November, 2019.

S. Target No.	Status of Achievement
2 Achievement of Human Resource parameters of continuous nature viz Holding of DPC without delay for Executives(E0 & above), Review & its implementation of Employees performance on the lines of FR(56)J, Regular updation of Online Human Resource Management System (HRMS), For career progression 10 % executives were imparted one week training in IIMs.	Achieved in the fields mentioned.
3 Capability development programmes for employees to build their technical & managerial competencies for higher positions with special focus on Web based learning.	conducted 6 capability development programmes with special focus on web based learning.

(ii) Employee Welfare:

Human Resources being a very vital organ in the organization, there is a need for Welfare activities which helps in keeping the morale and motivation of the employees high so as to retain the employees for longer duration. HR Deptt. took following welfare measures during 2019-20 :-

- **Compassionate Ground Appointment Policy:** The biggest concern of a person is survival of his family after his demise. To safe guard the concern, IRCTC has introduced the policy for appointment on compassionate grounds of a dependant family member of a regular employee who lose his/her life while in service.
- **Comprehensive Group Insurance Scheme:** Earlier Coverage of accidental death as well as natural death under the Comprehensive Group Insurance Scheme was amount to 60 months basic pay plus Dearness allowance which has now been enhanced to 70 months basic pay plus Dearness allowance for all employees including deputationists working in IRCTC.
- **Engagement of Apprentices:** As per the Ministry of Skill Development and Entrepreneurship guidelines, IRCTC is fulfilling its obligation of engaging Apprentices for training in the band of 2.5% to 10% of the sanctioned

strength. Initially, 38 candidates were selected as Apprentices in the trades of COPA and Food Production; out of which 33 candidates are still undergoing training of Apprenticeship in this organisation. For this period of training, stipend is paid to each Apprentice as per directives of the Ministry of Skill Development & Entrepreneurship.

- **Health Awareness Camp/Seminar:** With view to help IRCTC staff for their health wellbeing IRCTC in collaboration with Dr. Reddy's Foundation organised 10 health awareness seminars presented by eminent medical professionals on various health awareness topics like Oral Health, Asthma, Gastrointestinal disorder, Obesity, Hypertension, Gynaecological issues, etc.
- **Alternative Method of Medical Treatment:** To promote the alternative method of medical help, IRCTC is providing free consultation services of Homeopathy Physicians to the employees of the Corporate Office and North Zone. Homeopathic treatment has helped large number of staff and their families in treating day-to-day illness i.e. common cough, cold and prevention from seasonal diseases.

(iii) Industrial Relations

During the year, the Industrial Relations in the Company have been cordial without loss of any man-days. The Corporation is having an effective grievance machinery for redressal of the complaints/grievances of its employees. An effective work culture has been established in the company through empowerment, transparency, decentralisation and practice of participative management.

(iv) Particulars of Employees

As per provisions of section 197(12) of the Companies Act, 2013 read with the Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every Company is required to give a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules in the Annual Report of the Company.

However, as per notification dated June 05, 2015 issued by the Ministry of Corporate Affairs, Government of India, government companies are exempted from complying with provisions of section 197 of the Companies Act, 2013.

Your Company is a government company, therefore, such particulars have not been included as part of the Directors' Report.

5 INTEGRAL REPORTS

The following reports as reproduced in the table below with relevant sub-appendices form an integral part of this Directors' Report, and have been placed with their Annexure respectively:

Category	Annexures
Management Discussion and Analysis Report	A
Report on Corporate Governance	B
Annual Report on CSR and Sustainability Activities	C
Business Responsibility Report	D
Dividend Distribution Policy	E
Extract of Annual Return	F
Secretarial Auditor Report	G
I-Addendum to Directors' Report (Management replies to remarks contained in the Independent Auditor's Report)	H
II-Addendum to Directors' Report (Management replies to remarks contained in the Secretarial Auditor's Report)	I
Form AOC - 2	J

The **"Management Discussion and Analysis Report"** provides an overview of the affairs of the Company, its legal status and autonomy, business environment, mission & objectives, sectoral and segment-wise operational performance, strengths, opportunities, constraints, strategy and risks and concerns, as well as human resource and internal control systems **[Annexure – "A"]**.

"Report on Corporate Governance" highlights the philosophy of Corporate Governance and Key Values of the Company, composition of Board of Directors and its Committees, their details including profile of directors who joined the Board during 2019-20 and thereafter, attendance and remuneration of directors etc., other relevant disclosures and general information for shareholders **[Annexure – "B"]**. It is supplemented by following compliance certificates:

- Certificate signed by the Chairman & Managing Director affirming receipt of compliance with the Code of Conduct and Key Values from all Board members and Senior Management personnel during the year 2019-20 (placed at **Appendix – "B1"**);
- Certificate from Chairman & Managing Director (CEO) and Director Finance (CFO) with respect to the truth and

fairness of the Financial Statements, due compliances, and financial reporting (placed at **Appendix – “B2”**);

- iii. Certificate of compliance of Corporate Governance provisions signed by a Practising Company Secretary (placed at **Appendix – “B3”**).
- iv. Certificate by Practising Company Secretary regarding non-disqualification of directors of the Company (placed as **Appendix-“B4”**)

“Annual Report on CSR and Sustainability Activities”

provides a brief outline of the company's CSR and Sustainability policy, the composition of CSR Committee, average net profit of the Company for the last three financial years, prescribed CSR expenditure, and details of CSR spent on the activities / projects undertaken during the financial year etc. [**Annexure – “C”**].

“Business Responsibility Report”

As per Regulation 34 (2) (f) of SEBI (LODR) Regulations, 2015, the top one thousand listed entities based on market capitalization (calculated as on March 31 of every financial year) shall include in its Annual Report a business responsibility report describing the initiatives taken by them from an environmental, social and governance perspective, in the format as specified by the SEBI from time to time. Considering the fact that the Company, as of 31st March 2020, is amongst the top 1000 listed entities as per the criteria, business responsibility report is prepared and annexed to this report as **Annexure -“D”**.

“Dividend Distribution Policy”

As per Regulation 43A of SEBI (LODR), 2015, the top five hundred listed entities based on market capitalization (calculated as on March 31 of every financial year) shall formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites. Considering the fact that the Company, as on 31st March 2020, is amongst the top 500 listed entities as per the criteria, the Board of Directors of the Company has formulated and adopted the Dividend Distribution Policy.

The Dividend Distribution Policy is annexed to this report as **Annexure – “E”** and is also available on the Company's website i.e. www.irctc.com

“Extract of Annual Return”

The extract of Annual Return pursuant to section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, in the prescribed form MGT-9 is appended to the Directors' Report. [**Annexure -“F”**].

“Secretarial Audit Report”

Pursuant to section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, IRCTC has appointed M/s Amit Agrawal & Associates, Company Secretaries, an independent practicing firm of Company Secretaries to conduct Secretarial Audit for the financial year 2019-20. The Secretarial Audit Report for the financial year ended March 31, 2020 is annexed as to this Report [**Annexure –“G”**]

“I- Addendum to Directors Report”

The replies of the management to the remarks/emphasis of matter made by the Independent Auditor in his report on the financial statements for the year 2019-20 are placed as **Annexure-“H”**.

“II- Addendum to Directors Report”

The replies of the management to the observations made by the Secretarial Auditor in his report on the compliance of conditions of Corporate Governance for the year 2019-20 are placed as **Annexure-“I”**.

“Form AOC - 2”

The form AOC - 2 prescribed under clause (h) of sub-section (3) of section 134 of Companies Act and Rule (8) of Companies (Accounts) Rule is enclosed as **Annexure -“J”**

6. USE OF INFORMATION TECHNOLOGY (IT) /ERP

During the year, the Company took initiatives for updation of Oracle ERP 11i with Release 12. Modules like Financial, Purchasing, Inventory, Procurement Contract, Database, ARCS (Account Reconciliation Cloud Services) with enhanced functionalities are proposed to be implemented in the Company on pan India basis. All official data of the organization has been maintained electronically in a secure environment with user's access rights control. Field officers were provided tablets for capturing data through mobile apps for Inspections in trains and taking feedback of the passengers. A dashboard is also provided for higher management to review and take necessary action / corrective measures for improving services.

Around 38 kitchens were equipped with CCTV cameras for regular monitoring of the operations and also linked with Honorable MR's dashboard “Rail drishti”. A Control room has been setup to monitor all these locations through large format displays (LFD). The Corporate portal of the Company, www.irctc.com was revamped. The Company successfully managed & maintained IT-Infra services in luxury tourist trains “Maharajas’ Express, Buddhist Mahaparinirman Express”

Addition to above, Golden Chariot Express has also been equipped with all IT amenities for upcoming season.

7. VIGILANCE

The vigilance wing in IRCTC is a key department acting as direct link between CVC, Railway Board Vigilance and the Organization. It has been entrusted with the responsibilities of mandate to carry on various surprise checks and scrutinize records/documents of various other departments from time to time for timely detection of fraud, malpractices, corruption and unwarranted/unlawful business conduct in the organization. It coordinates with the IRCTC management and Railway Board vigilance in dealing matters of vigilance administration, policy and disciplinary proceedings against erring officials. IRCTC vigilance wing is headed by full time CVO assisted by Deputy CVO, 3 Vigilance Officers and 2 vigilance inspectors in the corporate office. There are 5 other vigilance officers in various zones, handling vigilance related matter in the field. CVO being the extended arm of CVC is deeply engaged in furthering a culture of transparency, fair procedures, good business conduct and raising vigilance awareness in the organization. The focus area of vigilance department is to promote work culture of intelligence gathering, monitoring and surveillance. Efforts are being made to undertake pro-active preventive Vigilance measures. This is to ensure fair systems and procedures, thereby increasing transparency and reducing scope for discretion.

During the period 2019-20, the vigilance department investigated in detail 18 complaints and 44 complaints were forwarded to concerned department for necessary action. Total 131 preventive/surprise checks were conducted in catering and e ticketing sector. Nearly 201 e-mail complaints from various sources were also processed. The malpractices and incidents of corruption so detected were communicated to the concerned department for strict action against the licensees and erring employees. The resulting fine recovered was to the tune of ₹1359368/-. Further, on recommendation of vigilance department, system improvements were implemented by various departments to minimise instances of malpractices especially in the procurement, catering and e ticketing sector. As mandated by CVC guidelines, the CMD undertook periodical review of activities and performance of vigilance department with the CVO.

The Vigilance Awareness week was organized from 28th October, 2019 to 02nd November, 2019. The theme of this year is **“Integrity- A Way of Life”** with emphasis on preventive Vigilance by increasing transparency, accountability, following rule of law, being inclusive, effective and efficient in all areas of functioning of the Government and its organizations.



Further, a hand book on “Illustrative check point for various stages of Public Procurement and Tendering Process” published by the Vigilance department, was released by CMD in the Corporate Office New Delhi. Banners and posters with appealing messages were displayed prominently in work places, Catering Units, Trains etc. Various competitions like Essay writing, Poster making, Debate, Quiz were held at Corporate, Zonal and regional offices of IRCTC. Sensitize program/ Workshop/ Seminars were organized for the staff to make them aware of the various rules/regulations which are required to be followed during day to day working. In order to create more awareness and participation of the public at large, the Commission had envisaged a concept of “Integrity Pledge”. During the week, Internet Ticketing Centre of IRCTC sent about 3,28,89,215 e-mails to the IRCTC e-ticket users informing them about observance of Vigilance Awareness Week, Do’s and Don’ts of the e-ticketing procedure, booking of meal orders through e-catering to prevent cases of cheating/corruption and taking of e-pledge on CVC website.

Integrity Pact

IRCTC has implemented the integrity pact program in line with the recommendations of Central Vigilance Commission with an objective to ensure that all activities and transactions between a Company or Government departments and their Suppliers are handled in a fair, transparent and corruption free manner. The adoption of Integrity Pact by IRCTC has helped in establishing healthy business practices. To ensure transparency and healthy competitiveness in public procurements/ contracts, IRCTC has adopted Integrity Pact. One Independent External monitor has been appointed in IRCTC with the approval of CVC. A coordinator has also been appointed for Integrity Pact which is now being used in all the tenders which are beyond the identified threshold values.



8. WHISTLE BLOWER POLICY/ ESTABLISHMENT OF VIGIL MECHANISM

Disclosure regarding establishment of vigil mechanism is included under the Corporate Governance Report at **Annexure-“B”**.

9. CORPORATE SOCIAL RESPONSIBILITY:

IRCTC firmly believes that Corporate Social Responsibility (CSR) plays a major role in the development of any country and therefore, it has made CSR an integral part of its ethos and culture. Your Company goes beyond the statutory compliances and makes efforts to contribute to the economic development while improving the quality of life of the local community around the company's work centers, and the society at large. To achieve this goal, your Company has incurred an expenditure of ₹ 7.67 Crores (2% of the average net profits of the preceding three years) on CSR projects/activities in FY 2019-20.

Annual Report on CSR activities as required under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 read with section 134(3) and 135(2) of the Companies Act, 2013 is placed at **Annexure-“C”**.

10. COMPLIANCES

10.1 Right to Information Act, 2005

The Right to Information Act, 2005 seeks to provide for setting out the practical regime of right to information for citizens to secure access to information under the control of public authorities in order to promote transparency and accountability in the working of every public authority. To deal with RTI applications in a fast track mode, IRCTC generates one Unique Registration No. (URN) for each application and the same is replied by the concerned CPIO/PIO well within the prescribed time limit. In corporate office and zonal offices, PIOs and Appellate Authorities have been nominated as per the provisions of RTI Act, 2005. The list of CPIO/PIOs, Appellate Authorities is available on the IRCTC website i.e. www.irctc.com. IRCTC has been aligned to online RTI MIS portal w.e.f. 01.04.2017 and all the applications received online are disposed off through online RTI Portal which results in faster disposal of RTI cases.

During 2019-20, a total of 2304 cases under RTI Act, 2005 were received and all the applications were disposed off in a timely manner.

Particulars	Opening Balance as on 01.04.2019	No. of Applications received as transfer from other PAs u/s 6 (3)	Received during the year	No. of cases transferred to other PAs u/s 6(3)	Decision where requests / appeals rejected	Decision where requests / appeals replied	Pending as on 31.03.2020
RTI Requests	263	59	2304	462	6	1789	369*
RTI Appeals	20	0	129	6	0	127	16*

*The Pending cases were within stipulated time limit of one month as per RTI Act, 2005.

10.2 Presidential Directives

During the year, Ministry of Railways conveyed its decision of disinvestment of its shareholding in the Company through Initial Public Offering (IPO). Accordingly, Government of India has disinvested 12.60% (2,01,60,000 equity shares) of its shareholding in the Company by way of IPO and the Company was listed with BSE and NSE on 14th October, 2019.

Rajbhasha in the Company and the Company has proved its commitment to ensure the implementation of the Rajbhasha Policy. Various activities were undertaken during the year, such as organizing workshops, training, meetings, various competitions etc. For outstanding and noteworthy contribution in Rajbhasha, number of incentives and reward schemes are in force.

10.3 Rajbhasha (Official Language)

The Company continued its thrust on the Official language implementation as per the Govt. of India's Rajbhasha Policy. Several steps are taken to increase the use of

A Hindi week was organized from 13th September 2019 to 20 September 2019 in the corporate office in which various competitions, such as Hindi Quiz, Hindi dictation, Hindi Essay, Hindi noting and drafting and Hindi Typing competition were organized, where a large number of participants took part. Winners were awarded Cash prizes along with a Certificate.

10.4 Disclosure Requirement under Sexual Harassment of Women at Work Place Act (Prevention, Prohibition and Redressal Act), 2013

The provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereon are being strictly complied with. The Company is committed for the prevention of sexual harassment of women at workplace and takes prompt action in the event of reporting of such incidents. In accordance with the Act, to provide protection against sexual harassment of women at workplace and to maintain their safety, IRCTC has nominated the Internal Complaints Committee(s) with the composition as required under the Act, at Corporate Office as well as Zonal offices of the company.

During the year, the Company received one complaint of sexual harassment, which has been disposed off.

10.5 Procurement from Micro and Small Enterprises (MSEs)

During the financial year 2019-20, your Company has procured 25.16% of the procurement from MSEs out of the total procurement done by the Company.

In exercise of powers conferred by section 9 of the Micro, Small and Medium Enterprise Development Act, 2006 (27 of 2006), the Central Government issued instructions all CPSEs shall be required to get themselves on boarded on the Trade Receivables Discounting System (TReDS) platform, set up as per the notification of the Reserve Bank of India.

In compliance to the above instruction, your Company has boarded on the TReDS platform on 20th March, 2019 to facilitate financing of trade receivables of MSEs by discounting of their receivables and realization of their payment before due date.

11. COMPLIANCES UNDER COMPANIES ACT, 2013

11.1 Deposits

The Company has not accepted or invited any deposits from the public under Chapter V of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Therefore, the information required to be reported under Rule 8 (5) (v) of Companies (Accounts) Rules, 2014 is **NIL**.

11.2 Particulars of Loans & Guarantees Given, Investments Made and Securities Provided

During the year, the Company has not provided any loan, made any investment; or provided any guarantee under

section 186 of Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014. Therefore, the information to be reported under section 186 of the Companies Act 2013 is **NIL**.

11.3 Contracts And Arrangements With Related Parties

The Company did not enter into any contract / arrangement / transaction with related parties under section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 during the year under review. The attention is also invited to Note 44 to the financial statements and Form AOC-2 prescribed under clause (h) of sub-section (3) of Section 134 of the Companies Act 2013 and Rule 8 of Companies (Accounts) Rules 2014 is enclosed as **Annexure - "J"**.

11.4 Internal Financial Control System

The Company has in place an internal control system which is commensurate with size, scale and complexity of its operations. Internal audit constitutes an important element in overall internal control systems of the company. The scope of work of the internal audit is well defined and is very exhaustive to cover all crucial functions and businesses of the company. The internal audit of the company is carried out by the independent professional firms appointed for this purpose.

In addition to Internal Audit, M/s UCC & Associates LLP, Chartered Accountants were engaged for certification of internal financial control (IFC) for FY2019-20, in accordance with the provisions of Companies Act, 2013.

The report of Internal Auditor and Internal Financial Control was placed before the Audit Committee for the consideration and deliberations. Details of the internal control system are provided in the Management Discussion and Analysis Report given at **Annexure-"A"**.

11.5 Risk Management

The Company has formed Board Level Risk Management Committee and the details of the composition, meeting held and terms of reference are included under the Report of Corporate Governance.

The Company also has a below Board level Committee constituted of GGM level officers, including GGM (Security), IRCTC as Chief Risk Officer (CRO). The functions of the Committee are to identify the risks related to the specific business segments of IRCTC in order to establish an appropriate risk management framework in the Company.

During quarterly meeting of below Board risk management various risks have been identified and deliberated at the Board level committee. The major risks identified are as mentioned below:

1. Pandemic Risk
2. Dependence Risk
3. Competition Risk
4. Human Resource Risk
5. Cyber Security Risk etc.

The details of the identified risks with their mitigation strategies is mentioned in the Management Discussion & Analysis Report enclosed as **Annexure - "A"**.

11.6 Significant and Material Orders

There are no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

11.7 Secretarial Standards

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India to the extent applicable.

12 PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO ETC.

The details pertaining to Conservation of Energy and Technology Absorption; and Foreign Exchange Earnings and Outgo, as required to be disclosed under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is given as under:

All out efforts and initiatives are taken by IRCTC to minimize adverse environmental impacts from its operations, products & services by using processes, practices, materials and products that avoid, reduce and control pollution. Compliance with the relevant environmental laws and effective operation of the various pollution control facilities are ensured at all the Plants/Units for ensuring a safe and clean environment and to reduce the dependence on conventional energy sources.

Further, in its catering operations, the Company has adopted several innovative techniques to save energy and water in its Base kitchen at NDLS by shifting on Piped Natural Gas based cooking instead of traditional LPG cylinder and re-using of RO waste water in cleaning, washing and bathrooms

at BK-NDLS. IRCTC also replaced 3x36 watts/2x40 watts light with energy efficient 28 watt LED light fixtures.

The details on the above are mentioned in the Business Responsibility Report enclosed as **Annexure – "D"**.

(a) Technology absorption-

Details are mentioned below in the table:

S. Particulars No.	Status
(a) the details of technology imported;	NIL
(b) the year of import;	NA
(c) whether the technology has been fully absorbed;	NA
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	NA

(b) Expenditure incurred on Research and Development.

Your Company does not undertake exclusive research projects as it does not have presence in such domain. However, to improve the technical capability and enhance competence, some methods and techniques have been developed and innovative systems have been introduced for its business segments.

(c) Foreign exchange earnings and Outgo-

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year, in terms of actual outflows, as compared to previous year is mentioned below:

Particulars	₹ in Crores	
	2019-20	2018-19
Foreign Exchange Earning	43.32	33.54
Foreign Exchange Outgo:		
Foreign Travelling Expenses	0.47	0.67

13. RETIREMENT OF DIRECTORS BY ROTATION:

As per the Companies Act, 2013 the provisions in respect of retirement of Directors by rotation will not be applicable to Independent Directors. In view of this, no Independent Director is being considered to be retired by rotation but all other directors will be retiring by rotation. Accordingly, one third among all other directors namely Smt. Rajni Hasija, Director (Tourism & Marketing) is liable to retire by rotation and being eligible, offers herself for reappointment.

14. POLICY ON PERFORMANCE EVALUATION OF DIRECTORS

IRCTC is a Government Company under the administrative control of Ministry of Railways. The functional directors including Chairman and Managing Director (CMD) are selected on the recommendations of Public Enterprises Selection Board (PESB) in accordance with the procedure and guidelines laid down by Government of India.

The Company enters into Memorandum of Understanding (MoU) with the administrative ministry, i.e., Ministry of Railways, Government of India every year, containing key performance parameters for the company. The performance of the Company is evaluated by Department of Public Enterprise vis-à-vis MoU entered into with the Ministry of Railways, Government of India.

The evaluation of performance of Functional Directors includes self-evaluation by the respective functional directors and subsequent assessment by CMD (on the basis of achievement of MoU targets and MoU rating received), with final evaluation by the Ministry of Railways (the administrative ministry).

The performance evaluation of CMD includes self evaluation and final evaluation by the Ministry of Railways (based on the MoU rating received).

In respect of Government nominee directors, their evaluation is done by the Ministry of Railways as per the procedure laid down. Since, independent directors are appointed by the administrative ministry, their evaluation is also done by the Ministry of Railways and Department of Public Enterprises.

Ministry of Corporate Affairs (MCA) vide its circular dated June 5, 2015 had exempted Government Companies from the provisions of section 178(2) of the Companies Act, 2013, which requires performance evaluation of every director by the Nomination & Remuneration Committee. The circular further exempted Govt. Companies from the provisions of Section 134 (3) (p) of Companies Act 2013, which provide about manner of formal evaluation of its own performance by the Board and that of its Committees and Individual Director in Board's Report, if directors are evaluated by the Ministry which is administratively in-charge of the Company as per its own evaluation methodology.

Further, Ministry of Corporate Affairs vide its notification dated 5th July, 2017 has exempted the provisions relating to review of performance of Chairperson and non-independent directors and the Board as a whole and evaluation mechanism, prescribed in Schedule IV of the Companies Act, 2013, for Government Companies.

15. KNOWLEDGE MANAGEMENT SYSTEM:

CPSE conclave emphasized on establishing a common knowledge management portal for all CPSEs with the objective to create a platform for enabling individuals, teams and entire public sector enterprises to collectively and systematically share knowledge, Infrastructure, Best practices, SOP etc. to learn from others' experiences and to attain greater heights.

Accordingly, **SAMANVAYA** platform was launched under the aegis of Department of Public Enterprises. IRCTC is an active member on the platform and updates the details related to the Company regularly.

On similar lines, **DRISHTI** Dashboard was created as a part of 'Vision New India 2022' to redefine the role and responsibilities of CPSEs through real-time monitoring of their action plans, derived from the challenges posed out of CPSE Conclave. The company has fed the information on the portal and regular updation is also being done.

16. MEMORANDUM OF UNDERSTANDING

The performance of the Company has been rated as "Good" based on the outcomes achieved with reference to the key performance indicators (KPIs) enshrined in the Memorandum of Understanding (MoU) for the financial year 2018-19.

On the basis of self evaluation, Company is expected to receive "Excellent" rating for 2019-20. The MoU reflecting performance parameters for 2020-21 is under process.

17. AWARDS AND ACHIEVEMENTS

IRCTC endeavours for an all-round growth and the same is reflected in the list of its awards & achievements:

1. IRCTC's tourism vertical has been conferred India e-Retail Awards 2019, in the category "Leisure and Travel e Retailer of the Year" at a ceremony held at Lalit Hotel, New Delhi on 13.10.2019.
2. IRCTC Rail Connect app awarded for best content in an e-commerce app in a specialized category during the India Content Leadership Awards – ICL 2019 on 04.10.2019
3. Digital Innovation Award was presented to IRCTC by Express computers on 26.09.2019
4. IRCTC presented with Express IT award 2019 organised by Financial Express (Indian Express) on 13.12.2019.



5. Rail Neer conferred with Asia's Most Trusted Brand Awards 2019 in a function organised in Bangkok, Thailand on 11.12.2019 by IBC infomedia Pvt Ltd, a division of International Brand Consulting Corporation USA.
6. IRCTC conferred with International Business Leadership Awards 2019 in a function organised in Bangkok, Thailand on 11.12.2019 by IBC infomedia Pvt Ltd, a division of International Brand Consulting Corporation USA.
7. Customer Centric Excellence Award presented to IRCTC from ET Now during the Business leader of the year award function held on 16.02.2020 at Taj Lands End, Mumbai.
8. Company of the year award presented to IRCTC from ET Now during the Business leader of the year award function held on 16.02.2020 at Taj Lands End, Mumbai.
9. IRCTC won the Governance Now PSU Award under the Financial Category: Strategic Investments in the 7th edition of PSU Awards held on 19th February 2020, at The Lalit, New Delhi.
10. IRCTC AI Chatbot AskDISHA has been honoured with Asia Leadership award for "Innovation Using Technology" in Mumbai on 27.11.2019.

18. JOINT VENTURES/SUBSIDIARIES

The company's only Joint Venture with Cox & Kings Limited with 50:50 equity in the name of Royale Indian Rail Tours Limited (RIRTL) was incorporated on 27th November, 2008 with an objective to acquire, furnish, maintain, manage and operate luxury trains and to market holiday packages with such luxury trains as an integral part.

Accordingly, a luxury train having 23 coaches was manufactured, fabricated and funded by the company and was marketed in the name of "Maharajas' Express" and was leased to Royale Indian Rail Tours Limited ("RIRTL") for the purpose of running, operating and managing the luxury tourist train for a period of 15 years. However, due to certain issues between the equity partners, the lease of the luxury train was withdrawn and the JV Agreement dated 10th December, 2008 was terminated on 12th August 2011. Hon'ble Supreme Court permitted IRCTC to operate the said luxury train. Cox & Kings Limited initiated Arbitration proceedings seeking restoration of Joint Venture Agreement. The arbitration is in advance stage before Arbitral Tribunal.

IRCTC has also filed a petition against Royale Indian Rail Tours Limited (RIRTL) and Cox & Kings Limited and others before National Company Law Tribunal (NCLT) (erstwhile Company Law Board) under sections 388B, 397, 398, 399 and 403 of the Companies Act, 1956 and the said petition is subjudice. NCLT has declared the company to be managerial dispute. Details of the Joint Venture are covered in the notes to accounts of the financial statements for the periods ending 31st March, 2020 vide note no. 37.3 and 45. RIRTL has also taken permission from the NCLT for not holding the Board and General meetings without its approval in July, 2013.

19. CONSOLIDATION OF FINANCIAL STATEMENTS:

As mentioned in the Para above, the Board meetings and general meetings have not been held in RIRTL since financial year 2010-2011, due to pending dispute with Cox & Kings Limited. Therefore, the consolidation of financial statements as required under section 129(3) of the Companies Act 2013 could not be done as also explained and disclosed vide Note No. 45 of the Notes to accounts of the financial statements for the period ending 31st March 2020.

20. AUDITORS

20.1 Statutory Auditors

Under section 139(5) of the Companies Act 2013, Comptroller & Auditor General of India has appointed M/s Serva Associates, as Statutory Auditors of the Company to audit the financial statements for the financial year 2019-20. The Statutory auditor has been paid an audit fee of ₹ 12.01 Lakhs excluding out of pocket expenses plus applicable taxes, for the year 2019-20.

20.2 Secretarial Auditor

Pursuant to section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, IRCTC has appointed M/s Amit Agrawal & Associates, an independent firm of practicing Company Secretaries to conduct Secretarial Audit for the financial year 2019-20.

The Secretarial Audit Report for the financial year ended March 31, 2020 is enclosed as **Annexure - "G"** to this report.

20.3 Internal Auditor

As per the section 138 of the Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules 2014, the Company has appointed M/s K.S. Choudhary & Co., Chartered

Accountants, an independent accounting firm to undertake the assignment of internal audit for FY2019-20. The details regarding scope and functions of the firm is placed in the Management Discussion and Analysis Report.

20.4 Cost Auditors

The business segments of IRCTC are not covered under new Cost Audit Rules notified by Ministry of Corporate Affairs. However, the Company conducted the cost audit of cost records maintained by the Rail Neer Plants on *voluntary basis only* through M/s R.J. Goel & Co. as the Cost Auditor for the year 2019-20.

21. COMMENTS OF COMPTROLLER & AUDITOR GENERAL (C&AG) OF INDIA

The Comptroller & Auditor General of India has undertaken supplementary audit on the financial statements of the Company for the year ended 31st March, 2020 under Section 143(6) of the Companies Act, 2013.

The comments of the C & AG on the Annual Accounts of the Company for the year ended 31st March, 2020 shall also form part of this report.

22. DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company in pursuance of section 134 (5) of Companies Act, 2013 confirms that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors have prepared the annual accounts on a going concern basis; and

- (v) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

23. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPs)

Chairman & Managing Director (CEO), Director (Finance) / (CFO), Director (Catering Services), Director (Tourism & Marketing) and Company Secretary are Key Managerial Personnel (KMPs) of the Company.

The following changes have taken place in the Board of Directors and Key Managerial Personnel of your Company since the last Annual General Meeting:

Appointment:

- (i) In terms of Ministry of Railways letter no. 2011/E(O)II/40/38 dated 16.08.2019, **Mr. Narendra (DIN: 08422372)** Executive Director/F(PPP), Railway Board, assumed the additional charge of Director (Finance) on the Board of the Company w.e.f. August 19, 2019.
- (ii) In terms of Ministry of Railways letter no. 2011/E(O)II/40/38 dated 12.02.2020, **Mr. Sanjeeb Kumar (DIN: 03383641)** Executive Director/F(PPP), Railway Board assumed the additional charge of Director (Finance) on the Board of the Company w.e.f. February 13, 2020.
- (iii) In terms of Ministry of Railways Order no. 2004/PL/49/1 dated 18.03.2020, **Mr. Vinay Srivastava (DIN: 08638850)**, ED (PSU), Railway Board has been appointed as part-time Government Director on the Board of the Company w.e.f. March 20, 2020.
- (iv) In terms of Ministry of Railways letter no. 2017/E(O)II/40/29 dated 19.05.2020, **Mr. Ajit Kumar (DIN: 07247362)** has been appointed as Director (Finance) on the Board of the Company w.e.f. May 29, 2020.

Cessation:

- (i) **Ms. Smita Rawat (DIN 07670758)**, ceased to be a member on the Board of the Company w.e.f. October 11, 2020 due to relinquishment of the charge of the post of Executive Director (NFR&T), Railway Board on 10.10.2019 as communicated by her vide letter dated 18.10.2019.



- (ii) **Mr. Narendra (DIN: 08422372)**, ceased to be a member on the Board of the Company w.e.f. January 16, 2020 due to relinquishment of the charge of EDF/PPP, Railway Board on 16th January 2020, in terms of Railway Board Order No. ERS-1/2017/2/105 dated 14th January 2020.
- (iii) **Dr. Dheeraj Sharma (DIN: 07683375)**, ceased to be a member on the Board of the Company w.e.f. January 31, 2020, pursuant to Ministry of Railways Office Order No. 2008/PU49/1 dated 31st January 2017.
- (iv) **Dr. Rabi Narayan Bohidar (DIN: 00637818)** ceased to be a member on the Board of the Company w.e.f. January 31, 2020, pursuant to Ministry of Railways Office Order No. 2008/PU49/1 dated 31st January 2017.
- (v) **Ms. Kanak Aggarwal (DIN: 00074469)** ceased to be a member on the Board of the Company w.e.f. January 31, 2020, pursuant to Ministry of Railways Office Order No. 2008/PU49/1 dated 31st January 2017.
- (vi) **Mr. Sanjeeb Kumar (DIN: 03383641)**, ceased to be a member on the Board of the Company w.e.f. May 05, 2020 due to relinquishment of the charge of EDF/PPP, Railway Board on 05th May, 2020 and his appointment as Director (Finance)/RVNL on immediate absorption basis, in terms of Railway Board Letter No. 2016/E(O)II/40/15 dated 30th April, 2020.

The following Directors are holding office as on the date of the report:-

S. Particulars No.	Date of Appointment
1. Mr. Mahendra Pratap Mall (DIN:02316235) Chairman & Managing Director	From 18th September, 2017 onwards
2. Ms. Rajni Hasija (DIN: 08083674) Director (Tourism & Marketing)	From 18th May, 2018 onwards
3. Mr. Ajit Kumar (DIN: 07247362) Director (Finance)	From 29th May, 2020 onwards
4. Mr. Neeraj Sharma (DIN 08177824) Part-time Government Director	From 12th July, 2018 onwards
5. Mr. Vinay Srivastava (DIN: 08638850) Part-time Government Director	From 20th March, 2020 onwards
6. Prof. Sachin Chaturvedi (DIN: 07960871) Part-time (non-official) Director	From 10th October, 2017 onwards
7. Mr. Comal Ramachandran Sundaramurti (DIN: 07965899) Part-time (non-official) Director	From 13th October, 2017 onwards
8. Ms. Sarita Deshpande (DIN: 08098222) Part-time (non-official) Director	From 29th March, 2018 onwards

24.ACKNOWLEDGEMENTS

The Board of Directors of your Company wishes to record their deep sense of appreciation for the sincere efforts put in by the employees of the Company. Your Directors also gratefully acknowledge the co-operation, support and guidance extended to the Company by the Government of India, Ministry of Railways, Ministry of Tourism and Department of Public Enterprises.

Your Directors also acknowledge with thanks the assistance and guidance rendered by Statutory Auditors, the

Comptroller and Auditor General of India, Secretarial Auditor and Cost Auditor and wishes to place on record their sincere thanks to its valued customers and licensees for their continued patronage.

For and on behalf of the Board of Directors

(M.P. Mall)

Chairman & Managing Director
DIN:02316235

Date: 18th August 2020
Place: New Delhi

Annexure – “A” to the Directors’ Report

Management Discussion and Analysis

INDIAN ECONOMY REVIEW

The Indian economy faced multiple headwinds in fiscal 2019-20 due to a global slowdown. The GDP growth settled at 4.2% in FY 2019-20, registering a decline from FY 2018-19. Despite this, Indian economy is estimated to be the 5th largest economy in the world in terms of GDP. The decline in GDP can be primarily attributed to lower consumer spending, reduced public and private investments and subdued demand for goods and services. It was also led by declining automobile sales, stress on the NBFC sector and stagnant growth in the real estate sector.

Despite these headwinds, the economy has achieved its crop production target of 291 Million tonnes, due to above normal rainfall, in FY 2019-20. To revive the economy, the government has introduced a plethora of reforms like corporate tax cuts, launch of a phased manufacturing programme for 5 years to support production of EV components and has slashed interest rates to boost demand across sectors. The reforms also helped India to rise to the 63rd position on World Bank’s Ease of doing business report, 2019.

The outlook for economic growth is not very favourable owing to outbreak of CoVID-19 and GDP is anticipated to contract by 4.5% for FY 2020-21.¹ The pandemic completely halted economic activity and has disrupted supply chains all over the country and has brought about significant disruptions in the health sector. It is expected to have far-flung economic and social consequences, with strong cross-border spill over effects through trade, tourism and financial linkages. When things gradually return to normal, economic activity is expected to revive with a strong demand for products and services. To further strengthen the economy, the government has planned various fiscal and economic reforms to improve investor confidence, with the GDP growth expected to touch 6% in FY 2021-22.¹

GDP Growth Rate of India (%)



(Source: IMF 2020 World Economic Outlook Report)

¹ IMF- World Economic Outlook 2020

² Economic Survey 2019-20

³ IBEF Website: <https://www.ibef.org>

⁴ [https://www.ibef.org/industry/railways-presentation#:~:text=Revenue%20growth%20has%20been%20strong,\(US%24%2013.30%20billion\).](https://www.ibef.org/industry/railways-presentation#:~:text=Revenue%20growth%20has%20been%20strong,(US%24%2013.30%20billion).)

INDUSTRY OVERVIEW - STRUCTURE AND DEVELOPMENTS

Indian Railways (IR) is the backbone of long-distance passenger transport in India with a network that spans more than 115,000 km, making it the world’s 3rd largest railway network and one of the largest railway systems in the world under single management. It is operated and managed by “Ministry of Railways”. The Railways run 13, 452 passenger trains connecting more than 8000 stations carrying 23 Million passengers, and over 9141 freight trains daily,⁴ carrying 3 Million tonnes of freight every day. Indian Railways transports 90% of the total coal moved in the country, supplying 50% of the power in India.

Indian Railways has constantly focused on improving punctuality of its mail and express trains and its performance in this regard has improved to 75.67% during April-Dec 2019, as compared to 68.19% for the same period in 2018.³

Punctuality of trains has led to greater customer satisfaction as minimum delays allow passengers to reach destinations on time. Revenue of Indian Railways continues to grow at a sustained rate. The gross revenue stood at ₹145,333.61 Crores (US\$ 20.79 Billion) in FY 2019-20 (till January 2020). Passenger earnings for Indian Railways is estimated at ₹44,279.72 Crores (US\$ 6.34 Billion) in FY 2019-20 (till January 2020). Freight remains the major revenue earning segment for Railways, accounting for 63.96% of its total revenue in FY 2019-20 (till January 2020), followed by passenger segment. Passenger traffic stood at 6.99 Billion in FY 2019-20 (till January 2020) while Freight traffic reached 999.51 Million tonnes.⁴

Indian Railways efforts to continuously enrich consumer experience have led to the introduction of Unreserved Ticketing App (UTS) in 2018, to book unreserved tickets through a mobile app. UTS Mobile App provides the option to go paperless and allows passengers to book train tickets at their convenience, thereby doing away with the hassle of standing in queues. Bookings on UTS increased 315% for East Coast Railway (ECoR), to record more than 9.6 Lakhs bookings till December 2019.³

63rd

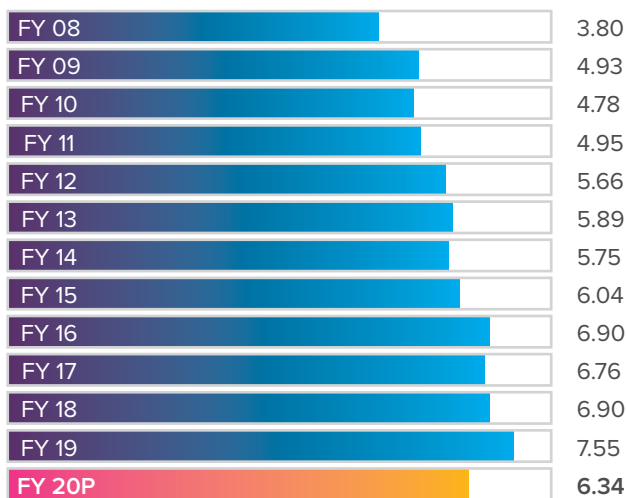
India’s position on World Bank’s Ease of Doing Business report 2019

3rd

Largest railway network in the world

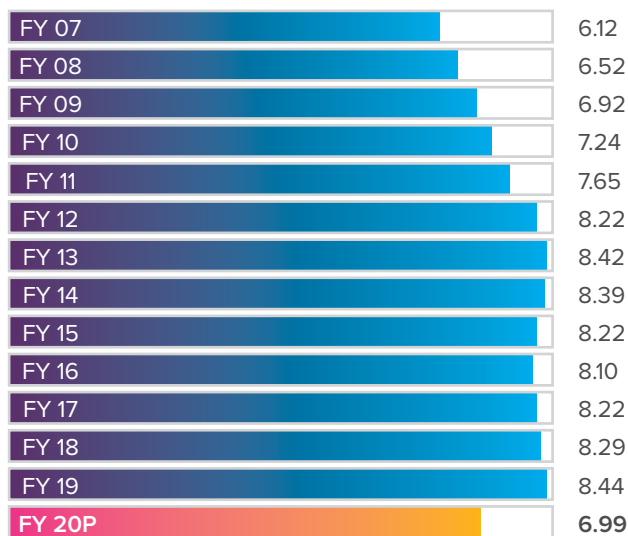
Passenger earnings

(in US\$ Billion)



Trends in passenger volumes

(in US\$ Billion)



(Source: Ministry of Railways, IBEF – Indian Railways March 2020) (* till January 2020)

Investment in Railway Sector

- **High Speed Rail Projects:** As many as 6 new rail corridors are in the pipeline as Indian Railways plans to expand India's first bullet train project, which is expected to be completed by 2023. As preparations for the project continue, Detailed Project Reports (DPRs) for 6 more high-speed rail projects have been sanctioned by Indian Railways. These 6 projects consist of Delhi-Noida-Agra-Lucknow-Varanasi (865 kilometres distance), Delhi-Jaipur-Udaipur-Ahmedabad (886 kilometres distance), Mumbai-Nashik-Nagpur (753 kilometres distance), Mumbai-Pune-Hyderabad (711 kilometres distance), Chennai-Bengaluru-Mysuru (435 kilometres distance), and Delhi-Chandigarh-Ludhiana-Jalandhar-Amritsar (459 kilometres distance).
- **Redevelopment of Stations:** The government is set to award contracts for 50 station redevelopment projects, entailing an investment of around ₹ 50,000 Crores, in 2020-21.
- **Public Private Partnership Model:** Ministry of Railways has announced 150 private trains in the next few years, that will run on the Indian Railways network via PPP model. This reduces the burden on the government and allows railways to benefit from private sector funding.
- **Wi-Fi Connectivity:** To improve connectivity at rail stations, Ministry of Railways provides free, high-speed Wi-Fi connectivity at several railway stations across the country.
- **Semi high-speed corridor:** Around US\$ 8.89 Billion has been planned to be invested in developing a semi high-speed rail corridor in Kerala.

Government Initiatives for Indian Railways

The government aims to make Indian Railways the growth engine of the economy. As a result, the government has increased investment and introduced modern technology with a focus on safety, speed and services. In accordance with its plans to improve Indian Railways further, certain initiatives were announced in Union budget 2020-21:

- Railways will set up a Kisan Rail to build a national cold supply chain for perishables, including milk, meat and fish. This will be set up through PPP arrangements. Express and freight trains will have refrigerated coaches to support the Kisan Rail initiative.
- ₹ 100 Lakhs Crores will be invested on infrastructure, over the next five years. This will include projects to modernize railway stations, metro and railway transportation, logistics and warehousing.



- Large solar power capacity will be set up alongside rail tracks, on land owned by Railways.
- 4 station re-development projects and 150 passenger trains will be operated through PPP model.
- More trains like Tejas will be introduced to connect iconic tourist destinations and high-speed train projects to be pursued.
- A 148 km long suburban transport project will be set up in Bangalore, at a cost of ₹ 18,600 Crores. The central government will provide 20% equity and facilitate external assistance of up to 60% of the project cost.
- Capex for 2020-21 has been pegged at an all-time high of ₹ 1.61 Lakhs Crores with plans for electrification of the entire BG network by 2023-24.
- The target for new lines, gauge conversion and doubling/tripling etc. for 2020-21 stands at 3750 kms against 3150 kms in 2019-20.
- The government has initiated upgradation of a decade old signalling system, to convert it into an Automatic Train Protection system which will be developed with a potent mix of proven international technology and indigenously developed systems.

Budgetary allocation for Railways

	2018-19 Actuals	2019-20 Revised	2020-21 Budget	(₹ in Crores) % Change (2020-21BE/2019-20 RE)
Gross Budgetary Support	52838	68105	70250	3%
Internal Resources	4663	5000	7500	50%
Extra Budgetary Resources	75876	83247	83292	0%
Total	133377	156352	161042	3%

(Note: BE – Budget Estimate and RE – Revised Estimate)

SECTORAL OUTLOOK

E-Booking Industry

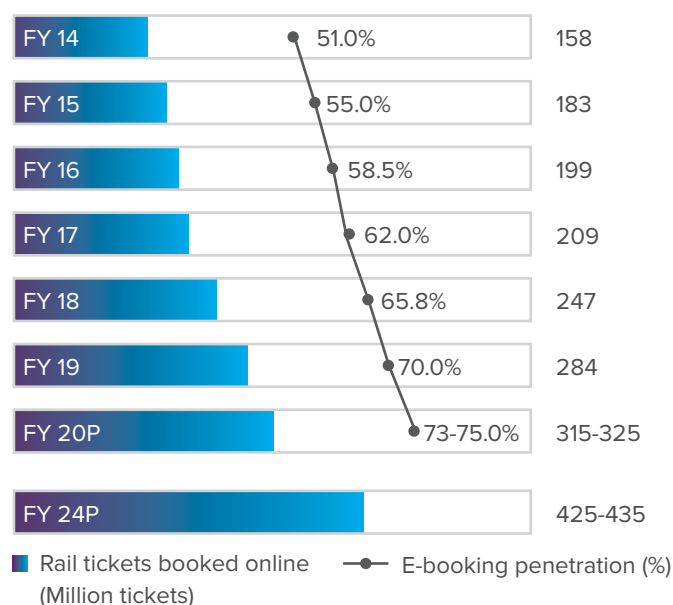
The Indian booking industry, both online and offline, comprises of airline travel booking, railway booking and hotel booking. Over the past few years, the Indian booking industry has been growing on account of increasing domestic and inbound tourism. With growing internet penetration and emergence of Artificial Intelligence (AI), the online travel industry in India is gaining traction. A large number of people are now turning to web portals and mobile apps for better travel deals.

The online air ticketing segment accounts for 59-61% of the overall online booking market.⁵ It was further aided by rising internet and smartphone penetration, incentivized rates offered through airline loyalty programmes, increased usage of Online Travel Agencies (OTAs) for competitive airfares and price comparisons. Rail bookings, on the other hand, account for 24-26% of the online booking industry in India. E-booking is estimated to stand at 73-75% of the total railway booking in FY 2019-20 and is anticipated to reach 81-83%, with 425-435 Million tickets estimated to be booked online by FY 2023-24.⁶

The online booking market is estimated to reach ₹ 2380-2850 Billion by FY 2023-24, growing at a CAGR of 16-17% from FY 2019-24.⁴ Factors such as rising internet penetration, availability of low data, affordable smart phones, increasing number of online travel

agencies & aggregator and convenience of online booking, will augment growth in this segment. The increasing usage of credit/debit cards as payment mechanisms and proliferation of channels like OTAs is likely to fuel further growth in the medium to long term.

Online penetration of Railway ticket booking in India



Note: Rail tickets booked are for non-suburban railways i.e. long distance trains.

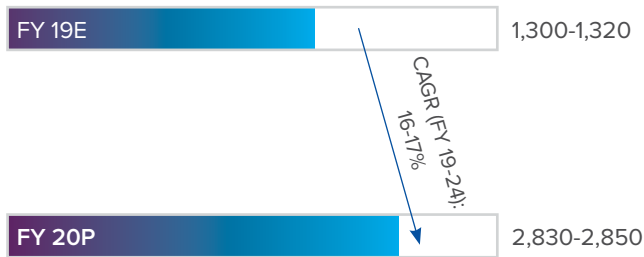
Source: Indian Railway Catering and Tourism Corporation (IRCTC), CRISIL Research

⁵ Crisil Research

⁶ Crisil Research and IRCTC

Online Booking Market Size

(₹ in Billion)



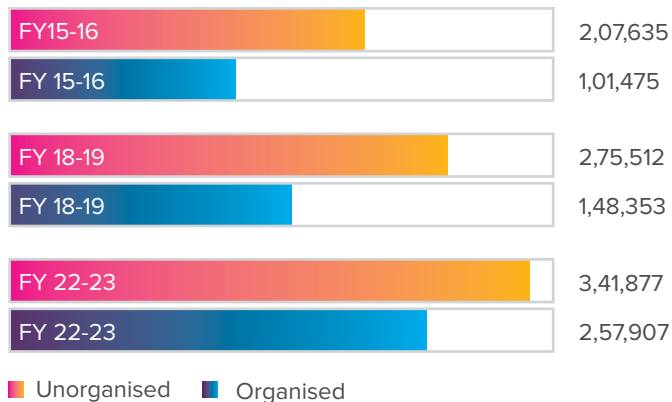
Note: E: Estimated; P: Projected
(Source: CRISIL Research)

Food catering services

The Indian food industry was valued at ₹ 4.24 trillion in FY 2018-19, registering a CAGR of 11% from 2016-2019. The organized sector, with a share of 35% of the market share, is estimated to grow at a CAGR of 15% from 2019-2023, to reach ₹ 2.58 trillion in FY 2022-23.⁵ The growth will be primarily driven by urbanization, rising income levels, internet penetration and due to a varied choice of cuisines available in India.

Market Size

(₹ in Crores)

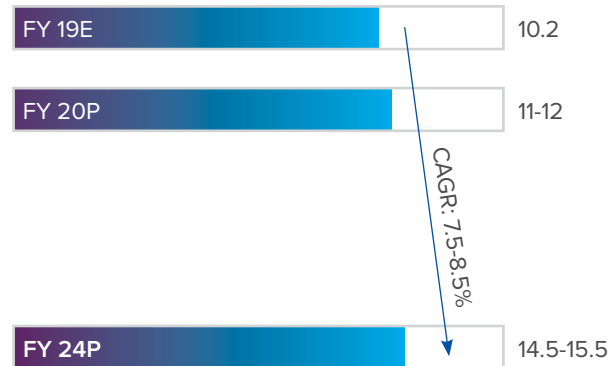


(Source: NRAI Report 2019)

With a growing number of passengers on long journey routes, the demand for catering services in railways is also expected to grow. Rail passengers travelling on First Class, 3-tier AC or with reserved tickets on second class is most likely to avail catering services, aiding the growth of mobile catering revenues. E-catering services, although still a small part of catering services in the railway industry, is expected to experience strong growth on the back of increasing restaurant listings, ease of on-seat food delivery and its growing preference among travellers. Going forward, revenue from static catering services is expected to grow at 13-14% due to the addition of new food plazas/fast food units.

Rail catering industry

(₹ in Billion)



Note: E: Estimated; P: Projected





The rail catering industry is expected to be valued at ₹ 14.5-15 Billion by FY 2023-24, growing at a CAGR of 7.5-8.5% from FY 2019-24. The growth in the catering industry will be on account of a likely increase in passenger traffic, due to the addition of long distance trains. Rising affordability, choice of varied food items and increasing coverage of catering services through the addition of base kitchens and static catering units will further boost growth. Tie-ups with popular restaurants and quick service restaurant (QSR) chains on the e-catering platform will further augment growth in this sector.

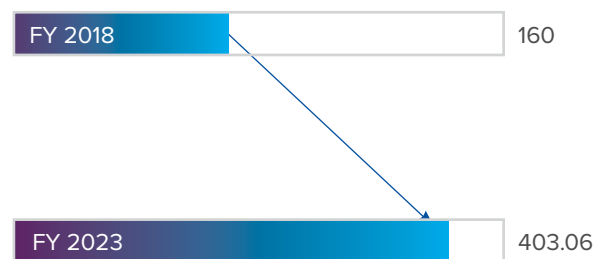
Packaged Drinking Water

Packaged drinking water is anticipated to be valued at more than ₹ 400 Billion by 2023, growing at a CAGR of ~20.75% between 2018 and 2023. Increasing awareness about the importance of safe drinking water to maintain good health along with rise in per capita income is creating a demand for bottled water in India.

The revenue in the bottled water segment is expected to stand at US\$ 6464 Million in 2020. In relation to India's total population of 135 Crores, the estimated revenue generation from packaged drinking water is likely to be US\$ 4.68, per person, in 2020 and the average per capita consumption is expected to stand at 17.5 litres. In India, bottled water is sold in one-litre bottles, two-litre bottles, 500 millilitre bottles, 250 millilitre bottles, pouches, and barrels of 15-20 litres.

Factors such as ability and willingness to pay for clean drinking water, rising affordability, increasing focus on hygiene and cleanliness and growth in tourism with preference for packaged drinking water over tap water are likely to boost the growth of the segment. Further, the packaged drinking water sold in railway is estimated to grow at a CAGR of 2% between FY 2019-24 due to increased booking of upper class tickets. The upper-class ticket booking segment also represents the population that is likely to purchase packaged drinking water during rail travel.

Market Size of Packaged Drinking Water in India (₹ in Billion)



(Source: Business Wire -Bottled Water Market in India (2018-2023))

Travel and Tourism

The tourism industry is one of the fastest growing sectors in India, making a significant contribution to the GDP. It is also one of the biggest drivers of growth and employment. The sector accounts for 12.75% of employment - contributing 5.56% to direct employment and 7.19% to indirect employment. India's total earnings from tourism was about US \$29.96 Billion in CY 2019 as compared to US \$28.59 Billion in CY2018, registering a growth of 5%. The Ministry of Tourism has set an optimistic target for the industry, aiming to reach US \$50 Billion by 2022.

According to the World Travel and Tourism Council (WTTC), direct contribution of India's travel and tourism industry to GDP will grow by approx. 12%, and is expected to reach approx. ₹ 11.7 trillion in 2024. Improved connectivity and affordability of air and rail travel, government initiatives for promoting domestic tourism, growing convenience of online bookings, and higher exposure to unexplored domestic and foreign tourist destinations are likely to be the main growth drivers for this segment.

The Tourism industry has also received a budget allocation of ₹ 2500 Crores for FY 2020-21. This will help to boost domestic demand in the travel and tourism industry. The Ministry of Culture has also received an allocation of ₹ 31500 Crores for FY 2020-21.⁷ To attract domestic as well as international tourists to India, five archaeological sites have been identified for development purposes. The iconic sites of Rakhigarhi in Haryana, Hastinapur in Uttar Pradesh, Shivsagar in Assam, Dholavira in Gujarat and Adichanallur in Tamil Nadu will be revamped with on-site museums, with an aim to attract more tourists.

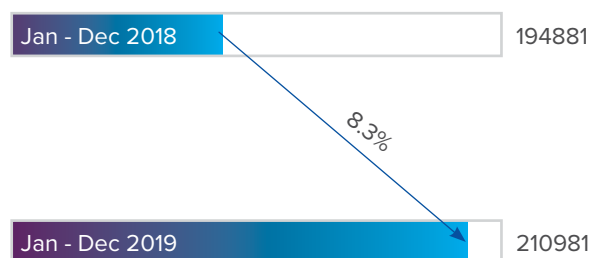
Foreign Tourist Arrival (FTA) in India, during CY 2019 was 10.90 Million as compared to 10.56 Million in the previous year, registering a growth of 3.2%.⁸ The growth in FTA was on account of liberalization of e-Visa – in case of tourist visa, business visa, medical visa and employment visa. Moreover, introduction of Intern and film visas also contributed to the growth of FTA. This improved India's ranking to 34 out of 140, in the Travel & Tourism Competitiveness Report published by the World Economic Forum.

During CY 2019, 2.93 Million e-Tourist visas were issued as compared to 2.37 Million for CY 2018, registering a phenomenal growth of 23.6%.⁸ Arrival of tourists with e-visas have a retrospective effect on the Foreign exchange earnings (FEE) of India. The FEE for the period from January – December 2019 have increased to ₹ 2.11 Lakhs Crores from ₹ 1.94 Lakhs Crores, registering a growth of 8.3%.⁸ However, due to the recent outbreak of Coronavirus, the FTA reduced by 22.6% in the period between January and March 2020 which stood at 2.46 Million as compared to 3.18 Million in January-March 2019.⁸

India's rank in Travel & Tourism Competitiveness report 2019, published by World Economic Forum.

Foreign Exchange Earnings (FEE)

(₹ in Crores)



(Source: Business Wire -Bottled Water Market in India (2018-2023))

⁷ Ministry of Tourism of India

⁸ Statista – India Bottled Water Market



COMPANY OVERVIEW

Incorporated on 27th September, 1999, Indian Railway Catering & Tourism Corporation (IRCTC) is an extended arm of the Indian Railways to upgrade, professionalize and manage the catering and hospitality services at stations, on trains and other locations.

IRCTC as a Public Sector Undertaking, provides single window solution to all travel, tourism, internet ticketing and hospitality related services. It has completely redefined travel and tourism in India. With a host of services ranging from online ticket bookings, to hotel and flight bookings, the online portal meets varied travel needs with just a few clicks. IRCTC also promotes domestic and international tourism with special tour packages and advanced e-ticketing services.

IRCTC is the only entity authorized by Indian Railways to sell railway tickets online, provide catering services on trains, and deliver packaged drinking water at railway stations and trains in India. The company operates through four major divisions - Catering & Hospitality, Internet Ticketing, Travel & Tourism, and Packaged Drinking Water (Rail Neer), offering a comprehensive range of products and services that meet the needs and expectations of millions. Some of the highlights of the aforesaid business segments are mentioned below:

US \$29.96 Billion

Earnings from Tourism industry in CY 2019

₹ 2500 Crores

Budgetary allocation for FY 2020-21

1. E-Ticketing:

The IRCTC e-Ticketing System was migrated to Next Generation E-Ticketing System (N-GeT) on 28-Apr-2014 to enhance the capacity of e-ticket booking. The capacity was enhanced from 2000 to 7200 tickets per minute which at present has been further increased to more than 25,000 tickets per minute, recently, by implementing advanced technology. This system has made a record of booking 26,458 tickets in a minute on 05.03.2020 (at 11:02 Hrs.).

IRCTC's e-ticketing services now account for 72.75% of reserved tickets booked online on Indian Railways. The remaining tickets are being booked through Passenger Reservation System (PRS), manned by Railway employees.

2. IRCTC Rail Connect App (Mobile Ticketing):

To easily reach mobile customers, IRCTC has launched IRCTC Rail Connect Mobile App on Android Platform for a next generation e-ticketing system on 10th January, 2017. IRCTC has also launched Mobile App on iOS platform on 10-Oct-2019. Through IRCTC Rail Connect Mobile App on Android & iOS Platforms, a total of 14.15 Crores tickets were booked, which is 47% of total tickets booked online. Daily booking on this Mobile App has been more than 3.86 Lakhs tickets a day, during FY 2019-20.

3. New User Interface for IRCTC e-Ticketing Website/Mobile App:

IRCTC Launched a new user friendly Interface for its Next Generation e-Ticketing system (NGet) to book train tickets faster. IRCTC revamped its e-ticketing Website www.irctc.co.in and Rail Connect Mobile App to make it more passenger-friendly, clutter-free and easier to log-in. It is also a secure site ensuring complete data privacy and allows users to smoothly navigate through the site without any hassles.

New User Interface on the Website was launched on 14th June, 2018 with additional functionalities such as Enquiry without Login, Waitlist Ticket Confirmation Probability, Additional Filters, Flexibility in selection of Date of Journey, etc.,



25,000+

Tickets booking capacity of N-GeT

1,926

Water Vending Machines have been commissioned at 685 stations

New User Interface for Mobile App was launched on 14th October, 2019. Many new functionalities such as Enquiry without Login, Enhanced Dashboard with Integrated Menu Bar, Advanced Passenger Addition Form, Optimized Registration Flow, etc., have been added in the Mobile App.

4. Rail Catering:

Indian Railways had issued the New Catering policy in 2017 which has now been implemented and mobile catering of trains has been transferred to IRCTC for improvement in quality of catering services and to enhance passenger experience.

5. Water Vending Machine:

IRCTC has been mandated to set up water vending machines on railway stations. The Company have also installed water vending machines ("WVMs") at railway stations to provide purified, chilled and portable drinking water to passengers at affordable rates.

1926 Water Vending Machine (WVM) has already been commissioned at 685 stations.

6. Vistadome Coach:

Indian Railway's first Vistadome coach with glass ceiling LED lights, a large observation window at the lounge, 360 degree rotatable seats for better viewing, electronically operated automatic sliding doors, ceramic tiled toilets, a mini pantry and service station, a wide side door for entry of physically challenged passengers, is being operated in the picturesque Araku Valley in Andhra Pradesh. Vistadome coaches are also being operated between Mumbai and Goa. Railway plans to introduce more Vistadome coaches in various Hill sections and Heritage Railways of India such as Kalka-Shimla, Patalpani - Kalakund sector etc. IRCTC also offered hospitality services to these segments. Special tourism packages have also been planned.

7. Executive lounges at railway stations:

IRCTC has made arrangements for Airport lounge-like facilities at railway stations in New Delhi, Jaipur, Agra Cantt, Madurai, Ahmedabad ADI and Sealdah to provide rail passengers access to exclusive facilities at an affordable price. The facilities offered in these lounges include fully air-conditioned premises, comfortable seating arrangements (Sofa/ Recliners etc.), Wash & Change facility, Locker facility/ Luggage Rack, Buffet Services etc.

Wheel Chair are also available for Senior Citizens/specially abled people. It offers services to Corporate Tourist in the form Concierge Services, Wi-Fi, Business center and Newspaper/ Books. IRCTC is also setting up 2 more Executive Lounges at NDLS (Pharaganj Side) & BSB.

8. IRCTC Payment System:

Payment options offering successful transaction facilities are critical for the success of the e-commerce industry. IRCTC, over the years, has offered various payment options such as Net Banking, Credit Card, Debit Card, Wallets, Cash Cards, BHIM/UPI, m-Visa/Scan and Pay, Prepaid Card(UBI), Pay-On-Delivery/Pay- Later, etc. to make payments on its e-ticketing app and other dedicated web applications. Even, users from other countries can book reserved rail e-tickets using International Credit Cards (Issued outside India) on the available Payment Gateways provided by Atom Technologies and also by using Multiple Payment Options including International Credit Cards provided by Payment Aggregators - PayU and AirPay.

The payment system on IRCTC Rail Connect Mobile App has been further strengthened with the integration of Banks like ICICI as PG and HDFC & American Express as Payment Aggregators. Now IRCTC Rail Connect Mobile App is running on both Android as well as iOS platforms.

The transaction on IRCTC's Platform is completely safe and has been certified by VISA, VeriSign, RuPay, American Express, Safe Key, mVisa, UPI and Master Secure etc. Bank Account or Card Account details of user are not saved in the server of IRCTC at the time of ticket booking, thereby preventing any misuse of data.

9. Ask Disha Chat bot:

IRCTC has launched Ask Disha services on 11th October, 2018, for IRCTC users on its website and Mobile App w.r.t. frequently asked questions in reference to various services and products offered by IRCTC. Ask Disha Chatbot offers intuitive customer support by answering customer queries pertaining to services provided by IRCTC. Ask Disha (Digital Interaction to Seek Help Anytime) is an Innovative solution based on Artificial Intelligence & Machine Learning to provide quick response to users.

10. I-Pay - IRCTC as Payment Aggregator:

IRCTC iPay, a self-hosted payment gateway offers various payment options - Credit/Debit Cards, e-Wallets, UPI, etc. It offers a streamlined experience as it allows the customer to complete transactions through a single page and offers the merchant control over customer experiences, informing them about responsibilities, liabilities, and protections. I-Pay promises to provide better payment experience to the user and it will help to build Brand Loyalty.

11. Waitlist confirmation prediction:

This feature will enable the passenger to decide whether to book a waitlisted ticket or otherwise and/or whether to prefer an alternate train, before booking online tickets.

12. Proliferation of E-ticketing Service to Armed Forces & Central Paramilitary Forces:

IRCTC has provided e-ticketing services to Comptroller General Defence accounts (CGDA) by integrating the Defence Travel Portal with IRCTC e-ticketing system in October, 2009 for booking Reserved Rail e-Tickets for their personnel.

IRCTC has developed e-ticketing application along with warrant management system for Central Paramilitary Forces- www.pmf.irctc.co.in in July, 2018. At present, following forces are in operation:

- NSG was launched w.e.f. 04th July, 2018
- CRPF was launched w.e.f 11th July, 2018
- NDRF was launched w.e.f 23rd August, 2019

Further, e-ticketing services for BSF, ITBP, AR & CISF are being developed.

This service has been given designated as G2G (Government to Government) service and is fully digitized with cashless transactions. This system, when fully implemented, will eliminate the need for exchanging warrants between Indian Railways and Paramilitary Forces.

13. OTP (One Time Password) Based Refund Process:

OTP based refund through an SMS, for tickets cancelled by Retail Service Providers (agents) and also for the tickets which remain fully waitlisted, when such tickets have been booked by the passengers through agents, has been implemented. OTP SMS based refund process brings transparency in the system and is advantageous for the customer. It is a user-friendly facility, wherein passengers will know about the exact refund amount received by the agent on his behalf, against a cancelled ticket or a fully waitlisted dropped ticket.

14. IRCTC Trains:

IRCTC has launched its 3 trains – 2 Tejas Trains & 1 Ordinary Train, for which all ticketing operations are handled by Internet Ticketing Centre. The ticketing system for these trains have dynamic features in comparison to Road, Rail & Air traffic.

Ask Disha Chatbot IRCTC I-Pay

Launched for IRCTC users

Launched to offer streamlined experience to complete transactions



- IRCTC Tejas Train on - launched on 04th October, LJN-NDLS-LJN route 2019
- IRCTC Tejas Train on - launched on 17th January, ADI-MMCT-ADI route 2019
- IRCTC Kashi Mahakal - launched on 20th February, Express from INDB to BSB via Ujjain 2020

15. Event Management Portal:

IRCTC launched Event Management Portal on 21st September, 2019 to utilize it for event bookings and to cater to online registrations for events like workshops, seminars etc. and facilitate online bookings for exhibitions, games events etc.,

16. Concessional Bookings:

The concessional booking facility of IR is also available for Journalists and Divyang (Physically Challenged) passengers, for booking online tickets using respective Photo ID cards issued by Indian Railways, through IRCTC Website and IRCTC Rail Connect Mobile App.

17. E-Ticketing Service to Members of Parliament (MPs):

Online e-ticketing facility for Members of Parliament and Ex- Members of Parliament is going to start soon on IRCTC e-ticketing portal. Now, MPs and Ex-MPs will be able to book the tickets on MP Pass Concession as per their convenience and entitlement. Booking facility will be available on www.ircctc.co.in for sitting MPs, Ex-MPs and their Companions. All the features viz. booking, cancellation, TDR filing can be done by logging in on the same portal www.ircctc.co.in. Registration of MPs will be done through a MP Registration Module which will be provided to Parliament Secretariat.

CORE COMPETENCIES/STRENGTHS

- IRCTC is the only Company authorized to sell railway tickets online.
- It has become a 'One Stop Solution' in the travel industry, offering a range of services including online ticketing, tour packages, packaged drinking water and catering.
- IRCTC is the only company to distribute packaged drinking water across all stations as well as trains in India. The Company has also installed ATVM's for selling mineral water at lower prices.
- IRCTC is the only authorized entity to provide catering services in trains. To expand its services, the company has installed food plazas/stalls across all stations in India in a bid to increase its market share. The company's relentless focus on quality food drives it to deliver hygienic food prepared by professionals.
- The company has a strong presence in the Travel and Tourism industry with special trains running for domestic and international travellers, showcasing India's rich cultural heritage. The company has also tied up with private entities to position itself as a one stop solution for customers in the tourism and hospitality industry.
- The Company's strong leadership and expert management team offers strength to deliver strong financial results and constant growth, year after year.
- Company is a lean organisation with minimum fixed cost.

CONSTRAINTS/THREATS

- any adverse change in policy of the Ministry of Railways;
- any failure to maintain or enhance consumer awareness of our brand;
- inability to implement our growth strategy successfully including in relation to Catering, Travel and Tourism, internet – ticketing business;
- declines or disruptions in the travel industry;
- fluctuations in operating costs and impact on our financial results;
- any non-compliance with, or changes in, regulations applicable to us may adversely affect our business;
- seasonal changes that may affect the demand for our products and services;



- any adverse claims, media speculation and other public statements relating to the food quality, catering facilities and service;
- prevailing regional or global economic conditions and political situation in India or in countries in the region or globally; and
- increase in competition and other factors affecting the industry segments in which our Company operates.

OPPORTUNITIES

IRCTC is one of the largest hospitality and catering companies of the country with a vast gamut of businesses in hospitality and catering spread over passenger trains, railway stations, station premises and other ancillary business activities. The Company has diversified into other businesses, including non-railway catering and services such as e-catering, executive lounges and budget hotels, which are in line with our objective to build a “one stop solution” for our customers.

The Company is one of key strategic partners of Indian Railways in various value chains and strategies. IRCTC strives to strengthen and enhance the services provided by Indian Railways, and tap opportunity presented by digital payments in the Indian economy which are growing at significant pace. The Company transacted payments of more than ₹ 34,054.74 Crores in FY 2019-20 for Reserved Rail e-Ticketing Transactions through Banks and Payment Aggregators. In order to capitalize on this opportunity both in house and beyond, we have implemented our own payment gateway platform named IRCTC e-Wallet, and are also developing additional payment tools to facilitate easy and efficient payment by our customers.

The Catering Policy 2017 to unbundle the production and distribution of catering service provides a good opportunity to further grow our business, with an opportunity to offer more services ourselves or through our licensees. Under the Catering Policy 2017, food preparation will be operated by IRCTC, or alternatively it may be tendered separately to caterers that may setup or refurbish base kitchens meeting the conditions and requirements we have established including proper certification and compliance with applicable guidelines and food safety norms. Also, IRCTC has been mandated by the Ministry of Railways to redesign our existing pantry cars with a view to equip them with modern appliances and technology for the ease of cooking and maintaining hygienic standards. In addition, the Company also plans to serve more than 1,500 non-pantry car trains through train side vending (“TSV”)

₹ 34,054.74+ Crores

Worth of payments transacted for
Reserved Rail e-Ticketing in FY 2019-20

We successfully operated India’s first private trains in the name of Lucknow-Delhi Tejas Express and Ahmedabad- Mumbai Tejas. These private trains are yet another step of the Ministry of Railways in its endeavour to improve the overall travelling experience of rail passengers by providing state of the art amenities to them on trains and IRCTC has been able to achieve the task flawlessly.

To increase our presence and meet the remaining and future requirements of the packaged drinking water, Railneer, at station premises and trains, the Company is setting up three new Rail Neer plants at Una, Bhusawal and Vijaywada. Further, four plants at Ranchi, Kota, Vishakhapatnam and Bhubneshwar will be set up by 2021-2022.

The Company’s major constraints are Policy directives issued from time to time on catering & internet ticketing, Dominant unorganized sector especially in railway catering and Railneer and High market competition in Travel and Tourism segment.

The Company offer products and services on various online platforms, including www.irctc.co.in. To leverage the significant number of visitors on our website, it is intended to continuously develop our online offerings with enhanced product design capabilities and other value added services in order to offer our customers a personalised experience. In addition, to further expand our customer base, we have incorporated mobile e-wallets services to our payment options. The Company believes the rise in number of internet users in India and related changes in their shopping habits, and better acceptance of internet as a convenient medium for making purchases, will allow us to leverage our single platform strategy, and, at the same time, capture the needs of customers.

SEGMENT/PRODUCT WISE PERFORMANCE

- Internet Ticketing:** IRCTC currently has a monopoly on online ticketing services for Indian Railways. It was introduced to make ticket bookings safe, easy and convenient for customers, to completely remove the hassle of waiting in queues. With a transaction volume of more than 25 Million per month and 5.5 Million logins per day, the Company operates one of the most highly populated and transacted websites in the Asia-Pacific region. **As of March 31, 2020, more than 14 Lakhs passengers travelled with online ticket on Indian Railways on a daily basis, which consisted of approximately 72.75 % of Indian Railways’ passengers booked online. Online ticket bookings on IRCTC can be carried out any time of the day, throughout the year.**

The Next Generation e-Ticketing System interface of IRCTC has been launched with numerous passenger-friendly features, offering a clutter-free experience with easier log-in, site navigation and enhanced security. Therefore, ticket bookings have increased from 7200 per minute in 2014 to

more than 25000 tickets per minute, as on March 31st, 2020. The Company has also built a new data centre to increase the capacity and inflow of daily bookings. The internet – ticketing system is designed and operated in conjunction with the Centre for Railway Information Systems (CRIS), the IT arm of Indian Railways. The Company has a strong customer database and leverages the same to cross sell its product and add value to its products to enhance customer engagement and derive top-line growth.

2. **Catering Business:** It is the continuous endeavour of Indian Railways to provide best quality and hygienic food to passengers. IRCTC was formed with the main objective to improve Catering and Tourism services. The Company provides food catering services to passengers of Indian Railways, on trains and stations. To make catering services easily available, the company introduced e-catering services through IRCTC's mobile application, 'Food on Track', and its e-catering website. The Company provides catering services through mobile catering units, base kitchens, cell kitchens, refreshment rooms, food plazas, food courts, train side vending, and Jan Ahaars spread across the Indian Railways network. Presently catering services are divided into two categories:-

- **Mobile Catering:** This business segment involves catering services to train passengers on trains. Services are provided on trains like Rajdhani, Shatabadi, Duronto, Gatiman, Tejas and Vande Bharat trains and on express trains with or without pantry cars. In trains without pantry cars, meals are served through train-side vending services. A network of base kitchens support the supply of meals on mobile trains, in accordance with the Catering Policy 2017. To facilitate passengers to book food of their choice from other than railway sources, E-catering is available. As of March 31, 2020, e-catering is available at approximately 352 stations and served by more than 700 food outlets.



14 Lakhs

Active daily passengers travelled with online ticket on Indian Railways

- **Static Catering:** This segment includes off board catering services offered to stations with fast food units, food plazas, Jan Ahaars, refreshment rooms, base kitchens, and at executive lounges and other facilities at station premises, including budget hotels and Rail Yatri Niwas. As of March 31, 2020, the company managed 56 Jan Ahaars, 169 refreshment rooms, 24 cell kitchens and 11 base kitchens. The company also operates 138 food plazas and 155 fast food units and increased the total number of operational units to 293.

3. **Packaged Drinking Water (Rail Neer):** The Company has a monopoly to manufacture and distribute packaged drinking water at all railway stations and in trains across India. The Company sells its packaged drinking water under the brand 'Rail Neer'. Currently, the Company operates fourteen Rail Neer plants located at Nangloi, Danapur, Palur, Ambernath, Amethi, Parassala, Bilaspur, Hapur, Ahmedabad, Bhopal, Jabalpur, Guwahati, Howrah and Nagpur. With an installed production capacity of approximately 1.4 Million litres per day, it caters to approximately 45% of the current demand of packaged drinking water at railway premises and in trains. IRCTC's packaged drinking water, Rail Neer, was ranked as a top performer by 'Consumer Voice' Magazine in 2017.

To increase its market share and to meet the growing demand, the company is authorized to construct new Rail Neer plants at Bhusawal, Vijayawada, and Una which are under construction and will be commissioned by 2021. Further, 4 new Rail Neer plants have been approved at Vishakhapatnam, Bhubaneswar, Kota and Ranchi and are expected to be commissioned by 2021-22.

4. **Travel and Tourism:** As per the requirements of Indian Railways, IRCTC provides a wide array of Travel and Tourism services. The Company's footprint is spread across major tourism sites and it is perfectly placed to provide online booking facilities for hotels, railway tickets, air tickets and holiday packages. IRCTC has therefore, firmly established its position among India's leading travel and tourism companies, catering to diverse travel needs.

The Company also offers customized hotel and tourism packages to meet varied customer requirements. It also has lounges, hotels and retiring rooms, rated 4 star and above, to offer maximum comfort and convenience. It also has tie-ups with OYO rooms and hotels along with other properties to cater to customer demands. Its Railway tourism package provides specially curated Heritage Special, Buddhist Special, Pilgrimage Special, and Bharat Darshan trains to attract domestic and international tourists, to showcase India's rich cultural heritage. It also operates luxury trains like the Maharaja Train to offer truly exclusive travel experiences. With a diversified portfolio, the company is also planning to enter/expand into other segments such as helicopter travel, medical tourism and others in the near future.



FUTURE OUTLOOK

The Vision and Mission of the Company are as follows:

Vision

“To be the leading provider of high quality travel, tourism and hospitality related services, for a range of customer segments, with consistently high level of customer satisfaction.”

Mission

“IRCTC will establish itself as a leader in the area(s) of hospitality services, Travel and Tourism, packaged drinking water, and Internet Ticketing by providing value added products and services for passengers, tourists and other customers, targeting IR and Non-IR related services alike, building a resilient business portfolio that is scalable and based on core competence.”

The Company is recognised by the Indian market as one of the leading brands in railway catering and internet ticketing. The Company’s goal is to continue to establish ourselves as the leader in other business segments including travel and tourism packages and packaged drinking water. With value

added products and services for passengers, tourists and other customers, targeting both railway and non-railway related services and the like, IRCTC continues to build a business portfolio that is scalable and based on our core competence in offering catering and related services to Indian Railways.

In order to provide value added services to its stakeholders, IRCTC has planned various initiatives in financial year 2020-21, including, Launching on Rupay Platform in IRCTC iMudra wallet cum prepaid card; Launch of Loyalty Scheme for Tejas Trains, Allowing Booking for Agents on Mobile by IRCTC in addition to desktop mode; Operation of e-catering services on three renowned e-commerce/payment/wallet/travel websites or platforms etc.

RISK AND CONCERNS

The Company operates in a dynamic environment and therefore, continuously assesses and identifies risks to efficiently mitigate them and ensure business sustainability. IRCTC’s risk management committee monitors risks arising from various functions and operations, and adopts robust and effective strategies to ensure best business outcomes.

Risk Type	Definition of Risk	Mitigation Strategies
Pandemic Risk	The beginning of the 2020 has witnessed the global spread of COVID-19. Threat from COVID-19 is continuing to grow, and at a rapidly accelerating rate. Governments in many countries announced lockdowns and asked people to stay indoors. Around the world, these coronavirus lockdowns have driven professional and social life out of the physical world and into the virtual realm.	IRCTC in its full preparedness has started to regulate its activities towards the new normal. In the segments, which are bound to have customers/passengers contact, employees are being given the required trainings. Further a detailed Standard Operating Procedure is being prepared to combat the risks. Emphasis is also given on automation of the manual processes.
Dependence Risk	The Company’s business and its revenues are substantially dependent on the policies of the Ministry of Railways and operations of Indian Railways. Any policy change or any adverse decision may affect the revenue of the Company for e.g. in 2016 the decision to scrap service fee affected the Company’s revenue.	As a Central Public Sector Enterprise (CPSE), the company is authorized by the Government to offer various products and services to the public on behalf of Indian Railways, as well as receive operative support from the Ministry of Railways from time to time. Any work related to railways is offered to IRCTC on a priority basis due to its reach and scale of operations. Therefore, regular supply of orders and contracts from Gol has a positive impact on the company and its revenue streams remain diversified owing to its extensive service portfolio.
Competition Risk	If Gol or Ministry of Railways open up the market for private players then the Company can lose its market monopoly. Intense competition may have an adverse impact on the Company’s operation and profitability.	The experienced management of IRCTC is perfectly poised to make strategic decisions that augur well for the Company and also guides the Company to efficiently deal with competition from private players.

Human Resource Risk	The Company operates in a labour intensive industry and hires contract labour to provide certain services. Worker strikes or demand for increased wages and benefits may adversely affect the profitability of the Company. Further, the loss of Key Managerial Personnel or difficulty in retaining talented employees may affect the business operation of the company.	The Company considers its human resource as a key asset and therefore, follows a policy to encourage, retain and promote talented employees through performance evaluations at regular intervals. It also offers competitive remuneration packages and opportunities for professional growth. To mitigate the risk of inadequate manpower, the Company has also collaborated with third party contractors to provide human resources as and when needed.
Technology Risk	The Company relies on advanced technology to smoothly operate its systems. Any technical glitch, interruption, or system failure may result in loss of revenue as nearly 25000 tickets are booked through its website, every minute. It is likely to affect the Company's brand image and may result in lower revenues.	The Company relies on world-class technology to mitigate such risks and its next generation, e-ticketing website has the capability to book 25000 tickets per minute. The Company also has backup systems and contingency plans to prevent critical data losses and ensures smooth operations and services across its business processes.
Cyber Security Risk	Security breaches, whether instigated internally or externally, could materially and adversely harm the business. Secured transactions over the internet are essential for the Company's business operations. Hacking of customer data or cyber threats can result in massive loss of revenue and hurt the Company's brand image significantly.	The company relies on state-of-the-art technology to encrypt and authenticate data, thereby ensuring secure transmissions over the internet. The Company safeguards data with advanced security systems and successfully defends the system against malicious virus or other cyber threats.
Quality Risk	The food and catering service must adhere to quality standards prescribed by the authorities. Any adverse claims, media speculation or other public statements related to the food and service quality could materially and adversely affect the Company's reputation and corporate image, or otherwise affect its ability to efficiently conduct business operations.	The Company has made significant investments to modernize, upgrade and refurbish existing kitchens, in accordance with the Catering Policy 2017. The Company has quality control checks in place to ensure safety and hygiene of ingredients and food delivered by its suppliers. The company has obtained necessary quality certificates to adhere to the standards prescribed as per law.
Consumer Preference Risk	A significant portion of the Company's revenue is derived from the sale of food that is characterized as North Indian, Punjabi, or South Indian. Any change in consumer preference could have an adverse effect on the Company's operations.	The Company tracks such changes and modifies its menu from time to time, in an effort to respond to changing consumer preferences, tastes and purchasing habits. As consumers continue to seek better quality products at economical rates, the Company is focused on offering best quality products at affordable rates, while keeping an eye on improving services further.
Environment Risk	The Company's packaged drinking water is served in plastic bottles and non-biodegradable wraps are also used for food packaging. The choice of such ingredients pose an environmental threat that needs to be efficiently mitigated.	Indian Railways has been instructed to take steps to minimize plastic waste and ensure proper disposal of such products. As an effort to reduce its environmental impact, the Company has installed ATVMs to collect plastic water bottles for recycling purposes.
Regulatory Risk	The Company operates in industries that are subject to extensive national and state environmental laws and regulations which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from its business operations. It also includes health and hygiene requirements for disposal of food waste.	The Company continuously keeps track of regulatory norms and accordingly obtains licenses, approvals, permits and registrations to undertake its business activities. Application for renewal licenses and registrations are also carried out from time to time to carry out business as usual.

FUTURE STRATEGIES TO MEET THE CHALLENGES

Since IRCTC, is a hospitality sector company, the Company has made following strategies (long term and Medium term) to overcome the challenge posed by Covid-19:

1. Travel and Tourism

IRCTC preparedness for the New Normal:

While it is predicted that domestic and international tourism is likely to resume any time once the restrictions are reviewed & lifted starting from October 2020, the following preparatory measures have been initiated to prepare the IRCTC staff and the infrastructure to meet with the new set of demands/expectations of guests and regulatory framework:

- **Employee Training:** 300 members including Executives & staff at all levels are undergoing online training on various aspects related to workplace hygiene, personal hygiene, sanitation protocols, guest handling etc. The training programmes have been organized through reputed organizations viz. TUV Nord India, Bureau Veritas and India Tourism Development Corporation (ITDC).
- **Guidelines for the new normal:** A Handbook has been created incorporating broad guidelines for tourism segment within IRCTC. This handbook is being circulated among the existing database of IRCTC to keep the patrons informed of the changes/modifications proposed for the new normal and also uploaded as a travel advisory in the tourism portal www.ircctourism.com
- **Certification programmes:** It is planned to undertake a certification programme for the tourist trains viz Maharajas' Express, Golden Chariot, and Deluxe Tourist Train (Buddhist & Domestic tours) to ensure that the systems and processes are in line with the necessary protocols for the new normal.
- **Infrastructure changes:** While it is difficult to bring much infrastructure changes in trains, an exercise is underway to plan changes to reduce touch points, install UV lights, UV sanitation, air-conditioning filters etc. in the Tourist Trains viz. Maharajas' Express, Golden Chariot and Deluxe Tourist Train.

IRCTC will plan different strategies for the following two broad categories:

- a. **Essential, Corporate & Pilgrimage Travel:** Some of the broad areas for special focus for the current year would be Hotel integration across various categories within India, Tie ups for Road bridging (Fleet operators

for Charters, journey Tickets for standalone /small family groups etc) and with Self Driven Car companies, Defining Sanitization Protocols based on Govt. Guidelines, capitalizing on PSU/Govt business.

- b. **Non-Essential & Leisure Travel:** Ties ups with hotels at destinations in IRCTC's zones , needs to be made to plan fixed departure programs, promotion of customized travel with air tickets, local transport, sight-seeing and hotels, Tie ups with mid segment players both in transport, hotels and ground arrangements, promotion of "PLAN YOUR OWN TRIP", where guests are given options of destinations, followed by flights, followed by hotels, followed by local transport, followed by local tours etc.

2. Internet Ticketing

- a. **Payment Aggregator Business:** The Company will enter into Payment Aggregator business as a separate vertical in near future to mark the opening of new business segment. Internet Ticketing business though a monopoly but will soon be peeking up and CAGR of above 10% in this vertical will become difficult. POC for the product is already in progress for internal usage. To further increase company revenue, it has become necessary to start fintech business at accelerated pace. IRCTC will be offering this product in open market after meeting out necessary regulatory requirements.
- b. **Customer Communication:** We are working on a strategy to shift customer communication on newer methods like Artificial Intelligence and Machine Learning based Chatbots to redress customer grievances. Larger volumes enquiries will be made IVR based to reduce calling and mailing load on Call centre agents. POC for this has been carried out and further processes are being developed.
- c. **Automation of Manual Processes:** Many routine processes like Invoice Generation, MIS Reports (Daily, weekly and monthly) and PRS & Bank reconciliation activities are complex and take lot of time and manpower efforts. These processes will be automated through Robotic Process Automation Tools to save on manpower and time.
- d. **Lead Generation for Third Party Products:** Lead generation of Third Party products like Insurance, Cards, Real Estate business for sale of affordable housing and rentals will be leveraged through IRCTC website and Retail Agent Base for generating additional revenue stream.

e. OTP Based Login Authentication for Retail Service Providers /RSPs (Agents) and permitting booking for agents (RSPs) on Mobile phones:

In addition to above, following measures are being taken to improve the e-ticketing infra on NGET:

- **New User Interface on Website and Mobile Apps:** This new interface will help users in trains selection through train enquiry in a single click as the availability and fare of all classes of a train will be visible simultaneously in contrast to the multiple searches at present.
- **Use of Google reCaptcha to detect Bots:** This tool will help in filtering users who will try to use scripting or Tatkal software to book tickets. Proof of Concept (PoC) carried out with the tool has been successful.
- **Deployment of On-Premise Distributed Denial of Service (DDOS) Mitigation Devices:** To further increase security at Application and IT infrastructure level from DDOS attacks, On-premise DDOS mitigation devices will be deployed in Data centre.
- **Automation of Manual Processes:** Many routine processes like Invoice Generation, MIS Reports (Daily, weekly and monthly) and PRS & Bank reconciliation will be automated through Robotic Process Automation Tools to save on manpower and time.

f. RAILNEER

To overcome current situation, to increase its market share and to meet the growing demand, the company is planning to setup new Railneer plants. Construction of new Railneer plants at Bhusawal, Vijayawada, and Una is underway. Further, four new Rail Neer plants have been approved at Vishakhapatnam, Bhubaneswar, Kota and Ranchi and will likely to be commissioned by 2021-22.

The Company is also exploring backward integration through setting up preform manufacturing unit in existing Rail Neer Plants.

CATERING

Adhering to its continuous endeavour to provide quality, safe, value and hygienic food to passengers, the Company is keeping pace with phase-wise lifting of lockdown to fulfil the catering and hospitality needs of the passengers both on-board and off-board through its bouquet of catering and hospitality. Catering in Railways especially On-board the trains might witness radical changes due to changes customer preferences. Some amendments are already in discussion like:

1. Converting Pre paid trains like Rajdhani and Shatabdi (where currently catering charges are part of the ticket fare) to post paid trains (where passengers are to purchase the Food and Beverages inside the trains from the vendors as per their likes).
2. Exploring the option of Ready to Eat (RTE) meals to be offered as a choice to freshly cooked food.
3. Aggressively working on the E-catering segment, which might see an upward trend if prepaid trains are converted into post paid trains.
4. Gradually opening its Refreshment Rooms, Cell Kitchens, Food Plaza & Fast Food Units in a phased manner, strictly following SOPs as prescribed by Ministry of Health and Family Welfare (MoHFW) from time to time
5. Training of Employees in order to sensitise the frontline as well as supervisory staff of Catering Department, online training programs have been designed

We are confident of winning the confidence of passengers by adopting to best industry practices, technological tools and ensuring compliance of safety norms.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adopted adequate Internal Control Procedures commensurate with the size of the company, complexity of its business and aligned with evolving business requirements. It ensures efficient conduct of its business, adherence to company's policies, safeguarding of its assets including purchase of raw material & consumables, store and spares, fixed assets and sales of goods/services. It also helps to maintain accuracy and completeness of accounting records and the timely preparation of reliable financial information. An effective internal control system also helps in the detection and prevention of errors, irregularities and frauds, thereby ensuring efficiency of operations and security of assets.

The Company has an internal audit system that requires the Internal Auditors to comment on the existence of adequate internal control systems and compliance therewith in addition to the opinion on existence of proper risk assessment and mitigation mechanism. The Internal Auditor is an experienced Chartered Accountant firm which has been selected through a transparent selection process, and upon appointment directly report to the Management. This ensures Internal Auditors' independence. Reports of the Internal

7

New Rail Neer plants will be setup

3

Rail Neer plants will be commissioned by FY 2020-21



Auditors are reviewed, compliances are ensured, and synopses of Audit Reports along with compliance are put up by Internal Audit Department for consideration of the Audit Committee.

The internal control and audit system are being reviewed periodically by the Management as well as by the Audit Committee, followed up by corrective action, whenever necessary as a part of continuous improvement. A report by a professional agency is in place for further strengthening the Internal Financial Control in IRCTC. Most of the recommendations of the report have been implemented and rest are being implemented for strengthening the Internal Financial Control.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

FINANCIAL HIGHLIGHTS

The total Revenue increased by 20.14 % from ₹ 1958.94 Crores to ₹ 2353.54 Crores in financial year 2019-20. Profit before tax grew by 55.75 % from ₹ 478.56 Crores to ₹ 745.35 Crores in financial year 2019-20. The profit after tax grew by 71.30 % from ₹ 308.56 Crores to ₹ 528.57 Crores in financial year 2019-20. The comparative performance of major financial parameters during the financial years 2019-20 and 2018-19 is given below:

(₹ in Crores)			
Particulars	F.Y. 2019-20	F.Y. 2018-19	Change (%)
Revenue from operations	2275.48	1870.00	21.68
Profit before interest, depreciation, exceptional items and tax (EBIDTA)	791.45	472.16	67.62
Less: Interest and Finance Charges	7.27	2.35	209.36
Less: Depreciation	39.94	28.64	39.46
Profit before tax (PBT) before exceptional items	744.24	441.17	68.70
Exceptional items : Loss(-)/Gain(+)	1.11	37.39	(97.03)
Profit before tax (PBT) after exceptional items	745.35	478.56	55.75
Less: Provision for taxation	216.78	169.99	27.52
Profit after tax (PAT)	528.57	308.56	71.30
Dividend (as a % of Equity share capital) on cash basis	139%	93%	49.46%
Final dividend – on cash basis (as a % of Equity share capital)	38.98%	55.50%	(29.76)
Net-worth	1327.82	1071.02	23.98
Earnings Per Share (₹)	33.04	19.12	72.80

SEGMENT-WISE PERFORMANCE

(₹ in Crores)			
Particulars	F.Y. 2019-20	F.Y. 2018-19	Change (%)
Segmental Operative Revenue			
Catering	1044	1024	1.95
Railneer	222	173	28.32
Internet Ticketing	620	231	168.40
Tourism	295	246	19.92
State Teertha	95	195	(51.28)
Segmental Profit			
Catering	120	147	(18.37)
Railneer	52	33	57.57
Internet Ticketing	495	161	207.45
Tourism	10	31	(67.74)
State Teertha	15	49	(69.39)

ANALYSIS OF FINANCIAL RATIOS:

Details of significant changes (i.e. change of 25% or more as compared to the FY 2018-19) in key financial ratios, along with detailed explanations thereof is as follows:

Financial Ratios

Particulars	FY 2019-20	FY 2018-19	Change (%)	Remarks
Debtors Turnover (No. of Days)	126.63	114.66	-10.44	-
Inventory Turnover (No. of Days)	1.57	1.54	-1.95	-
Interest Coverage Ratio	NA	NA	NA	-
Current Ratio	1.6	1.56	2.56	-
Debt Equity Ratio	[NA]	[NA]	[NA]	-
EBIDTA Margin (%)	33.63	24.10	39.54	EBIDTA and Net profit Margin have increased mainly due to levy of Convenience Fee on booking of Rail tickets through website of IRCTC which started w.e.f. 01st September, 2019 and operation of seven new rail neer plant on PPP model during the current financial year.
Net Profit Margin (%)	22.46	15.75	42.60	
Return on Net Worth	39.81	28.81	38.18	

MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

IRCTC's success depends on the ability of its people, to perform duties in a manner that exceeds customer expectations. The Company aims to strengthen its workforce with efficient skill development programs and trainings focused on enhancing professional capabilities. IRCTC also intends to enhance employee performance through various developmental programs in the field of operation, technology, HR management and finance. Employees in mid-level and senior managerial positions are also encouraged to enrol in various programs conducted by renowned institutes like IIM and MDI. IRCTC also aspires to ensure the health and safety of its employees along with maintaining a conducive working environment.

The Company believes in its management to provide strategic leadership and direction to explore new and emerging business opportunities while constantly improving the company's operations. The Company has successfully maintained an attractive employee attrition rate, by offering competitive remuneration packages, acknowledging and rewarding talented employees and providing opportunities for growth. As on March 31st, 2020, the Company has a total of 1384 full time employees across all its business segments.

During the year, the Company's attrition rate remained 0.2%, which signifies the congenial atmosphere for employees of IRCTC.

The other details related to Human resource and Employee welfare have been mentioned in the Directors report, which may be referred.

Disclaimer

Certain statements in the MDA section concerning future prospects may be forward-looking statements which involve a number of underlying identified / non identified risks and uncertainties that could cause actual results to differ materially. In addition to the foregoing changes in the macro-environment, global pandemic like COVID-19 may pose an unforeseen, unprecedented, unascertainable and constantly evolving risk(s), inter-alia, to the Company and the environment in which it operates. The results of these assumptions made, relying on available internal and external information, are the basis for determining certain facts and figures stated in the report. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based, are also subject to change accordingly. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events, or otherwise.



Annexure – “B” to the Directors’ Report

Report on Corporate Governance

Indian Railway Catering and Tourism Corporation Ltd. (IRCTC) is a “Mini Ratna (Category-I)” Central Public Sector Enterprise under Ministry of Railways, Government of India and has taken the initiatives to develop and establish a reliable system of Corporate Governance. At IRCTC, Corporate Governance is not solely restricted to regulatory or structural remedies. At your company, it is a culture, which is based on trusteeship, transparency, empowerment, accountability and corporate ethics.

The Company got listed on 14th October, 2019 and subsequent to the listing of shares on stock exchanges, the company is also adhering to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), in addition to the provisions of the Companies Act, 2013 and Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by Department of Public Enterprises (DPE), Ministry of Heavy Industries and Public Enterprises, Government of India.

1.0 COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

IRCTC believes that good Corporate Governance is essential for achieving long-term corporate goals and to enhance stakeholders’ value. Your Company has always shown commitment towards its philosophy on Corporate Governance, which is, ***“To enhance stakeholders’ value in the long run by ensuring fairness, transparency, disclosures and reporting that not only comply with statutory regulations but also promote ethical conduct throughout the organization”.***

IRCTC is committed to healthy corporate governance practices which strengthen and maintain confidence in the Company, thereby contributing to optimal long-term value creation for shareholders and other stakeholders. The objective of corporate governance is to regulate the division of roles between shareholders, the Board and executive management more comprehensively than is required by legislation.

IRCTC in its governance framework, strives to attain the highest standards of ethical and responsible conduct of business to create value for all stakeholders. We believe that any meaningful policy on Corporate Governance must empower the executive management of the Company. At the same time, Governance should create a mechanism of checks and balances to ensure that the decision-making powers vested in the executive management are used with

care and responsibility to meet stakeholders’ aspirations and societal expectations. To attain the set goals and targets of Corporate Governance, your Company is guided by the following key values:

- Zeal to excel and zest for change;
- Integrity and fairness in all matters;
- Respect for dignity and potential of individuals;
- Strict adherence to commitments;
- Ensure speed of response;
- Foster learning, creativity and teamwork;
- Loyalty and pride in IRCTC.

2.0 BOARD OF DIRECTORS

The Board lays down the Company’s policies and procedures and oversees their implementation to ensure attainment of objectives of the Company. IRCTC’s Board sets strategic goals and seeks accountability for their fulfilment. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholders’ aspirations and societal expectations. The Board of Directors of the Company consists of experienced professionals who constantly endeavour to set goals to align with the Company’s Mission and Vision and functions in accordance with the provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015, Articles of Association, Guidelines issued by Department of Public Enterprises (DPE) and other directions/ guidelines issued by the Government of India from time to time, as applicable to the Company.

2.1 Strength of the Board:

IRCTC is a **“Government Company”** within the meaning of Section 2(45) of the Companies Act, 2013 as 87.40% of the total paid up share capital of the Company is held by the President of India (through Ministry of Railways). As per the Articles of Association of the Company, the power to appoint/nominate Directors on the Board of the Company vests with President of India, Government of India acting through Administrative Ministry.

In terms of the Articles of Association of the Company, the strength of our Board shall not be less than three Directors or more than fifteen Directors. These Directors may be either whole-time Directors or part time (official/non-official) Directors.

2.2 Composition of the Board:

As on 31st March, 2020, the Board of Directors comprised of two whole-time Directors, including Chairman & Managing Director; three Government nominee Directors and three Independent Directors. IRCTC's Board also had two women directors from the category of whole-time and independent director, as on 31st March, 2020. The Company broadly complied with the requirements of SEBI (LoDR) Regulations 2015, and DPE Guidelines on Corporate Governance during the year 2019-20. However, as on 31st March, 2020 the Company did not have sufficient number of independent directors.

Due to the completion of tenure of three independent directors on 30th January, 2020, the requirement of having at least half of the board of directors as independent directors could not be complied with from January 31, 2020 onwards. The Company has requested the Ministry of Railways, Government of India to appoint Independent Directors on the Board of the Company.

The detailed composition of Board of IRCTC as on 31st March, 2020 is mentioned below:

Sl. No.	Name of Directors	Position
Whole Time Directors (Functional) (Executive)		
1.	Shri Mahendra Pratap Mall (DIN: 02316235)	Chairman & Managing Director
2.	Smt. Rajni Hasija (DIN: 08083674)	Director (Tourism & Marketing)
Government nominee Directors (Non-Executive)		
3.	Shri Sanjeeb Kumar (DIN: 03383641)	EDF/PPP, Railway Board
4.	Shri Neeraj Sharma (DIN: 08177824)	ED (PM), Railway Board

Sl. No.	Name of Directors	Position
5.	Shri Vinay Srivastava (DIN: 08638850)	ED (PSU), Railway Board
Independent Directors (Non-Executive)		
6.	Prof. Sachin Chaturvedi (DIN: 07960871)	Independent Director
7.	Shri Comal Ramachandran Sundaramurti (DIN: 07965899)	Independent Director
8.	Ms. Sarita Deshpande (DIN: 08098222)	Independent Director

As required under Regulation 46(2) (b) of the Listing Regulations, the terms and conditions of appointment of Independent Directors are available on the Company's website at web-link <https://www.irctc.com/assets/images/T&C-for-Appointment-of-Independent-Directors.pdf>.

2.3 Age limit and tenure of Directors:

The age limit of the whole time Directors, including Chairman & Managing Director is 60 years, who are appointed generally for a period of five years from the date of taking over of the charge till the date of superannuation of the incumbent or till further orders from the Government of India, whichever event occurs earlier.

Government Nominee Directors representing Ministry of Railways, Government of India, cease to be Director from the Board of the Company at the discretion of nominating authority or on ceasing to be officials of the Ministry of Railways, Government of India.

Independent Directors are appointed by the Ministry of Railways, Government of India usually for tenure of three (3) years.

2.4 Attendance of each director at the Board Meetings held during the year 2019-20 and at the last AGM :

Sl. No.	Directors	Number of Board meetings		Attendance at the last AGM (held on 28.08.2019)
		Meeting held during respective tenures of Directors	Meetings Attended	
Whole-time Directors				
1.	Shri Mahendra Pratap Mall (DIN 02316235) Chairman & Managing Director	8	8	Present



Sl. No.	Directors	Number of Board meetings		Attendance at the last AGM (held on 28.08.2019)
		Meeting held during respective tenures of Directors	Meetings Attended	
2.	Shri Sriram Venkatachalam (DIN 07445220) Director (Catering Services) (up to 30.06.2019)	1	1	N.A
3.	Smt. Rajni Hasija (DIN 08083674) Director (Tourism & Marketing)	8	8	Present
Government Nominee Directors				
4.	Smt. Smita Rawat (DIN 07670758) Executive Director (NFR & T), Railway Board (up to 10.10.2019)	5	5	Present
5.	Shri Neeraj Sharma (DIN 08177824) Executive Director (PM), Railway Board	8	6	Present
6.	Shri Narendra (DIN 08422372) Executive Director/F (PPP), Railway Board (from 19.08.2019 up to 15.01.2020)	5	4	Absent
7.	Shri Sanjeeb Kumar (DIN 03383641) Executive Director/F(PPP), Railway Board (from 13.02.2020 up to 05.05.2020)	0	0	N.A
8.	Shri Vinay Srivastava (DIN 08638850) Executive Director(PSU), Railway Board (w.e.f. 20.03.2020)	0	0	N.A
Independent Directors				
9.	Dr. Rabi Narayan Bohidar (DIN: 00637818) (up to 30.01.2020)	7	5	Absent
10.	Dr. Dheeraj Sharma (DIN: 07683375) (up to 30.01.2020)	7	6	Present
11.	Smt. Kanak Aggarwal (DIN: 00074469) (up to 30.01.2020)	7	5	Present
12.	Prof. Sachin Chaturvedi (DIN: 07960871)	8	4	Present
13.	Shri Comal Ramachandran Sundaramurti (DIN: 07965899)	8	6	Present
14.	Ms. Sarita Deshpande (DIN: 08098222)	8	8	Present

2.5 Details of Directorships, Committee Memberships and Committee Chairmanship in companies (including IRCTC) as on 31st March 2020:

Sl. Directors No.	Number of Directorships held in other Companies as on 31.03.2020*	Number of Committee Membership(s) held in Other companies as on 31.03.2020 (including IRCTC)	
		As Chairman**	As Member**
Whole-time Directors			
1. Shri Mahendra Pratap Mall (DIN 02316235) Chairman & Managing Director	NIL	NIL	NIL
2. Shri Sriram Venkatachalam (DIN 07445220) Director (Catering Services) (up to 30.06.2019)	NIL	NA	NA
3. Smt. Rajni Hasija (DIN 08083674) Director (Tourism & Marketing)	NIL	NIL	1 (Stakeholders Relationship/ Grievance Committee) IRCTC
Government Nominee Directors			
4. Smt. Smita Rawat (DIN 07670758) Executive Director (NFR & T), Railway Board (up to 10.10.2019)	NIL	NA	NA
5. Shri Neeraj Sharma (DIN 08177824) Executive Director (PM), Railway Board	NIL	NA	1 (Audit Committee) IRCTC
6. Shri Narendra (DIN 08422372) Executive Director/F (PPP), Railway Board (from 19.08.2019 up to 15.01.2020)	i) Ge Diesel Locomotive Private Limited ii) Madhepura Electric Locomotive Private Limited iii) Bastar Railway Private Limited	NA	NA
7. Shri Sanjeeb Kumar (DIN 03383641) Executive Director/F(PPP), Railway Board (from 13.02.2020 up to 05.05.2020)	i) Ge Diesel Locomotive Private Limited ii) Madhepura Electric Locomotive Private Limited iii) Bastar Railway Private Limited	NIL	NIL
8. Shri Vinay Srivastava (DIN 08638850) Executive Director(PSU), Railway Board (w.e.f. 20.03.2020)	i) Rites Limited ii) Rail Vikas Nigam Limited iii) Konkan Railway Corporation Limited iv) Railtel Corporation Of India Limited	NIL	1 (Audit Committee of Railtel Corporation of India Limited)
Independent Directors			
9. Dr. Rabi Narayan Bohidar (DIN: 00637818) (up to 30.01.2020)	i) Odisha Tourism Development Corporation	NA	NA



Sl. Directors No.	Number of Directorships held in other Companies as on 31.03.2020*	Number of Committee Membership(s) held in Other companies as on 31.03.2020 (including IRCTC)	
		As Chairman**	As Member**
10. Dr. Dheeraj Sharma (DIN: 07683375) (up to 30.01.2020)	i) Alkem Laboratories Limited ii) The Punjab State Cooperative Milk Producers Federation (State owned cooperative society) iii) Nabard Consultancy Services Private Limited	NA	NA
11. Smt. Kanak Aggarwal (DIN: 00074469) (up to 30.01.2020)	i) Quay Intech Private Limited Limited ii) Khadi Humara Mantar Foundation	NA	NA
12. Prof. Sachin Chaturvedi (DIN: 07960871)	i) Reserve Bank Information Technology Private Limited	1 (Stakeholders Relationship/ Grievance Committee) IRCTC	1 (Audit Committee) IRCTC
13. Shri Comal Ramachandran Sundaramurti (DIN: 07965899)	NIL	1 (Audit Committee) IRCTC	NIL
14. Ms. Sarita Deshpande (DIN: 08098222)	NIL	NIL	2 (Stakeholders Relationship/ Grievance and Audit Committee) IRCTC

* Does not include Directorship in Section 8 Companies and Foreign Companies.

** For the purpose of reckoning the limit, Chairmanship/Membership of Audit Committee and Stakeholders Relationship/Grievance Committee alone has been taken into consideration.

Name of the Listed entities where the person is a director and the category of directorship

Name of Director	Name of listed entity	Category of Directorship
Shri Vinay Srivastava (w.e.f. 20th March, 2020)	1. RITES Limited	Government Nominee
Dr. Dheeraj Sharma (upto 30th January 2020)	2. Rail Vikas Nigam Limited	
	1. Alkem Laboratories Limited	Independent Director

Notes:

- The Company being a CPSE, all Directors are appointed/ nominated by the Government of India.
- Directors/KMPs do not have any pecuniary relationships or transactions with the Company (except remuneration, including sitting fees, as they are entitled) ;
- None of the directors of the Company holds office of director at any point of time in more than ten (10) public companies including seven (7) listed companies.
- None of the directors of the Company is a member in more than ten (10) committees or a chairperson of more than five (5) committees across all the companies in which he is a director.
- None of the whole time directors of the Company is serving as an independent director in any other listed company.

2.6 Number of Board meetings

The Board of Directors met eight times during financial year 2019-20. The maximum time interval between two Board meetings was less than three months, as per the DPE's Guidelines on Corporate Governance. The details of Board Meetings held during 2019-20 are given below:

Sl. Board Meeting No. Number	Date of Meeting	Board Strength	No. of Directors present		% of Attendance of Board Meeting
			In Person	Through Video Conferencing	
1. 99th	20th June, 2019	11	9	0	82%
2. 100th	26th July, 2019	10	9	1	100%
3. 101st	21st August, 2019	11	10	1	100%
4. 102nd	24th September, 2019	11	9	0	82%
5. 103rd	07th October, 2019	11	6	0	54%
6. 104th	13th November, 2019	10	9	0	90%
7. #105th	10th January, 2020	10	7	0	70%
8. 106th	12th February, 2020	6	5	0	83%

*Meeting was held at one of the tourist destinations i.e. Mysuru, Karnataka in accordance with the Department of Public Enterprises OM No F. No 18(17)/2005-GM Dated 18th July, 2018.

2.7 Brief Resume of new Directors who joined the Company during/after the closure of financial year 2019-20:

a. Shri Ajit Kumar (DIN: 07247362), appointed on the Board of the Company as Director (Finance) w.e.f. May 29, 2020

Shri Ajit Kumar (DIN: 07247362), has been appointed on the Board of Company as Director (Finance) w.e.f. May 29, 2020. Shri Ajit Kumar, Indian Railway Accounts Service (IRAS) officer of 1989 Batch, has vast experience in different organizations of Railways as well as outside Railways. Apart from Divisions and Headquarters, he has worked in Diesel Locomotives Workshop (DLW), Railway Electrification, and IRPMU. Shri Ajit Kumar has served as Director/Finance Accounts in NDMC. He was also Member (Finance)/Rail Land Development Authority (RLDA) and Board member of Indian Railways Station Development Corporation (IRSDC). Having Legal background, he was instrumental in documentation of Tenders & Contracts. In Northern Railway, he was looking after Catering Contracts and earning tenders of Commercial Department. Before taking over charge of Director/Finance, IRCTC, he was posted as Financial Adviser & Chief Accounting Officer (FA&CAO) in Indian Railway Organization for Alternative Fuels (IROAF) under Ministry of Railways.

b. Shri Vinay Srivastava (DIN: 08638850), appointed on the Board of the Company as Part-time Government nominee Director w.e.f. March 20, 2020:

Shri Vinay Srivastava (DIN: 08638850), has been appointed on the Board of the Company as Part-time Government nominee Director w.e.f. March 20, 2020. Shri Vinay Srivastava has 26 years of multifaceted experience in Government Service. A Mechanical Engineer from Jamalpur with a Masters

Degree in Public Administration from Syracuse University, he has experience of Rolling Stock Design, Manufacture, Testing and Operations. He is presently working as Executive Director in Railway Board looking after Passenger Rolling Stock and Public Sector Units of the Railways. He has worked as Chief Mechanical Engineer in Indian Railways Organization for Alternate Fuels where his charge includes solar energy, biofuels, and fuel cell propelled vehicles and other alternate sources of energy. He has worked in RCF Kapurthala in Coach Production and Coach Design, and as Sr. DME Hyderabad in South Central Railway. He has also worked in RDSO in Administration, Testing and Carriage Directorate. Apart from Railways he has also worked in public facing role as Regional Passport Officer Lucknow in MEA. He also has policy experience at the highest levels while working as Director in Cabinet Secretariat handling infrastructure ministries including MoUD, HUPA, Railways, Road Transport, Civil Aviation etc as well as Coordination with State Governments. He has also worked as an aide to Minister in the Ministries of Environment Forest and Climate Change, HRD and Information and Broadcasting.

c. Shri Sanjeeb Kumar (DIN:03383641) appointed as Part-time Government Nominee Director (with additional charge of Director /Finance, IRCTC) w.e.f 13th February, 2020 till 5th May, 2020

Shri Sanjeeb Kumar is an IRAS Officer of the 1989 batch. He holds M.A., MBA and LLB degrees from the University of Delhi. He has served in the Indian Railways in various capacities in Railway Board and Zonal Railways. He has also officiated as Director (Finance) in Rail Tel Corporation of India Limited and IRCTC. He has held many important positions on different



Railways and Public Sector Companies. He has about 10 years of corporate experience in DMRC and IRCTC where he had worked as Group General Manager (Finance). He was associated in high value procurement decision making in IRCTC as well as East Central and Northern Railways.

The details of directors who were appointed during / after closure of FY20 have been included in the Directors' Report. Brief profile of Directors of the Company is available on the website of the Company at web link <https://www.irctc.com/board-of-directors.html>

3.0 PROCEDURE ADOPTED FOR BOARD MEETINGS/COMMITTEE MEETINGS

As a good governance practice and as per the guidance note issued by the Institute of Company Secretaries of India, the Board approves in advance, a tentative schedule of the Board Meetings to be held during the ensuing financial year considering the requirements under applicable laws w.r.t minimum number of meetings and maximum permissible time gap between two consecutive meetings. Additional meetings are also convened as and when required. In case of exigency, resolutions are passed by circulation as provided under the Companies Act, 2013, which are noted at a subsequent meeting of the Board or Committee thereof.

The Company also offers video conferencing facility to the Directors to enable them to participate through video conferencing, in case they are not able to attend in person, as may be permitted under law.

The meetings of the Board of Directors are generally held at the Company's Registered Office in New Delhi. The detailed agenda notes, along with other explanatory statements, are circulated generally at least 7 days before the day of meeting among the members for focused discussion and effective decision-making during the meeting. However, the agenda items containing unpublished price sensitive information and agenda at shorter notice are tabled at the relevant meeting of Board/ Committee, with the permission of Chairperson and all Directors present during the meeting.

The Company Secretary attends all the meetings of the Board and Committees and prepares draft minutes of such meetings, which are duly circulated to members within fifteen days of the conclusion of the meeting for their comments. The directors communicate their comments on the draft minutes within seven days from the date of circulation thereof. A statement of comments received from directors is placed before the Chairman & Managing Director/ Chairperson of the respective Committee for consideration and approval thereof. The approved minutes of proceedings of each Board/Committee meeting are duly recorded in the minute book within thirty days of conclusion of the meeting.

For follow up mechanism, an Action Taken Report (ATR) on the decisions of the Board/Committee is placed in subsequent meetings of respective Board/Committee, which helps in effective review of decisions taken.

3.1 Information placed before the Board of Directors:

The Board has complete access to all information pertaining to the Company. The Board/Committee members are also free to recommend any issue which they may consider important for inclusion in the agenda. If required, senior management officials are also called during the meeting to provide additional inputs on the matters being discussed by the Board/Committee. The information usually provided to the Board for its consideration includes the following:

- i. Annual operating plans and budgets and any updates.
- ii. Capital budgets and any updates.
- iii. Quarterly results and its operating divisions or business segments.
- iv. Minutes of meetings of audit committee and other committees of the board of directors.
- v. The information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
- vi. Show cause, demand, prosecution notices and penalty notices, which are materially important.
- vii. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- viii. Any material default in financial obligations to and by the listed entity, or substantial non-payment for goods sold by the listed entity.
- ix. Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- x. Compliance of various laws by the Company.
- xi. Action taken report on matters desired by the Board.
- xii. Disclosure of interests made by directors to the Company.
- xiii. Quarterly report on Corporate Governance filed with the Stock Exchanges.
- xiv. Quarterly report on investors Grievance redressal filed with the Stock Exchanges. All other information required to be presented to the Board for information or approval.

- xv. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

3.2 Disclosure of Relationship between directors inter-se

None of the Directors of the Company are related inter-se. The power to appoint/nominate Directors on the Board of the company vests with President of India acting through Ministry of Railways.

3.3 Number of shares and convertible instruments held by non-executive directors

As disclosed by them, none of the Independent Director held any share of IRCTC during FY 2019-20.

3.4 Familiarization Programme/Training programme for Directors

As a practice, on the joining of a new Director on the Board, formal induction and orientation with respect to the Company's vision, mission, strategic direction, core values, financial matters and business operations is given through necessary documents/brochures, reports and internal policies including Annual reports, Memorandum and Articles of Association, MOUs between IRCTC and Ministry of Railways which help

them to familiarize with Company's procedures, practices and risk profile. This enables the directors to discharge their responsibilities in an effective manner.

The Company familiarizes the Independent Directors with the activities and functioning of the Company and their roles, rights and responsibilities in the Company, nature of the industry in which the company operates, business model of the Company etc. through various programmes and presentations. The details of such familiarization programmes are disclosed on the company's website <https://www.irctc.com/assets/images/DETAILS-OF-FAMILIARIZATION-PROGRAMMES-TO-IRCTC'S-BOARD-OF-DIRECTORS.pdf>.

3.5 Skills/ Expertise/ Competence identified by the Board of Directors as required in the context of the business:

IRCTC is 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 key qualifications required by the Board are in the field of Catering, Hospitality, Travel and Tourism, Marketing, Finance, etc.

Being a Government Company, the appointment of all the directors (Whole-Time/Government Nominee/ Independent Directors) is made by the President of India through Ministry of Railways. A table summarizing the key qualifications, skills, expertise and attributes of the Directors of IRCTC, as identified by Administrative Ministry i.e. Ministry of Railways, Government of India and/or Public Enterprises Selection Board (PESB) is placed below:

Sl. Category of director No.	Required expertise/skill
1. Whole-Time Directors i) Chairman & Managing Director	<p>Mandatory:</p> <p>The applicant should be a graduate with good academic record from a recognized University/ Institution.</p> <p>Desirable:</p> <p>Applicants with Technical/ MBA qualifications will have added advantage.</p> <p>Experience:</p> <p>Applicant should possess adequate experience at senior level of management in a large organization of repute.</p> <p>Applicants with experience in Hospitality / Tourism / IT / Finance /Marketing will have added advantage.</p> <p>Railway related experience in above areas would be an added advantage</p>



Sl. Category of director No.	Required expertise/skill
ii) Director (Finance)	<p>Mandatory:</p> <p>The applicant should be a Chartered Accountant or Cost Accountant or a full time MBA/PGDM with good academic record from a recognized University /Institution.</p> <p>Officers of Organized Group 'A' Accounts Services [i.e. Indian Audit and Accounts Service, Indian Defence Accounts Service, Indian Railway Accounts Service, Indian Civil Accounts Service, Indian P&T Accounts & Finance Service and Indian Cost Accounts Service] working in the appropriate level are exempted from these educational qualifications.</p> <p>Further, applicants from the Central Govt./Armed Forces of the Union/All India Services, will also be exempted from the educational qualifications as per (i) above provided the applicants have 'the relevant experience' as mentioned in Para 4(iii) below.</p> <p>In respect of applicants from Organized Group 'A' Accounts Services/Central Government/ Armed Forces of the Union/All India Services, Chartered Accountant/Cost Accountant/MBA/ PGDM will be a desirable educational qualification.</p> <p>Experience:</p> <p>The applicant should have at least five years of cumulative experience at a senior level during the last ten years, in various aspects of Corporate Financial Management and Accounts in an organization of repute.</p> <p>Applicants from Organized Group 'A' Accounts Services should have at least five years cumulative experience at a senior level during the last ten years in the area of Corporate Financial Management/Accounts.</p> <p>'The relevant experience' in respect of applicants from Central Government/Armed Forces of the Union/All India Services would include at least seven years of cumulative experience at a senior level during the last ten years in the area of Corporate Financial Management/Accounts.</p>
ii) Director (Tourism & Marketing)	<p>Mandatory:</p> <p>The applicant should be a graduate with good academic record from a recognized University/ Institute.</p> <p>Desirable:</p> <p>Applicants with Tourism/ Travel/ MBA qualifications will have added advantage.</p> <p>Experience:</p> <p>The applicant should have at least five years of cumulative experience in marketing/ business development in rail tourism/ travel/ hospitality sector during the last ten years in an organization of repute</p>
iii) Director (Catering Services)	<p>Mandatory:</p> <p>The applicant should be a graduate with good academic record from a recognized University/ Institution.</p> <p>Desirable:</p> <p>Applicants with Technical/ MBA qualifications will have added advantage.</p>

Sl. Category of director No.	Required expertise/skill
	<p>Experience:</p> <p>The applicant should have adequate experience at a senior level of management in an organization of repute, out of which at least five years during the last ten years should have been in Services and Hospitality Industry. Applicants with experience in management of rail catering services, management of transport and travel related business, on board services, F&B proven, ability in managing multidisciplinary teams, HRD and contract related activities will have added advantage.</p> <p>Experience in modern management techniques, use of information technology and ability of enhancing productivity through economies of scale, logistics management, procurement and inventory control and outsourcing is desirable.</p>
2. Government Nominee Directors (Part-time Official) Director (2 Directors)	As may be decided by the Government of India (Ministry of Railways)
3. Independent Directors (Part-time non-Official) Director (6 Directors)	As may be decided by the Government of India (Ministry of Railways)

List of core skills /expertise/competencies actually available with the Board:

All the members of the Board of the Company possess requisite skills, expertise and competencies required for assisting in effective and efficient functioning of the company.

3.6 Board Independence:

All the Independent Directors have given declaration that they meet the criteria of independence in accordance with the provisions of Section 149(7) of Companies Act, 2013, Schedule IV and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, the Independent Directors have requisite integrity, expertise, specialised knowledge, experience and the proficiency.

Further, none of the Directors are debarred from holding office as Director by virtue of any order of the Securities and Exchange Board of India or any other authority.

Detailed reasons for resignation of an independent director

None of the Independent Directors have resigned from the Company before the expiry of his/her tenure during the financial year 2019-20. The term of three independent directors, however, came to an end on 30th January, 2020. Ministry of Railways has been requested to expedite the action for filling up these vacancies of Independent directors.

4.0 COMMITTEES OF BOARD

To facilitate expeditious consideration and arriving at decisions with focused attention on the affairs of the company, the Board has delegated certain matters to Committees of the Board set up for that purpose. The details of Committees of Board are mentioned below:

1. Audit Committee;
2. Nomination & Remuneration Committee;
3. CSR and SD Committee;
4. Stakeholders Relationship/Grievance Committee
5. Risk Management Committee;
6. IPO Committee;
7. Investment Committee;
8. Executive Board Committee;
9. Administrative Committee;
10. Share Transfer Committee.

During the year, the Committees of Board of Directors as mentioned above have been reconstituted from time to time due to change in composition of the Board of Directors of the Company. The composition, quorum, terms of reference, etc. of the statutory committees are in line with the provisions of the Companies Act, 2013, SEBI (LoDR) Regulations, 2015 and Guidelines on Corporate Governance issued by Department of Public Enterprises, Govt. of India.



There was no instance during the year, where the Board had not accepted recommendation(s) of committee(s) of the board which is mandatorily required to be recommended by the committee(s) for the approval of the Board of Directors.

4.1 AUDIT COMMITTEE

a. Terms of reference:

The terms of reference of Audit Committee of the Company, in accordance with section 177 of Companies Act, 2013 read with Regulation 18 and part C of schedule II of SEBI (LODR) Regulation, 2015 are as under:

- (i) oversight of the Company (listed entity's) financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (ii) recommendation to the Board for remuneration of statutory auditors
- (iii) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (iv) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause ©of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by management;
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions;
 - g. modified opinion(s) in the draft audit report;
- (v) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (vi) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report

submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

- (vii) reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- (viii) approval or any subsequent modification of transactions of the listed entity with related parties;
- (ix) scrutiny of inter-corporate loans and investments;
- (x) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (xi) evaluation of internal financial controls and risk management systems;
- (xii) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (xiii) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xiv) discussion with internal auditors of any significant findings and follow up there on;
- (xv) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (xvi) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (xvii) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xviii) to review the functioning of the whistle blower mechanism;
- (xix) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (xx) carrying out any other function as is mentioned in the terms of reference of the audit committee.
- (xxi) reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary

exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date.

Review of Information by Audit Committee

The audit committee reviews the following information:

1. management discussion and analysis of financial condition and results of operations;
2. statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. management letters / letters of internal control weaknesses issued by the statutory auditors;
4. internal audit reports relating to internal control weaknesses;
5. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. statement of deviations:
 - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

b. Composition, Meetings and Attendance:

The Committee has been reconstituted as and when there has been a change in directors. During the year, the Committee was reconstituted on 31st January, 2020. As on 31st March, 2020, the Audit Committee comprised of the following members:

Sl. No.	Name of Directors	Position
1.	Shri Comal Ramachandran Sundaramurti Independent Director	Chairman
2.	Prof. Sachin Chaturvedi Independent Director	Member
3.	Ms. Sarita Deshpande Independent Director	Member
4.	Shri Neeraj Sharma Part-time Government Director	Member

The Audit Committee met 3 (three) times during the financial year 2019-20. As per Companies Act, DPE's Guidelines on Corporate Governance and SEBI LODR, not more than 120 days was elapsed between two consecutive meetings during the year.

The details of Audit Committee Meeting held during the year 2019-20 are given below:

Sl. No.	Audit Committee Meeting Number	Date of Meeting	Committee Strength	No. of Members present
1.	51st	26th July, 2019	4	3
2.	52nd	13th November, 2019	4	4
3.	53rd	12th February, 2020	4	3
4.	54th*	30th March, 2020*	4	-

*54th Meeting of Audit Committee was scheduled to be held on 30th March, 2020 but got deferred due to nationwide lockdown in wake of Covid-19.

Attendance of each member at the Audit Committee meetings held during 2019-20 is as under:

Sl. No.	Name of Members	Position	Number of Meetings		% of Attendance of Board Meeting	
			Held during the tenure of Director	Attended		
				In person		Through video conferencing
1.	Dr. Rabi Narayan Bohidar	Chairman (upto 30.01.2020)	2	2	0	100%
2.	Shri C.R Sundaramurti	Chairman (w.e.f 31.01.2020)	3	3	0	100%
3.	Prof. Sachin Chaturvedi	Member (w.e.f 31.01.2020)	1	0	0	0
4.	Ms. Sarita Deshpande	Member (w.e.f 31.01.2020)	1	1	0	100%
5.	Shri Neeraj Sharma	Member (w.e.f 31.01.2020)	1	1	0	100%
6.	Smt. Kanak Aggarwal	Member (upto 30.01.2020)	2	2	0	100%
7.	Dr. Dheeraj Sharma	Member (upto 30.01.2020)	2	1	0	50%



Director (Finance) and CFO are permanent invitee to the meetings of Audit Committee.

The meetings are also attended by GGM (Finance), Internal Auditor, representative of Statutory Auditors/Cost Auditors as special invitees, as and when required. Senior functional executives are also invited subject to their requirement to provide necessary inputs to the Ccommittee.

All the recommendations of the Audit Committee were accepted by Board of Directors during 2019-20.

Mrs. Suman Kalra, Company Secretary & Compliance Officer is the Secretary to the Committee.

4.2 NOMINATION AND REMUNERATION COMMITTEE

As per Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015, the Company is required to constitute the Nomination and Remuneration committee. However, MCA vide its notification dated 05.06.2015 have exempted Government Companies from applicability of Section 178 (2), (3), & (4) of the Act which deals with appointment, remuneration and evaluation of performance of directors etc. Similar exemption from SEBI for applicability of Regulation 19 is still awaited.

IRCTC has constituted the Nomination and Remuneration Committee (NRC) to review and approve pay and allowances including Performance Related Payments (PRP) payable to Board level and below Board level executives within the framework of the DPE Guidelines. As per the DPE Guidelines, the perquisites/PRP being paid to the employees of the Company are extendable to the functional directors.

a. Terms of reference:

The role of the nomination and remuneration committee, inter-alia, is as under:

- To identify persons who may be appointed in senior management[#] in accordance with the criteria laid down, recommend to the Board, their appointment and removal.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.
- Deciding the Annual Bonus/ Variable pay pool/ Performance related pay and policy for its distribution across the executives and non-unionized supervisors, within the prescribed limits and as per the guidelines issued in this regard by the Government of India.
- Formulation and modification of schemes for providing perks and allowances for executives;

- Any new scheme of compensation to executives and non-executives as the case may be;
- Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, or
 - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003; and
- Perform such other activities as may be delegated by the Board and/or are statutorily prescribed under the Companies Act, 2013, SEBI Regulations and DPE Guidelines or any other law in force.

[#] Applicable only w.r.t appointment of senior management. "Senior Management" shall mean officers /personnel of the Company who are members of its core management team excluding Board of Directors and shall include all members one level below the Chief Executive Officer / Managing Director / Whole time director / Manager (including CEO / Manager, in case they are not part of the board) and specifically includes Company Secretary and Chief Financial Officer (CFO) (below the Board level) and the functional heads.

b. Composition, Meeting & Attendance:

The Committee has been reconstituted as and when there has been a change in directors. During the year, the Committee was reconstituted on 31st January, 2020. As on 31st March, 2020, the Nomination and Remuneration Committee comprised of the following members:

Sl. No.	Name of Directors	Position
1.	Shri Comal Ramachandran Sundaramurti Independent Director	Chairman
2.	Prof. Sachin Chaturvedi Independent Director	Member
3.	Ms. Sarita Deshpande Independent Director	Member
4.	Shri Neeraj Sharma Part-time Government Director	Member

Mrs. Suman Kalra, Company Secretary & Compliance Officer is the Secretary to the Committee.

GGM (HRD) is permanent invitee to the Meeting of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee met 3 (Three) times during the financial year 2019-20. The details of which are given below:

Sl. No. Committee Meeting Number	Date of Meeting	Committee Strength	No. of Members present
1. 15th	25th July, 2019	4	4
2. 16th	24th September, 2019	4	3
3. 17th	28th January, 2020	4	4

The details of the meetings of the committee held during the financial year 2019-20 and attendance by the members are as under:

Sl. No.	Name of Members	Position	Number of Meetings			% of Attendance of Board Meeting
			Held during the tenure of Director	Attended		
				In person	Through video conferencing	
1.	Dr. Dheeraj Sharma	Chairman (upto 30.01.2020)	3	2	1	100%
2.	Dr. Rabi Narayan Bohidar	Member (upto 30.01.2020)	3	3	0	100%
3.	Smt. Kanak Aggarwal	Member (upto 30.01.2020)	3	2	0	67%
4.	Shri C.R Sundaramurti	Chairman (w.e.f 31.01.2020)	3	3	0	100%
5.	Prof. Sachin Chaturvedi	Member (w.e.f 31.01.2020)	0	0	0	-
6.	Ms. Sarita Deshpande	Member (w.e.f 31.01.2020)	0	0	0	-
7.	Shri Neeraj Sharma	Member (w.e.f 31.01.2020)	0	0	0	-

c. Remuneration to whole time Directors and KMPs :

Being a Central Public Sector Undertaking and Government Company, the whole-time directors are appointed by the President of India through the Ministry of Railways and draw remuneration as per Industrial Dearness Allowance (IDA) pay scales pre-determined by the Government and as per the terms and conditions of their appointment issued by the Government.

The details of remuneration paid to Key Managerial Personnel (KMPs) of the Company during the financial year 2019-20 are given below:

(in ₹)

Sl. No.	Name of Directors	Salary	Perks	Other Benefits	Performance Award	Contribution to PF	Contribution to NPS/ FSC	Total
1.	Shri Mahendra Pratap Mall Chairman & Managing Director	46,04,037	0	4,41,765	18,49,599	3,44,332	2,86,943	75,26,676
2.	Shri Sriram Venkatachalam Director (Catering Services) (up to 30.06.2019)	29,76,949	0	38,000	18,71,008	81,678	68,067	50,35,702
3.	Smt. Rajni Hasija Director (Tourism & Marketing)	36,72,338	9,21,798	2,94,428	0	3,36,891	2,80,744	55,06,199
4.	Smt. Suman Kalra Company Secretary & Compliance Officer	18,78,240	4,35,971	0	5,44,006	1,72,305	1,43,586	31,74,108
5.	Shri Ajai Sirivastava GGM (Finance) & CFO	25,62,822	6,97,990	1,20,000	1,90,000	1,57,225	0	37,28,037
	Total	1,56,94,386	20,55,759	8,94,193	44,54,613	10,92,431	7,79,340	2,49,70,722

**d. Remuneration to Government nominee Directors:**

The Government nominee Directors nominated on the Board by Ministry of Railways, do not draw any remuneration from the Company for their role as director, but draw their remuneration under Central Dearness Allowance (CDA) pay scales from the Government of India as government officials.

e. Remuneration of Independent Directors:

The independent Directors are not paid any remuneration except sitting fees of ₹ 15,000/- for attending each meeting of the Board or Committee thereof as fixed by Board which is within the limits prescribed under the Companies Act, 2013 and rules thereunder. The details of sitting fee paid to Independent directors during the year 2019-20 are given below:

S. No.	Name of Independent Director	Sitting fee*		Total
		Board Meetings	Committee Meetings	
1.	Dr. Rabi Narayan Bohidar Independent Director	75,000	1,35,000	2,10,000
2.	Dr. Dheeraj Sharma Independent Director	90,000	1,65,000	2,55,000
3.	Smt. Kanak Aggarwal Independent Director	75,000	75,000	1,50,000
4.	Prof. Sachin Chaturvedi Independent Director	60,000	75,000	1,35,000
5.	Shri Comal Ramachandran Sundaramurti Independent Director	90,000	1,05,000	1,95,000
6.	Ms. Sarita Deshpande Independent Director	1,20,000	1,20,000	2,40,000
	Total	5,10,000	6,75,000	11,85,000

(in ₹)

*In addition to sitting fee, Independent Directors are also reimbursed boarding/lodging/conveyance expenses incurred for attending meetings of the Board/Committees.

4.3 STAKEHOLDERS RELATIONSHIP/ GRIEVANCE COMMITTEE:**a. Terms of Reference:**

The role of the Stakeholders Relationship/Grievance Committee as specified as in Part D of the Schedule II of SEBI (LODR) Regulations, 2015, is as under:

- Resolving the grievances of the security holders of IRCTC including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by IRCTC in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by IRCTC for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

b. Composition, Meeting & Attendance:

The Committee has been reconstituted as and when there has been a change in directors. During the year, the Committee was reconstituted on 31st January, 2020. As on 31st March, 2020, the Stakeholders Relationship / Grievance Committee comprised of the following members:

Sl. No.	Name of Directors	Position
1.	Prof. Sachin Chaturvedi Independent Director	Chairman
2.	Ms. Sarita Deshpande Independent Director	Member
3.	Smt. Rajni Hasija Director (Tourism & Marketing)	Member

Mrs. Suman Kalra, Company Secretary & Compliance Officer is the Secretary to the Committee.

The Committee met once during the year 2019-20. The details of which are given below

Sl. Stakeholders Relationship / Grievance No. Committee Meeting Number	Date of Meeting	Committee Strength	No. of Members present
1. 1st	19th March, 2020	3	3

The details of the meetings of the Committee held and attendance by the members are as under:

Sl. Members No.	Position	Number of Meetings			% of Attendance of Board Meeting
		Held during the tenure of Director	Attended		
In person	Through video conferencing				
1. Prof. Sachin Chaturvedi Independent Director	Chairman (w.e.f 31.01.2020)	1	1	-	100%
2. Ms. Sarita Deshpande Independent Director	Member (w.e.f 31.01.2020)	1	1	-	100%
3. Smt. Rajni Hasija Director (Tourism & Marketing)	Member	1	1	-	100%

c. Redressal of Investors' Grievance:

The Company addresses all complaints, suggestions and grievances of the investors expeditiously and resolves them within specified timeline.

No request for share transfer is pending beyond 30 days. All requests for de-materialization of shares processed and confirmation communicated to investors and Depository Participants normally within 10-12 working days by RTA.

During the year, 21 complaints, including non-receipt of dividend/IPO, were received from the shareholders.

d. Settlement of Grievances:

Investors may register their complaints in the manner stated below:

Sl. Nature of Complaint No.	Contact	Action to be taken
1. Dividend for financial years 2019-20 (interim Dividend) and matters pertaining to IPO; For Physical Shares- Change of address, status, Bank account, mandate, ECS mandate etc.	Alankit Assignment Limited Address: 4E/2, Alankit House, Jhandewalan Extension near Jhandewalan Metro Station New Delhi-110055 Email Id: rta@alankit.com Phone Number: 011-42541234 rta@alankit.com and jksingla@alankit.com	Letter on plain paper stating the nature of complaint and shall mention Folio/ DPID/ Client ID No; lodging of original shares and other documents/ instruments as the case may be.
2. For shares held in Demat- Change of address, status, Bank account, mandate, ECS mandate etc.	Depository Participant (DP) with the Shareholder is maintaining his/her account.	As per instructions of respective DP.
3. Complaints of any other category	Company Secretary Indian Railway Catering and Tourism Corporation Limited. Phone: 011-23327746 investors@irctc.com	On plain paper stating nature of complaint, folio/DPID/Client ID No., Name and address, email ID and contact details.



4.4 CSR AND SD COMMITTEE

a. Terms of Reference:

The Terms of Reference of CSR&SD Committee is placed below:

- To formulate and recommend to the Board, a CSR policy which will indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities referred to in clause (i);
- To monitor the CSR policy of the Company from time to time;
- To recommend/review CSR projects / programmes / proposals, falling within the purview of Schedule VII of the Companies Act, 2013;
- To assist the Board of Directors to formulate strategies on CSR initiatives of the Company;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

b. Composition, Meeting & Attendance:

The Committee has been reconstituted as and when there has been a change in directors. During the year, the Committee was reconstituted on 31st January, 2020. As on 31st March, 2020, the CSR & SD Committee comprised of the following members:

Sl. No.	Name of Directors	Position
1.	Shri Mahendra Pratap Mall Chairman & Managing Director	Chairman
2.	Shri Neeraj Sharma Part-time Government Director	Member
3.	Prof. Sachin Chaturvedi Independent Director	Member
4.	Ms. Sarita Deshpande Independent Director	Member

Mrs. Suman Kalra, Company Secretary & Compliance Officer is the Secretary to the Committee.

Mr. Anoop Srivastava, GGM (Security), being the nodal officer of the CSR & SD Committee is permanent invitee to the meetings of the Committee.

The Committee met 3 (Three) times during the year 2019-20. The details of which are given below:

Sl. No.	CSR & SD Committee Meeting Number	Date of Meeting	Committee Strength	No. of Members present
1.	26th	25th July, 2019	6	6
2.	27th	13th November, 2019	5	4
3.	28th	28th January, 2020	6	5

The details of the meetings of the Committee held and attendance by the members are as under:

Sl. Members No.	Position	Number of Meetings			% of Attendance of Board Meeting
		Held during the tenure of Director	Attended		
			In person	Through video conferencing	
1. Shri Mahendra Pratap Mall Chairman & Managing Director	Chairman	3	3	-	100%
2. Smt. Smita Rawat Part-time Government Director	Member (up to 10.10.2019)	1	1	-	100%
3. Dr. Rabi Narayan Bohidar Independent Director	Member (up to 30.01.2020)	3	3	-	100%

Sl. Members No.	Position	Number of Meetings			% of Attendance of Board Meeting
		Held during the tenure of Director	Attended		
			In person	Through video conferencing	
4. Dr. Dheeraj Sharma Independent Director	Member (up to 30.01.2020)	3	2	1	100%
5. Prof. Sachin Chaturvedi Independent Director	Member	3	1	-	33.33%
6. Ms. Sarita Deshpande Independent Director	Member	3	3	-	100%
7. Shri Neeraj Sharma Part-time Government Director	Member (w.e.f 13.11.2019)	1	1	-	100%

4.5 Risk Management Committee:

a. Terms of Reference:

The Terms of Reference of Risk Management Committee, in brief, is mentioned below:

- Ensure compliance with Risk Management Policy.
- Review adequacy and effectiveness of business risk management
- Review the organization wide risk portfolio and consider it against the risk appetite.
- Define the risk appetite for the company. Advice business units / support functions on risk initiatives.
- Review and approve changes in the risk appetite of the company.
- Suggest improvements to risk management techniques and lift management awareness.
- Provide quarterly updates to Board through the Audit Committee on the current risk management procedures and status of key risks.
- Monitor emerging issues and share best practices.
- Monitor business risk reporting
- Ensure communication of policies and standards to successive levels of management
- Consideration of any other item which may be delegated in this regard by the Board of Directors.
- Any other role assigned for the Committee due to changes/modification in the Companies Act. 2013, SEBI Regulations and DPE Guidelines

b. Composition, Meeting & Attendance:

As on 31st March, 2020, the Risk Management Committee comprised the following members:

Sl. No.	Name of Directors	Position
1.	Shri Mahendra Pratap Mall Chairman & Managing Director	Chairman
2.	Smt. Rajni Hasija Director (Tourism & Marketing)	Member
3.	Shri Neeraj Sharma Part-time Government Director	Member
4.	Prof. Sachin Chaturvedi Independent Director	Member
5.	Ms. Sarita Deshpande Independent Director	Member

Shri Anoop Srivastava, GGM (Security) as Chief Risk Officer and Law Officer are permanent invitees to the meetings of the Committee.

Mrs. Suman Kalra, Company Secretary & Compliance Officer is the Secretary to the Committee.

The Committee met 3 (Three) times during the year 2019-20. The details of which are given below:

Sl. No.	Risk Management Committee Meeting Number	Date of Meeting	Committee Strength	No. of Members present
1.	6th	25th July, 2019	5	5
2.	7th	13th November, 2019	6	4
3.	8th	28th January, 2020	6	5

The details of the meetings of the Committee held and attendance by the members are as under:

Sl. Members No.	Position	Number of Meetings			% of Attendance of Board Meeting
		Held during the tenure of Director	In person	Through video conferencing	
1. Shri Mahendra Pratap Mall Chairman & Managing Director	Chairman	3	3	-	100%
2. Smt. Rajni Hasija Director (Tourism & Marketing)	Member	3	3	-	100%
3. Shri Neeraj Sharma Part-time Government Director	Member	3	1	-	33.33%
4. Dr. Dheeraj Sharma Independent Director	Member (up to 30.01.2020)	3	2	1	100%
5. Prof. Sachin Chaturvedi Independent Director	Member	3	2	-	66.67%
6. Ms. Sarita Deshpande Independent Director	Member (from 26.07.2019)	2	2	-	100%

5.0 OTHER FUNCTIONAL COMMITTEES:

5.1 IPO Committee

The IPO Committee of IRCTC comprising of Chairman & Managing Director, Director (Finance) and Director (Catering Services), Director (Tourism & Marketing) & Smt. Kanak Aggarwal, Independent Director was constituted by the Board in its 87th Board meeting held on 28th July, 2017 to take speedy decisions w.r.t. matters related to IPO of the Company on behalf of the Board of Directors as per approved terms & reference of the committee.

The IPO Committee met 2 (two) times during the financial year 2019-20 on 28th August, 2019 and 10th October, 2019. The meetings were attended by the members of the Committee as per requisite quorum for the meeting.

Mrs. Suman Kalra, Company Secretary & Compliance Officer is the Secretary to the Committee.

5.2 Investment Committee

In accordance with DPE guidelines, the Investment Committee of IRCTC has been constituted to take investment decisions for short-term deployment of surplus funds as per financial delegation(s) of power for this purpose. The decisions taken by the Committee are put up to the Board of Directors for information.

The Committee consists of Chairman & Managing Director, Director (Finance) and Director (Catering Services). The meetings of the committee are held as and when required, and are attended by all the members.

5.3 Executive Board Committee

The Committee of Executive Board has been constituted to prepare and draft the policy (ies) of recruitment, absorption and channels of promotion in IRCTC for employees up to E-6 and other issues including new ventures, growth of business segments, operational performance of the Company for the purpose of internal analysis etc.

The Committee consists of Chairman & Managing Director, Director (Finance), Director (Tourism & Marketing) and Director (Catering Services).

The Executive Board met 9 (Nine) times during the financial year 2019-20 on 2nd May, 2019, 20th June, 2019, 26th June, 2019, 28th June, 2019, 6th August, 2019, 3rd October, 2019, 31st October, 2019, 29th November, 2019, 19th February, 2020. The meetings were attended by all the members of the Committee.

Mrs. Suman Kalra, Company Secretary & Compliance Officer is the Secretary to the Committee.

Senior functional executives are also invited to attend the meetings of the Executive Board, as and when required.

5.4 Administrative Committee

The Administrative Committee has been constituted to deal with the matters related to approvals for opening and closing of Bank Accounts; approaching the financial institutions for seeking working capital facilities for the Company's projects; and matters including authorizing the officials for registration with Excise, Income tax and other applicable authorities and signing and executing documents on behalf of the company.

The Committee comprises of Chairman & Managing Director, Director (Finance), Director (Tourism & Marketing) and Director (Catering Services).

Mrs. Suman Kalra, Company Secretary & Compliance Officer is the Secretary to the Committee.

During the financial year 2019-20, 5 (Five) meeting of Administrative Committee were held on 25th June, 2019, 20th September, 2019, 19th December, 2019, 25th February, 2020, 27th February, 2020 and all members of the Committee attended the meeting.

Directors of the Companies Act, 2013, and DPE Guidelines, a separate meeting of Independent Directors was held on 28th January, 2020.

All the Independent Directors attended the said Meeting and the minutes of the meeting were put up to the Board of Directors.

6.1 Performance Evaluation of Board Members:

Ministry of Corporate Affairs (MCA) vide its circular dated June 5, 2015 has exempted Government Companies from the provisions of section 178(2) of the Companies Act, 2013, which requires performance evaluation of every director by the Nomination & Remuneration Committee. The circular further exempted Govt. Companies from the provisions of Section 134 (3) (p) of Companies Act 2013, which provide about manner of formal evaluation of its own performance by the Board and that of its Committees and Individual Director in Board's Report, if directors are evaluated by the Ministry which is administratively in-charge of the Company as per its own evaluation methodology.

Details on the above-mentioned have been produced under para no. 14 of the Directors Report.

6.0 SEPARATE MEETING OF INDEPENDENT DIRECTORS:

In terms of provisions mentioned under SEBI (LODR) Regulations, 2015, Section 149 and Code of Independent

7.0 GENERAL BODY MEETINGS

Annual General Meeting (AGM)

Details of last three Annual General Meetings (AGM) of the company are as under:

AGM	Financial Year	Date	Day	Time	Location	Whether any Special Resolution Passed
18th	2016-17	20.09.2017	Thursday	1100 Hrs.	Committee Room (Room No.237), 2nd Floor, Rail Bhawan, New Delhi - 110001	No
19th	2017-18	27.09.2018	Thursday	1500 Hrs.	Committee Room (Room No.237), 2nd Floor, Rail Bhawan, New Delhi - 110001	Yes i. To approve amendment in object clause of Memorandum of Association of the Company. ii. To adopt the new set of Articles of Association of the Company.
20th	2018-19	28.08.2019	Wednesday	1630 Hrs.	Committee Room (Room No.237), 2nd Floor, Rail Bhawan, New Delhi - 110001	Yes i. To alter the objects clause of MoA



7.1 Postal ballot

No Special Resolution was passed through Postal Ballot during 2019-20 for the approval of shareholders.

8.0 MEANS OF COMMUNICATION

The Company communicates with its stakeholders through Annual Reports, Quarterly/ Annual Financial Results, News Releases, Presentations etc. and disclosures made on the Company's website i.e. www.irctc.com from time to time.

• Annual Reports

The Annual Report containing, inter-alia, Audited Financial Statements, Board's Report, Auditor's Report, and other important information is circulated to members and others entitled thereto. The Company's Annual Report is also available in downloadable form on the Company's website i.e. www.irctc.com

- **Quarterly/ Annual Financial Results:** The Company regularly intimates un-audited as well as audited financial results to the Stock Exchanges, immediately after approval of Board in accordance with the time frame specified in SEBI LODR. The results are also hosted on the website of the Company www.irctc.com for wider circulation.
- **Newspaper publication:** These financial results as mentioned are normally published in the leading English and vernacular newspapers having nationwide circulation. During 2019-20, quarterly results have been published as follows:

Quarter	Date of Publication	Newspaper edition
Q2 and half year ended 30th September 2019	15th November, 2019	Financial Express (English version), Indian Express (English version), Jansatta (Hindi version)
Q3 and nine months ended 31st December 2019	14th February, 2020	Financial Express (English version), Indian Express (English version), Jansatta (Hindi version)
Q4 and year ended 31st March 2020	11th July, 2020	Financial Express (English version), Indian Express (English version), Jansatta (Hindi version)

Website: The Company's website www.irctc.com contains separate dedicated section 'Investor Relations' where the information for shareholders is available. Full Annual Report, Shareholding Pattern, Policies, MOUs and Corporate Governance Report etc. are also available on the website. Information, latest updates and announcements regarding the Company can be accessed at company's website as mentioned below:

- Quarterly/ Half-yearly/ Annual Financial Results
- Quarterly Shareholding Pattern
- Quarterly Corporate Governance Report
- Transcripts of conferences with analysts
- Intimations made to the Stock Exchanges from time to time.
- E - mail ID of the Company Secretary and Compliance Officer and RTA exclusively for the purpose of registering complaints by investors has been displayed on the website under the head "Investor Relations - Investor Contact."
- **NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web-based application designed by NSE for corporates. All periodical/ event based compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are filed electronically on NEAPS.
- **BSE Corporate Compliance & Listing Centre ("Listing Centre"):** BSE's Listing Centre is a web-based application designed for corporates. All periodical/ event based compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are filed electronically on the Listing Centre.
- **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralised web-based complaints redressal system. The salient features of this system are: centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

9.0 GENERAL INFORMATION FOR SHAREHOLDERS

a. Annual General Meeting of the Current Year:

Day: **Tuesday**

Date: **27th October, 2020**

Time: **11:30 A.M.**

Venue: **Through Video Conferencing/ Other Audio Visual Means (VC/OAVM) as per MCA circular dated May 5, 2020.**

b. Financial Year:

The Company's Financial Year is from 1st April to 31st March.

c. Book Closure:

The register of members and share transfer books of the Company will remain closed from Wednesday, the 21st day of October 2020 to Tuesday, the 27th day of October 2020 (both days inclusive).

d. Dividend Distribution Policy:

The Company has a Dividend Distribution policy approved by its Board of Directors. The objective behind the policy is to broadly specify the parameters that shall be considered while declaring dividend and the circumstances under which shareholders of the Company may/ may not expect dividend and how the retained earnings shall be utilized. As per the requirement of Regulation 43A of SEBI (LODR) Regulations, 2015, the policy is uploaded on the Company's website at link, [https://irctc.com/assets/images/IRCTC_DIVIDEND%20](https://irctc.com/assets/images/IRCTC_DIVIDEND%20POLICY_31.07.2019.pdf)

[DISTRIBUTION%20POLICY_31.07.2019.pdf](#) and is annexed to the Board's Report at **Annexure-D**.

e. Payment of Dividend:

The Company had paid an interim dividend of ₹ 10 per equity share in March, 2019. In addition to above, the Board of Directors of the Company has recommended a final dividend of ₹ 2.50/- per equity share for the financial year 2019-20. Accordingly, the total dividend for the year comes to ₹ 12.50/- per equity share, if the final dividend is approved by the shareholders in General Meeting.

In respect of physical shares, the final dividend will be paid to the members or their mandates, whose names appearing the Register of Members of the Company on Tuesday, 20th October, 2020. In respect of dematerialized shares, the final dividend will be payable to the "beneficial owners" of the shares whose names appear in the Statement of Beneficial Ownership provided by National Securities Depository Limited and Central Depository Services (India) Limited as at the close of business hours on 20th October, 2020. Final Dividend may be paid within a period of 30 days of AGM.

f. Dividend History:

Financial Year	Total paid-up capital (₹ in Crores)	Total amount of Dividend paid (₹ in Crores)	Date of Board Meeting/ AGM in which Dividend was declared	Interim / Final
2009-10	20.00	4.00 (₹ 2.00 per share)	24th November, 2009	Interim
		8.61 (₹ 4.305 per share)	28th September, 2010	Final
2010-11	20.00	12.16 (₹ 6.08 per share)	22nd September, 2011	Final
2011-12	20.00	4.00 (₹ 2.00 per share)	29th March, 2012	Interim
		5.71 (₹ 2.855 per share)	27th September, 2012	Final
2012-13	20.00	11.77 (₹ 5.885 per share)	27th September, 2013	Final
2013-14	20.00	14.40 (₹ 7.20 per share)	11th September, 2014	Final
2014-15	20.00	26.13 (₹ 13.065 per share)	18th September, 2015	Final
2015-16	40.00	75.45 (₹ 37.725 per share)	27th September, 2016	Final
2016-17	40.00	37.50 (₹ 9.375 per share)	10th March, 2017	Interim
		47.18 (₹ 11.795 per share)	20th September, 2017	Final
2017-18	160.00	88.81 (₹ 22.202 per share)	27th September, 2018	Final
2018-19	160.00	60.00 (₹ 3.75 per share)	20th December, 2018	Interim
		62.37 (₹ 3.898 per share)	28th August, 2019	Final



10.0 Listing on Stock Exchanges

The Company got listed on October 14, 2019 on the following Stock Exchanges.

BSE Limited	National Stock Exchange of India Limited
Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	Address: Exchange Plaza, Plot No. C/1, G Block, BandraKurla Complex, Bandra (East), Mumbai – 400 051
Scrip Code: 542830	Symbol: IRCTC
ISIN : INE335Y01012	ISIN : INE335Y01012

The payment of annual listing fee for the Financial Year 2019-20 has been paid to National Stock Exchange of India Limited and BSE Ltd. Custodian Fee to NSDL and CDSL for Company's equity, bearing the code INE335Y01012, has also been paid for the Financial Year 2019-20.

a. IRCTC's Market Price Data and performance in comparison to indices:

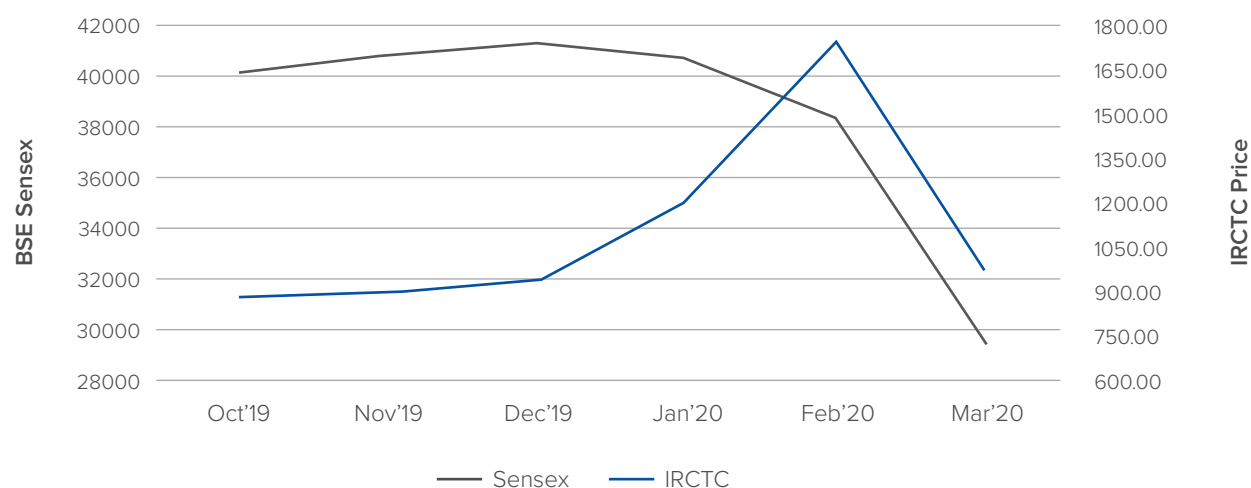
Comparison of IRCTC share price (from 14.10.2019 i.e. date of listing) with BSE Sensex and NSE Nifty is given below:

i. BSE Sensex and IRCTC Share Price

Month	BSE SENSEX			IRCTC Share Price at BSE		
	High	Low	Close	High (₹)	Low (₹)	Close (₹)
Oct-19	40,392.22	37,415.83	40,129.05	953.65	625.00	882.20
Nov-19	41,163.79	40,014.23	40,793.81	981.35	871.25	897.10
Dec-19	41,809.96	40,135.37	41,253.74	954.80	855.70	934.00
Jan-20	42,273.87	40,476.55	40,723.49	1,234.65	887.40	1,212.00
Feb-20	41,709.30	38,219.97	38,297.29	1,995.00	1,166.00	1,744.65
Mar-20	39,083.17	25,638.90	29,468.49	1,869.15	774.85	982.40

ii. Performance of IRCTC Share price in comparison to BSE SENSEX:

BSE Sensex and IRCTC Share Price

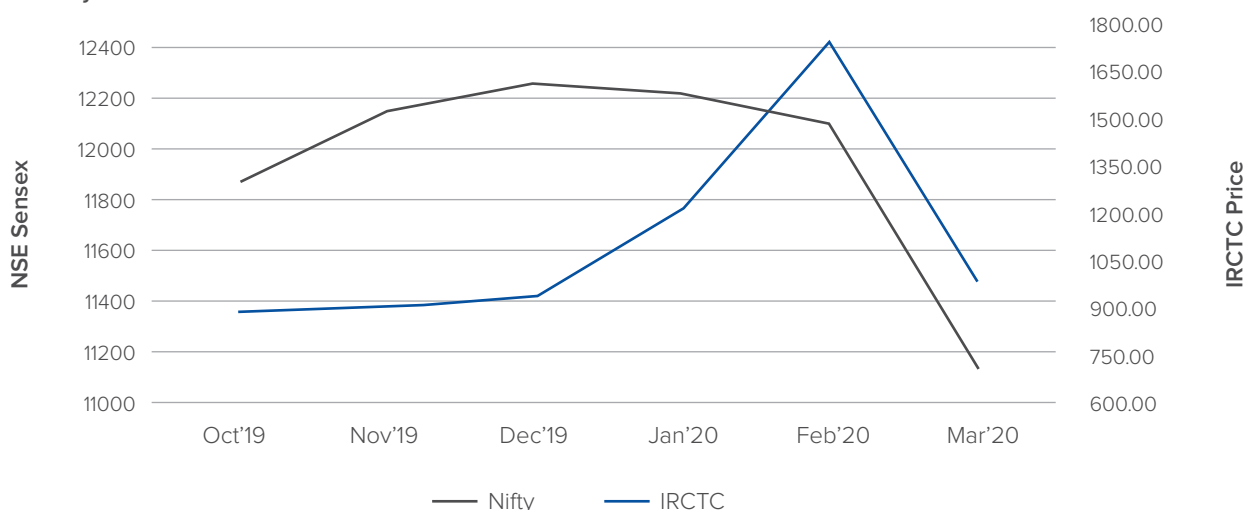


iii. NSE NIFTY and IRCTC Share Price

Month	NSE NIFTY			IRCTC Share Price at NSE		
	High	Low	Close	High (₹)	Low (₹)	Close (₹)
Oct-19	11,945.00	11,090.15	11,877.45	953.50	625.00	881.70
Nov-19	12,158.80	11,802.65	12,151.15	980.90	871.30	897.25
Dec-19	12,293.90	11,832.30	12,271.80	954.70	855.30	933.45
Jan-20	12,430.50	11,929.60	12,224.55	1,235.00	886.30	1,210.30
Feb-20	12,246.70	11,175.05	12,113.45	1,994.00	1,168.20	1,743.80
Mar-20	11,433.00	7,511.10	11,132.75	1,873.70	774.65	982.55

iv. Performance of IRCTC Share price in comparison to NSE NIFTY:

NSE Nifty and IRCTC Share Price



b. The Company's securities have not been suspended from trading, during 2019-20.

c. Registrar and Transfer Agent for Shares:

Alankit Assignment Limited
 Address: 4E/2, Alankit House, Jhandewalan Extension
 Near Jhandewalan Metro Station
 New Delhi-110055
 Email Id: rta@alankit.com
 Phone Number: 011-42541234

d. Share Transfer System:

Alankit Assignments Limited is the Registrar and Share Transfer Agent (RTA) of the Company. The transfer of shares received in physical form is overseen by RTA along with the shares received for transfer, transmission, and dematerialization etc. The shares for transfer received in physical form are transferred within the prescribed timelines, provided the documents are complete and the share transfer is not under any dispute.

The request received for re-materialization, consolidation and issue of duplicate shares are overseen by Committee

for Issue of share certificate. A summary of transfer/ transmission of securities so reviewed are placed at Board Meetings along with minutes of the Committee for issue of share certificate. The share certificates duly endorsed are sent to the shareholders by RTA. Confirmation in respect to the requests for dematerialization of shares is sent to the respective depositories i.e. NSDL and CDSL, expeditiously.

With a view to further expedite the process of transfer and transmission of shares in physical mode, the Board of Directors has authorized the Share Transfer Agent to attend to the transfer/ transmission requests received from the shareholders.

Pursuant to the Regulation 40 (10) of SEBI (LoDR) Regulations, 2015, Certificates on half yearly basis confirming due compliance of share transfer formalities by the Company, Certificate for timely dematerialization of the shares as per SEBI (Depositories and Participants) Regulations, 2018 are sent to the stock exchanges.

In addition, a Reconciliation of Share Capital Audit confirming that the total issued capital of the Company is in agreement



with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL, is placed before the Board on a quarterly basis. A copy of the Reconciliation of Share Capital Audit is submitted to the stock exchanges.

e. Distribution of Shareholding as on March 31, 2020

i) Distribution of IRCTC's shares according to size of holding as on March 31, 2020:

Category	No. of Shareholders			% of holder	No. of Shares			% of Share Holding
	Ph. Holders	Demat holders	Total holder		Ph. Shares	Demat shares	Total holding	
1 to 500	3	338058	338061	99.38	207	9351768	9351975	5.85
501 to 1000	0	1278	1278	0.38	0	925129	925129	0.58
1001 to 2000	0	467	467	0.14	0	670911	670911	0.42
2001 to 3000	0	102	102	0.03	0	252463	252463	0.16
3001 to 4000	0	42	42	0.01	0	145259	145259	0.09
4001 to 5000	0	40	40	0.01	0	181374	181374	0.11
5001 to 10000	0	79	79	0.02	0	548302	548302	0.34
10001 to Above*	0	94	94	0.03	0	147924587	147924587	92.45
Total	3	340160	340163	100	207	159999793	160000000	100

*Includes President of India holding of 139840000 equity shares

ii) Shareholding Pattern as on March 31, 2020:

Category	No. of Shareholders	Total No. of Shares	% of shareholding
President of India	1	139840000	87.40
Mutual Funds	15	3278108	2.05
Alternate Investment Funds	4	74403	0.05
Foreign Portfolio Investors	32	2727505	1.70
Financial Institutions/ Banks	2	155485	0.10
Insurance Companies	8	87422	0.05
Resident Individuals	331644	11277572	7.05
Non- Resident Indians	2477	356245	0.22
Clearing Members	333	616595	0.39
Bodies Corporate	609	1120756	0.70
Trusts	3	67274	0.04
Employees	268	58103	0.04
Resident HUF	3838	276024	0.17
Non Resident Non Repatriates	927	64508	0.04
Total	3,40,161	16,00,00,000	100

iii) Top 10 Shareholders as on March 31, 2020:

Category	Total No. of Shares	% of shareholding
President of India	139840000	87.40
Canara Robeco Mutual Fund A/C Canara Robeco Conservative Hybrid Fund	968872	0.60
Reliance Capital Trustee Co Ltd-A/C	903389	0.56
Fidelity Funds - India Focus Fund	788683	0.49
Kuwait Investment Authority Fund 227	744250	0.47
Sundaram Mutual Fund A/C Sundaram small Cap Fund	521747	0.33
Pinebridge Global Funds - Pinebridge India Equity Fund	496278	0.31
Principal Midcap fund	252712	0.16
Itpl - Invesco India Tax Plan	210541	0.13
Angel Broking Limited	176961	0.11
Total	144903433	90.56

Note: Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholders.

iv) Geographical Distribution of Shareholders as on 31st March, 2020:

City Name	No of Folios/ holders	% age	Holding	% age
New Delhi*	19443	5.62	140751771	87.97
Mumbai	46029	13.30	9440279	5.89
Chennai	8714	2.52	487358	0.30
Calcutta	10199	2.95	501889	0.31
Ahmedabad	9886	2.86	429593	0.27
Bangalore	13911	4.02	809730	0.51
Pune	13306	3.84	448303	0.28
Hyderabad	10101	2.92	404172	0.25
Other Cities	214340	61.97	6726905	4.22
Total	345929	100	160000000	100

*Includes President of India holding of 139840000 equity shares

f. Dematerialization of Shares and Liquidity:

The shares of the Company are in dematerialized format and are available for trading under systems of both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Reconciliation of share capital audit confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL, is placed before the Board on quarterly basis and is also submitted to Stock exchanges within stipulated timelines.

No. of shares held in dematerialized and physical mode as on March 31, 2020

Category	Total Shares	% to Equity
Shares held in physical mode	207	Negligible
Shares in dematerialized form with NSDL	153512872	95.95
Shares in dematerialized form with CDSL	6486921	4.05
Total	160000000	100

The names and addresses of the depositories are as under:

National Securities Depository Limited	Central Depository Services (India) Limited
Trade World, A-Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai – 400 013	Marathon Futurex, A-Wing, 25th Floor, NM Joshi Marg, Lower Parel, Mumbai – 400 013

g. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments:

The Company has not issued any GDRs/ADRs/warrants or any convertible instruments which has impact on equity. Therefore, there are no GDRs/ADRs/warrants/convertible instruments outstanding as on 31st March 2020.

h. Plant Locations/ Operating Units

The Company's registered and corporate office is situated in Delhi. Apart from that, the Company operates through various zonal and regional offices across India along with its Rail Neer plants. A list of Rail Neer plants and Zonal offices in different States is also available on the website of the Company.

i. Address for correspondence with the Registered Office (Regarding Corporate Governance matters covered under this report)

Mrs. Suman Kalra,
Company Secretary & Compliance Officer
11th Floor, B-148, Statesman House,
Barakhamba Road, New Delhi 110001
Telephone: 91-11-23327746
E-Mail ID: companysecretary@irctc.com
Website: www.irctc.com

j. List of all credit ratings obtained by the Company:

The Company has not taken any credit rating by any agency during 2019-20.

k. Commodity price risk or foreign exchange risk and hedging activities:

The disclosure under this clause is not applicable to Company.

11.0 OTHER DISCLOSURES

(i) The Company has complied with all the requirements of the Companies Act, 2013, SEBI (LoDR) Regulations, 2015, Secretarial Standards issued by ICSI and DPE Guidelines on Corporate Governance for CPSEs, issued by DPE except as mentioned in S.No.11 (iii) of this report.

(ii) **Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large:** The transactions with related party are in the ordinary course of business on arms' length basis and the disclosure of the same has been made as per requirement of Companies Act, 2013, SEBI (LoDR) Regulation, 2015 and relevant Accounting Standard (in notes to Financial Statement of the Company). The Company has formulated a Related Party Transaction (RPT) Policy to set out the materiality thresholds for related party transactions and the manner of dealing with the transactions between the Company and its related parties based on the Act and Listing Regulations. The policy on related party transactions as approved by the Board can be accessed on the Company's website at the link: https://www.irctc.com/assets/images/IRCTC_Related%20Party%20Transactions-_03.08.2019.pdf

(iii) **Details of non-compliance, penalties structure imposed by stock exchange or any statutory authority or any matter related to capital markets, during last three years:** There has been no instance of penalty imposed on the Company by any statutory authority owing to non-compliance neither under applicable laws, nor under government guidelines.

The company has systems in place for monitoring statutory and procedural compliances. The Board is reported the status of the same on quarterly basis so as to ensure proper compliance of all laws applicable to the company.

The Company has complied with the amended requirements of SEBI (LoDR) Regulations, 2015. The Company is non-compliant with respect to composition of Board of Directors w.e.f 31st January, 2020, due to vacancy of three independent Director positions on the Board, as the appointment is done by the administrative Ministry (i.e. Ministry of Railways). Since, the appointment of directors of the company vests with President of India, the Company has requested the Ministry of Railways to take necessary action in this regard.

(iv) **Vigil mechanism:** Pursuant to Section 177 of the Companies Act, 2013, the Company affirms that a vigil mechanism is in place for all its employees and clients to report about any illegal or unethical behaviour, actual or suspected fraud to the CVO or the Chairman & Managing Director directly through IRCTC's Whistle Blower Policy.

It also promotes ethical behaviour in all its business activities.

The Company further affirms that no personnel have been denied access to the Audit Committee. The Whistleblower policy is aimed to provide a working atmosphere where employees feel safe to raise concerns about any wrong doings and unacceptable practices that they feel are being followed by the Company. Its objective is to protect its employees who raise a concern about irregularities in the Company. The whistleblower policy is available on the website of the Company www.irctc.com.

(v) **Web link where policy for determining 'material' subsidiaries is disclosed:** The Company, at present, has no subsidiary. The weblink for policy for determining material subsidiary is uploaded at <https://irctc.com/assets/images/IRCTCPolicy%20for%20determining%20Material%20Subsidiary.pdf>.

(vi) **Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of SEBI (LoDR) Regulations, 2015:** During the year, no funds have been raised through preferential allotment or qualified institutions placement.

(vii) **Certificate of Non-disqualification of Directors:** Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 a Certificate from M/s Amit Agrawal & Associates, Company Secretaries firm in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is placed as **Appendix – "B-4"**.

(viii) **Recommendations of the Committees of the Board:** During 2019-20, the Board has accepted all the recommendations made by the committees of the Board from time to time

(ix) **Total fees for all services paid by the Company on a consolidated basis, to the statutory auditor:** The details of payment made to Statutory Auditor during financial year 2019-20 on consolidated basis is mentioned below:

Sl. No.	Particulars	Amount (₹ in Crores)
	Statutory Audit Fee, Tax Audit Fee and Limited Review Fee	0.16

(x) **Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the year 2019-20:** The Company is committed towards prevention of Sexual harassment of women at workplace and takes prompt action in the event of reporting of any such incidents.

Details of the complaints received during the year under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are mentioned below:

Number of Complaints filed during the year	Number of Complaints disposed off during the year	Number of Complaints pending during the year
One	One	Nil

(xi) **Code of Conduct for Members of the Board and Senior Management:**

As per requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE Guidelines on Corporate Governance, all the members of Board and senior management have affirmed compliance with the code of conduct of the Company for the financial year 2019-20. Both the Code of Conduct and Key Values (w.e.f 1st April 2005) have been posted on the website www.ircctc.com.

Declaration signed by the Chairman & Managing Director affirming receipt of compliance with the Code of Conduct and Key Values from Board of Directors and Members of Senior Management during 2019-20 have been placed as **Appendix - "B-1"**

(xii) **Code for prevention of Insider Trading in securities of IRCTC Limited:**

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, Company has formulated and implemented 'Code of Conduct to Regulate, Monitor and Report Trading by Insiders' and 'Code of Fair Disclosure Practices for Prevention of Insider Trading'.

The objective of the Code is to prevent purchase and/or sale of shares of the Company by an Insider on the basis of unpublished price sensitive information. Under this Code, Designated employees /Insiders (all Directors and Chief Vigilance Officer, Key Managerial Personnel, all Group General Managers, all General Managers, all Heads of Finance of Units/Divisions/Regions, Heads of all Zones/Regions/Plants(irrespective of designation), all employees of the level of DGM and above, all employees working in Books, Budget, Financial Service and Direct Taxation Sections of Corporate Finance, all employees working in Company Secretariat & Legal Department, all employees working in Secretariat of CMD/Functional Directors, any support staff such as IT staff who have access to UPSI and any other key person, who in the opinion of Compliance Officer be covered in the "Designated Employee" and their immediate relatives are prohibited to deal in the Company's shares/derivatives of the Company during the closure of Trading Window and other specified period(s).

As per the laid down code, to deal in IRCTC's securities, beyond specified limit, permission of Compliance Officer is required. All designated employees are also required to disclose related information periodically as defined in the Code.

Copy of the insider trading code is available on the website of the Company at the link: <https://ircctc.com/assets/images/IRCTC%20CODE%20OF%20CONDUCT%20FOR%20REGULATING%20&%20REPORTING%20TRADING%20BY%20DESIGNATED%20PERSONS%20&%20THEIR%20IMMEDIATE%20RELATIVES.pdf>.

(xiii) The Compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR) Regulations 2015 have been made.

(xiv) **Disclosure with respect to Demat Suspense Account/ Unclaimed suspense account:** During the Financial year 2019-20, the Company does not have any shares in the Demat suspense account or unclaimed suspense account.

(xv) **Unclaimed Dividend:** The amount of Dividend remaining unpaid/unclaimed for seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. As of now, no amount is due for transfer to Investor Education and Protection Fund. However, the amount of the unpaid / unclaimed dividend for Interim Dividend of 2019-20 is uploaded on company's website at www.ircctc.com

(xvi) **Details of administrative and office expenses as a percentage of total expenses vis-à-vis financial expenses** – The administrative expenses and office expenses were at 7.70% of total expenses in the year 2019-20.

(₹ in Crores)		
Particulars	2019-20	2018-19
Other Expenses	123.96	166.32
Finance Cost	7.27	2.35
Total Expenses	1609.30	1517.77
Other Expenses/Total Expenses (%)	7.70	10.96
Finance Cost/Total Expenses (%)	0.45	0.15

(xvii) **Audit qualifications:** The Company has been putting in all efforts to ensure a regime of unqualified financial statements. For Audit observations/remarks, the Independent Auditor's Report submitted by M/s Serva & Associates, Chartered Accountants on the financial statements for the year ending 31st March 2020, may be referred.



(xviii) The Company has not entered into any material, financial and commercial transactions, with the Director(s) or the Management or their relatives or the companies and the firms, etc. in which they are either directly or through their relatives interested as Directors and/or partners.

(xix) No item of expenditure has been debited in books of accounts, which are not for the purposes of the business during the year 2019-20.

(xx) **Expenses incurred which are personal in nature and incurred for the Board of Directors and Top Management:** During the year, no expenses have been incurred by the Company which are personal in nature for the directors and top management except for the remuneration paid to them in accordance with the Government of India's pay scales as disclosed in this report and in Note No. 44 forming part of the standalone financial statement.

(xxi) The Financial Statements for the financial year 2019-20 have been prepared as per the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013.

(xxii) The Company periodically informs the Board about the risks associated with its projects in risky areas. Details pertaining to risk management have been given in Management Discussion and Analysis Report under the heading 'Risks and Concerns'.

12.0 DISCRETIONARY REQUIREMENTS:

- a) **The Board:** The Company is headed by an executive whole-time Chairman.
- b) **Shareholders' Rights:** The audited financial annual/ quarterly results are published in Financial Express (English), Indian Express (English) and Jansatta (Hindi) and are also put on the website of the Company. Separate half year report has, however, not been sent to each household of Shareholders. Notice of investors'/analysts meets, call transcripts are posted on the Company's website and the intimations related to material events are communicated to Stock Exchanges as well as hosted on company's website to make the shareholders and public at large aware about such events.
- c) **Audit Qualifications:** The Auditor's report issued by M/s Serva Associates, Statutory Auditors for the year 2019-20 is unmodified.
- d) **Reporting of Internal Auditor:** The Internal Auditors has direct access to the Audit Committee.

13.0 CEO/CFO CERTIFICATION

In terms of Regulation 17 (8) of SEBI LODR, a certificate duly signed by Mr. M.P. Mall, Chairman & Managing Director (CEO) and Mr. Ajit Kumar, Director (Finance) & CFO was placed

before the Audit Committee in its 54th meeting held on 10th July, 2020 and then Board of Directors in its 107th meeting held on same day. The duly signed certificate as presented to the Audit Committee and Board of Directors is placed as **Appendix – "B-2"**.

14.0 RATING ON CORPORATE GOVERNANCE BY DEPARTMENT OF PUBLIC ENTERPRISES

Your Company has submitted report on Corporate Governance in specified format(s) to Ministry of Railways and DPE within the stipulated time provided for the same as required under the Department of Public Enterprises (DPE) Guidelines on the Corporate Governance, 2010 for CPSEs.

Department of Public Enterprises has rated IRCTC as "Excellent" under the category of Corporate Governance during 2018-19. On the basis of self-evaluation, the Company expects to achieve an "Excellent" rating for the year 2019-20 also.

15.0 SECRETARIAL AUDIT

The Secretarial Audit has been conducted by M/s Amit Agrawal & Associates Practicing Company Secretaries with respect to compliance to the applicable provisions of Companies Act, 2013, Listing Regulations and DPE Guidelines. The Secretarial Audit Report shall form part of Boards' Report.

In terms of requirements of SEBI Circular No. CIR/ CFD/ CMD1/27/2019 dated 08.02.2019, M/s. Amit Agrawal & Associates has examined the compliances in relation to applicable SEBI Guidelines and has issued Annual Secretarial Compliance report, which were submitted to stock exchanges on 19th June, 2020.

16.0 COMPLIANCE ON CORPORATE GOVERNANCE

This Report duly complies with the legal requirements in respect of data that should be disclosed in a Corporate Governance Report for the year 2019-20. Certificate obtained from a Practising Company Secretary regarding compliance of the conditions of Corporate Governance is placed as **Appendix - "B-3"** to this Report.

For and on behalf of the Board of Directors
(M.P. Mall)

Date: 18th August, 2020
Place: New Delhi

Chairman & Managing Director
DIN: 02316235

Appendix - "B-1"

DECLARATION BY CHAIRMAN & MANAGING DIRECTOR REGARDING COMPLIANCE WITH THE CODE OF CONDUCT BY BOARD MEMBERS AND SENIOR MANAGEMENT DURING THE FINANCIAL YEAR 2019-20.

I, M.P. Mall, Chairman & Managing Director, Indian Railway Catering and Tourism Corporation Limited, do hereby declare that all the members of the Board of Directors and the Senior Management Team of the Company have affirmed their compliance of the Code of Conduct and Key Values of the Company during 2019-20.

(M.P. Mall)

Date: 18th August 2020
Place: New Delhi

Chairman & Managing Director
DIN: 02316235

Appendix - "B-2"

CHAIRMAN AND MANAGING DIRECTOR (CHIEF EXECUTIVE OFFICER) AND DIRECTOR/FINANCE (CHIEF FINANCIAL OFFICER) CERTIFICATION

- (a) We have reviewed financial statements and the cash flow statements for the quarter and year ended on 31st March, 2020 and to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting and we have disclosed to the auditors and the audit committee that to the best of our knowledge and belief there are no material deficiencies in the design or operation of such internal control.
- (d) We have indicated to the Auditors and the Audit Committee:
 - i. That there are no significant changes in internal control system during the year.
 - ii. That there are no significant changes in accounting policies. The change in accounting policies which have no significant financial implication, have been approved by the Board of Directors during the year and the same have been disclosed in the notes to the financial results.
 - iii. That there are no instances of significant fraud of which we have become aware.

M.P. Mall

Chairman & Managing Director (CEO)
DIN: 02316235

Ajit Kumar

Director (Finance) & CFO
DIN: 07247362

Place: Delhi
Date: 10th July 2020



Appendix - “B-3”

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Indian Railway Catering and Tourism Corporation Limited
11th Floor, B-148, Statesman House
Barakhamba Road New Delhi-110001, IN

We have examined the compliance of the conditions of Corporate Governance by **Indian Railway Catering and Tourism Corporation Limited**, (herewith referred as ‘the Company’) for the period ended on 31st March, 2020 as stipulated in ‘Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises Government of India.

The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance as stipulated in above mentioned guidelines. It is neither an audit nor an expression of opinion on the financial statement of the company.

We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of certification and have been provided with such records, documents, certification, etc. as had been required by us.

In our opinion and to the best of our knowledge and information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (LODR) Regulations and in the guidelines on corporate governance issued by the ‘Department of Public Enterprises’ except that:

(i). *the number of Independent Directors on the Board was less than half of the total strength of Board as required under SEBI (LODR) Regulations*

and

(ii). *Company has not prepared the consolidated financial Statement as required under the SEBI (LODR) Regulations, 2015.*

We further state that such compliance is neither an assurance to the future viability of the Company nor the efficiency of the effectiveness with which the Management has conducted the affairs of the company.

Note: In view of the situation emerging out of the outbreak of COVID-19 Pandemic, we could not examine physical documents, records & other papers etc. of the Company for the period ended March 31st 2020 and the documents/information required by us were provided through electronic Mode

For **Amit Agrawal & Associates**
(Company Secretaries)

CS Amit Agrawal
(Proprietor)
M. No. F5311
C.P. No. : 3647
UDIN: F005311B000395910

Place: Delhi
Date: 29.06.2020

Appendix - “B-4”

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(As per Sub-Para (i) of Para (10) of Clause C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with Regulation 34(3) of the said Listing Regulations).

To,
The Members,
Indian Railway Catering and Tourism Corporation Limited
11th Floor, B-148, Statesman House
Barakhamba Road New Delhi-110001, IN

As required by Sub-Para (i) of Para 10 of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, we hereby certify that none of the Directors on the Board of **Indian Railway Catering and Tourism Corporation Limited** have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

This certificate is issued for the Financial Year 2019-2020.

For **Amit Agrawal & Associates**
(Company Secretaries)

CS Amit Agrawal
(Proprietor)
M. No. F5311
C.P. No. : 3647
UDIN: F005311B000395910

Place: Delhi
Date: 29.06.2020

Annexure – “C” to the Directors’ Report

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) AND SUSTAINABILITY

1. BRIEF OUTLINE OF THE COMPANY’S CSR POLICY, INCLUDING OVERVIEW OF PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN AND A REFERENCE TO THE WEB-LINK TO THE CSR POLICY AND PROJECTS OR PROGRAMS

Brief outline of the Company’s CSR policy:

IRCTC through its CSR & Sustainability initiatives aims to achieve the below-mentioned Vision through its CSR Vision Document:

“To remain a frontrunner for impacting the lives of socially and economically deprived and working towards a sustainable, inclusive developmental change over a horizon of time through the corporate social responsibility activities at IRCTC.”

We at IRCTC, believe, that our CSR and Sustainability activities should address social, economic and environmental concerns and that the selection of activities should focus on the social, economic and environmental impact thereof, rather than mere output or outcomes. We strive to carry out our activities in such a manner that the philosophy of CSR and Sustainability becomes ingrained in our organization and reflects in our organizational culture and involves all employees engaged in diverse business operations and activities.

The IRCTC CSR vision goes beyond charity and its legal obligations. The company takes all steps to integrate social, environmental and ethical concerns into its business processes and programmes to benefit the local communities in and around our area of operation, enhancing the quality of life and economic well being of the general public with concentrated emphasis on the development of the weaker sections of society.

For effective achievement of our CSR activities, we have partnered with non-profit and government agencies to augment various activities, including the provisioning of facilities like drinking water, healthcare equipment, infrastructure development of backward areas etc.

While selecting CSR activities / projects from the activities listed in Schedule VII of the Act, the Company gives priority to issues like health, sanitation, education and nutrition, which are of foremost concern to the national development agenda.

IRCTC is open to joining hands with other CPSEs in planning, implementing and monitoring of Mega-Projects for optimal use of resources, to synergize expertise and capabilities for maximizing socio-economic or environmental impact.

During the year 2019-20, IRCTC has undertaken numerous initiatives towards CSR & Sustainable Development in the field of public health, education, sanitation, environment & sustainability. Some significant CSR & Sustainability activities undertaken by IRCTC during the year are mentioned below:

i. Provision for Healthcare Equipment for Aspirational District Dhalai, Tripura

IRCTC provided 20 infusion pumps, 01 BACTEC (Automated Blood Culture System) and 03 ambulances for Aspirational District Dhalai, Tripura, at a total project cost of ₹ 48.2 Lakhs.

ii. Infrastructural Development of Anganwadi Centres of Aspirational District Ranchi, Jharkhand

IRCTC financially assisted Anganwadi Centres of Aspirational District Ranchi, Jharkhand, to provide examination tables and three fold screens, at a total project cost of ₹ 27.5 Lakhs.

iii. Construction of Toilets in Girls Govt. Schools in Aspirational District Gajapati, Odisha

Under its objectives to provide educational and sanitation facilities, IRCTC provided financial assistance for the construction of toilets in 28 Government Schools of Gajapati District, Odisha, at a total project cost of ₹ 54.6 Lakhs.

iv. Improvement of drinking water facilities in Siddharthnagar (Aspirational District), Uttar Pradesh

Under the initiatives to provide sanitation facilities, IRCTC financially supported Pradeep Social Works, a registered NGO to set up water systems to improve the condition of potable water in Siddharthnagar (Aspirational District), Uttar Pradesh, at a total project cost of ₹ 10 Lakhs.

v. Provision for delivery vehicles in Aspirational District Baran, Rajasthan in collaboration with Akshaya Patra Foundation

IRCTC financially supported Akshaya Patra Foundation to purchase 3 delivery vehicles to facilitate mid day meals in schools of Aspirational District Baran, Rajasthan, at a total project cost of ₹ 15 Lakhs.

vi. Provision for Thalassemia Wellness Centres in collaboration with the Wishing Factory

IRCTC financially supported initiatives of “The Wishing Factory”, an NGO, to establish Thalassemia Wellness Centres cum Pump Libraries in Aspirational Districts of Dahod and Jaisalmer for Thalassemia Major Patients and Blood cancer patients, so as to provide free healthcare and blood transfusion services, thereby reducing the financial burden on patients coming from deprived sections of society. The total cost of the project was ₹ 32 Lakhs.



vii. Provision for ‘Mini Science Centre’ in 02 Govt. schools of Chandel District

Under its educational initiatives, IRCTC in collaboration with District Collector of Chandel financially supported the creation of ‘Mini Science Centres’ in 02 Govt. schools of Chandel District through Stem Learning Pvt. Limited at a total project cost of ₹ 10 Lakhs. The project aims to ignite scientific interest in children and encourage curiosity, creativity, scientific applicability and innovation.

viii. Provision for a community library in Gumla District, Jharkhand

IRCTC financially supported the Asian Heritage Foundation to set up a Centre for learning and transmission/ Community Library in Gumla District, Jharkhand, at a total project cost of ₹ 8.50 Lakhs.

ix. Infrastructural Development of Innovation Model School, Hardoi in collaboration with All India Citizens Alliance for Progress and Development

IRCTC financially supported All India Citizens Alliance for Progress and Development (AICAPD) for the construction of 08 Classrooms and 01 Hall at Innovation Model School, Hardoi at a total project cost of ₹ 5 Lakhs. The Innovation Model School, aims at imparting continuous education and life skills to children from deprived and underprivileged communities.

x. Provision for a mini truck for Shri Somnath Gurukul Sanstha, Bhopal

As part of its Environment and Sustainability initiatives, IRCTC financially supported Shri Somnath Gurukul Sanstha to organize Narmada Zone Water conservation, sanitation and environmental awareness drives through Publicity Awareness Programs in rural areas, on the banks of Narmada River. The financial support was offered to procure a mini truck along with ancillary instruments to organize awareness drives through advertisements. The total cost of the project was ₹ 10 Lakhs.

xi. Provision for Computers for Ramakrishna Mission school at Kila Maidan

IRCTC supported Ramakrishna Mission by providing 22 new computers for the Computer Laboratory at their school in Kila Maidan, Indore and for their Smart Classes. The project aimed at promoting education and life skills through innovative and advanced procedures for children from deprived and underprivileged communities. The total financial implication of the project was ₹ 7.5 Lakhs.

xii. Procurement of Medical Equipment at Rotary Ambala Cancer Detection & Welfare Society

IRCTC financially supported Rotary Ambala Cancer Detection & Welfare Society for the procurement of Medical Equipment Support (Ventilators, Monitors & Defibrillators) for the New Intensive Care Unit at a total project cost of ₹ 16,91,200/-. The primary beneficiaries of the project were patients who could not access such medical care due to financial limitations.



xiii. Provision for modern cotton harvesting technology in collaboration with Cotton Corporation of India Limited

IRCTC financially supported Cotton Corporation of India Limited to provide cotton farmers hand-held kapas-plucker machines, in a phased manner, to supplement

agriculture, modernize processing and decrease agri-waste. In addition, the machines prevent contamination of cotton at the farm, from plant debris, produce better quality cotton and thereby, increase income by reducing harvest cost. The project was executed in Khammam District, Telangana at a total cost of ₹ 10 Lakhs.

xiv. Procurement of Kabaddi Mattress and Computers with Peripherals for Satya Foundation

In pursuit of the “Healthy India” mission and to promote sports, IRCTC financially supported Satya Foundation and provided Kabaddi Mattresses and Computers with Peripherals, for better practice and performance of Kabaddi Players of Baghpat, Uttar Pradesh. The total cost of the project was ₹ 5 Lakhs.

xv. Provision for “pick-up and drop facility” for children with special needs in collaboration with Param Shakti Peeth

IRCTC financially supported Param Shakti Peeth to purchase a 26-seater school bus to facilitate “pick-up and drop facility” for children with special needs, coming from low income families. The total cost of the project was ₹ 15 Lakhs.

xvi. Provision for Nutritional and Recreational Support in collaboration with Railway Children India

As part of its nutrition and healthcare initiatives, IRCTC financially supported Railway Children India to support vulnerable children protected at Ghaziabad Railway Station. The project aims to provide a nutritious diet (4 meals a day) and proper sanitation facilities along with regular health check-ups and counselling for children. ₹ 4.47 Lakhs was released for the project in FY 2019-20.





xvii. Development work under CSR activity at Kakole Village

In FY 2017-18, development work was undertaken at Kakole Village, near Rail Neer Plant Ambarnath, Maharashtra. ₹ 14.73 Lakhs i.e. 50% of the total project cost to build a pipeline in Kakole Village was released in FY 2019-20.

xviii. Infrastructure development towards Sanjeevani.. Life beyond Cancer

IRCTC financially supported Sanjeevani.. Life beyond Cancer to purchase a Multi-Purpose Vehicle (Maruti Ertiga CNG) for conducting awareness programs in Mumbai, as part of their Project titled “CanChetna – a program designed for a #CancerFreeIndia” at a total project cost of ₹ 10 Lakhs.

xix. Equipment for COVID-19 isolation ward in collaboration with Rotary Ambala Cancer and General Hospital

IRCTC financially supported Rotary Ambala Cancer and General Hospital for the procurement of Medical Equipment (3 monitors) for their isolation ward, at a total project cost of ₹ 10,02,400/-.

xx. Infrastructure development of Sapna Shikshalya

IRCTC financially supported NGO Sapna for infrastructure development (Doors, Windows, Electrical Fittings, Plaster and Paint along with Installation of one Smart Classroom) of Sapna Shikshalya, at a total project cost of ₹ 8.35 Lakhs.

xxi. Allotment of 33% of Total CSR funds towards Swachh Bharat Activities

As per the Department of Public Enterprise (DPE) guidelines dated 1st August 2016 regarding “Allocation of CSR funds by CPSE for Swachh Bharat Activities”, CPSEs have been advised to spend 33% of CSR funds towards sanitation, as covered in item (i) of Schedule VII of companies Act, including contribution to “Swachh Bharat Kosh” set up by the Central Government. IRCTC allotted 33% of its total CSR funds (i.e. ₹ 2,53,11,000/) towards “Swachh Bharat Kosh” for various Swachh Bharat Activities of the Government of India.

xxii. Food distribution by IRCTC Base Kitchen in the context of COVID-19

With the unfortunate and sudden outbreak of COVID-19, IRCTC, through its base kitchens, distributed food to the socially and economically disadvantaged sections of the society at a total cost of ₹ 4,109,314/-.

xxiii. Financial Support towards PM CARES Fund for assistance towards COVID-19

To stand with the nation in its fight against Covid-19, the Company contributed ₹ 1.5 Crores towards the Prime Minister’s Citizen Assistance and Relief in Emergency Situations Fund’ (PM CARES Fund) to cater to emergency needs.

Web link to IRCTC CSR Policy:

The CSR Policy of the Company is available on website at the link: <https://www.irctc.com/assets/images/CSR-Vision-Document.pdf>

2. IRCTC’S CSR AND SUSTAINABLE DEVELOPMENT COMMITTEES

The Company has a two Tier organization structure to steer CSR and Sustainability agenda and to ensure implementation of activities and utilization of funds in a time bound manner as mentioned below:

- (i) **Tier-I:** Board Level Committee headed by the Chairman and Managing Director / Independent Director and;
- (ii) **Tier-II:** Below Board level Committee headed by the Nodal Officer

**Tier-I: Board Level CSR and Sustainable Development Committee (BLC)****Composition:**

The composition of Tier-I, Board level Committee as on 31.03.2020 is produced below:

Shri M. P. Mall	Chairperson
Chairman & Managing Director	
Shri Neeraj Sharma	Member
Independent Director	
Prof. Sachin Chaturvedi	Member
Independent Director	
Ms. Sarita Deshpande	Member
Independent Director	

Tier-II: Below Board Level Committee**Composition:**

The composition of Tier-II – Below Board level Committee comprises of three members:

- Nodal Officer as the Chairperson
- Representative of departments depending upon the nature of project being undertaken
- Representative from the Finance Section

3. AVERAGE NET PROFIT OF THE COMPANY FOR LAST THREE FINANCIAL YEARS

The details of net profit for last 3 financial years for the purpose of computation of CSR Budget as per Section 198 of Companies Act, 2013 are as under:-

S. No.	Financial Year	Net Profit (₹ in Crores)	Average Net Profit (₹ in Crores)
1	2016-17	332.37	383.40
2	2017-18	341.89	
3	2018-19	475.93	

4. PRESCRIBED CSR EXPENDITURE (TWO PERCENT OF THE AMOUNT AS AT S. NO. 3 ABOVE)

IRCTC has made a budget of ₹ 7.67 Crores for the year 2019-20, i.e. 2% of Average Net Profit during preceding three FYs.

5. DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR 2019-20

(a) Total amount to be spent for the financial year: ₹ 7.67 Crores

(b) Amount unspent, if any: Nil

(c) Manner in which the amount spent during the financial year is detailed below.

S. No.	CSR Project Description	Project Theme	Project Location	Amount outlay (budget) of project/ programs	Amount Spent on the projects/ programs during 2019-20		Total Project Expenditure for FY 2019-20 (₹)	Cumulative Expenditure upto 31.03.2020 (₹)	Implementing Agency
					(1) Direct expenditure on projects or programs (₹)	(2) Overheads (₹)			
			Local area or other specify the state and district where projects or programs was undertaken	Total (₹)					
(I)	Aspirational Districts								
1	Tripura, Dhalai	Health Care	Dhalai	4,820,000	4,820,000		4,820,000	4,820,000	District Magistrate & Collector, Dhalai
2	Jharkhand, Ranchi	Education	Ranchi	2,750,000	2,750,000		2,750,000	2,750,000	DC Ranchi
3	Odisha, Gajapati	Education	Gajapati	8,460,000	5,460,000		5,460,000	5,460,000	DC Gajapati
4	Improvement of the conditions of availability of potable drinking water in Siddharthnagar District (Aspirational District), Uttar Pradesh	Health Care	Siddharthnagar	1,000,000	1,000,000		1,000,000	1,000,000	Pradeep Social Works

S. No.	CSR Project Description	Project Theme	Project Location	Amount outlay (budget) of project/ programs	Amount Spent on the projects/ programs during 2019-20		Total Project Expenditure for FY 2019-20 (₹)	Cumulative Expenditure upto 31.03.2020 (₹)	Implementing Agency
					(1) Direct expenditure on projects or programs (₹)	(2) Overheads (₹)			
			Local area or other specify the state and district where projects or programs was undertaken	Total (₹)					
5	Provision of 3 delivery vehicles in Aspirational District, Baran, Rajasthan by Akshaya Patra Foundation	Education	Baran	1,500,000	1,500,000		1,500,000	1,500,000	Akshaya Patra Foundation
6	Provision of Thalassemia Wellness Centres cum Pump Libraries in Aspirational Districts of Dahod and Jaisalmer.	Health Care	Dahod and Jaisalmer	3,200,000	3,200,000		3,200,000	3,200,000	The Wishing Factory
7	Provision of 'Mini Science Centre' in 02 Govt. schools of Chandel District	Education	Chandel	1,000,000	1,000,000		1,000,000	1,000,000	District Collector Chandel through Stem Learning Pvt. Ltd.
8	Provision of a community library in Gumla District, Jharkhand	Education	Gumla	850,000	850,000		850,000	850,000	Asian Heritage Foundation
(II)	Other Projects								
1	Provision of 08 Classrooms and 01 Hall at Innovation Model School, Hardoi	Education	Hardoi	500,000	500,000		500,000	500,000	All India Citizens Alliance for Progress and Development (AICAPD)
2	Procurement of Equipment Support (Ventilators, Monitors & Defibrillators) for The New Intensive Care Unit	Health Care	Ambala	1,691,200	1,691,200		1,691,200	1,691,200	Rotary Ambala Cancer Detection & Welfare Society
3	Providing 22 new computers for Computer Laboratory in School of Ramakrishna Mission at Kila Maidan, Indore for Smart Classes	Education	Indore	750,000	750,000		750,000	750,000	Ramakrishna Mission Indore
4	Provision of a mini truck along with the ancillary instruments for the awareness drive eg. through advertisement and broadcasting by way of distribution of pamphlets, posters, leaflets, literature, banner, hoarding, sound & drama, Nukkad Natak, Rath Yatra and Exhibition.	Environment Sustainability	Bhopal	1,000,000	1,000,000		1,000,000	1,000,000	Shri Somnath Gurukul Sanstha, Bhopal
5	Mobilisation of CSR fund for empowering the cotton farmers with appropriate technology & as a preventive measure for Healthcare	Health Care	Khammam	1,000,000	1,000,000		1,000,000	1,000,000	Cotton Corporation of India Ltd.



S. No.	CSR Project Description	Project Theme	Project Location	Amount outlay (budget) of project/ programs	Amount Spent on the projects/ programs during 2019-20		Total Project Expenditure for FY 2019-20 (₹)	Cumulative Expenditure upto 31.03.2020 (₹)	Implementing Agency
					(1) Direct expenditure on projects or programs (₹)	(2) Overheads (₹)			
			Local area or other specify the state and district where projects or programs was undertaken	Total (₹)					
6	Procurement of Kabaddi Mattress and Computers with Peripherals	Sports	Baghpat, UP	500,000	500,000		500,000	500,000	Satya Foundation
7	Requirement of "pick-up and drop facility" for children with special needs	Education for children with special needs	Delhi	1,500,000	1,500,000		1,500,000	1,500,000	Param Shakti Peeth
8	Nutritional and Recreational Support to vulnerable children protected at Railway Stations	Health Care	Ghaziabad	894,550	447,275		447,275	447,275	Railway Children India
9	50% of the total project cost for construction of pipeline at Kokale Village	Environment Sustainability	Kokale Village	1,473,811	1,473,811		1,473,811	1,473,811	Self (IRCTC/ WZ)
10	Infrastructure development including training related equipments/materials towards Sanjeevani.. Life beyond Cancer	Health Care		1,000,000	1,000,000		1,000,000	1,000,000	Sanjeevani Life Beyond Cancer
11	Proposal for equipment support (3 monitors) for isolation ward for COVID19 treatment	Health Care	Ambala	1,002,400	1,002,400		1,002,400	1,002,400	Rotary Ambala Cancer and General Hospital
12	Infrastructure development of Sapna Shikshalya (Doors, Windows, Electrical Fittings, Plaster and Paint along with Installation of one Smart Classroom)	Education	Alwar	835,000	835,000		835,000	835,000	NGO Sapna
13	Mandatory requirement of 33% of total CSR Budget Swacch Bharat and Ganga Rejuvenation Kosh i.e. 33% of ₹ 7.67 Crores = ₹ 2.53 Crores	Health Care	Pan India	25,311,000	25,311,000		25,311,000	25,311,000	Government of India
14	Food distribution by IRCTC Base Kitchen in the context of COVID-19	Health Care	Pan India	4,109,314	4,109,314		4,109,314	4,109,314	Self (IRCTC)
15	Financial Support towards PM CARES Fund for assistance towards COVID-19	Health Care	Pan India	15,000,000	15,000,000		15,000,000	15,000,000	Government of India
Total Amount Spent in FY 2019-20				80,147,275*	76,700,000		76,700,000	76,700,000	

*Sanctioned amount for the CSR projects during the year 2019-20. Some projects may continue to next year 2020-21 too, due to part funding for the same during the current year.

6. IN CASE THE COMPANY HAS FAILED TO SPEND THE TWO PERCENT OF THE AVERAGE NET PROFIT OF THE LAST THREE FINANCIAL YEARS OR ANY PART THEREOF, THE COMPANY SHALL PROVIDE THE REASONS FOR NOT SPENDING THE AMOUNT IN ITS BOARD REPORT

Nil

7. RESPONSIBILITY STATEMENT

The Board of Directors of the Company affirms that the implementation and monitoring of Corporate Social Responsibility (CSR) Policy is in compliance with CSR objectives and policy of the Company.

For and on behalf of Board of Directors

(Anoop Srivastava)

CSR Nodal Officer

(M.P. Mall)

Chairman & Managing Director
Chairman - CSR&SD Committee
DIN: 02316235

Place: New Delhi

Date: 18th August, 2020



Annexure – “D” to the Directors’ Report

Business Responsibility Report (BRR)

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company	L74899DL1999GOI101707			
2. Name of the Company	Indian Railway Catering and Tourism Corporation Limited (IRCTC)			
3. Registered address	11th Floor, B-148, Statesman House, Barakhamba Road, New Delhi- 110001			
4. Website	www.irctc.com			
5. E-mail id	investors@irctc.com			
6. Financial year reported	2019-20			
7. Sector(s) that the company is engaged in (industrial activity code- wise);	Group	Class	Sub Class	Description
	631	6311		Data processing, hosting and related activities
			63111	Data processing activities including report writing
			63112	Web hosting activities
			63113	Providing general time-share mainframe facilities to clients
			63114	Providing data entry services
			63119	Other data processing, hosting and related activities n.e.c.
				Web portals
			63121	Operation of web sites that use a search engine to generate and maintain extensive databases of internet addresses and content in an easily searchable format
			63122	Operation of other websites that act as portals to the Internet, such as media sites providing periodically updated content
			561	5610
	562	5621	56210	Event catering and other food service activities
	791	7911	79110	Travel agency activities
		7912	79120	Tour operator activities
110	1104	11043	Manufacture of mineral water	

8. List three key products/services that the Company manufactures/provides (as in balance sheet)	<p>As per the Balance sheet, following are the key products/ services of IRCTC for the year 2019-20 :</p> <ul style="list-style-type: none"> ● Catering & Hospitality ● Travel & Tourism ● Internet Ticketing ● Packaged Drinking Water (Rail Neer)
9. Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations	<p>(a) Number of International Locations: NIL</p> <p>(b) Number of National Locations:</p> <p>IRCTC is headquartered at Connaught Place, Barakhamba Road, New Delhi, India and has following offices to support and manage its business operations throughout India:</p> <ul style="list-style-type: none"> ● Five Zonal Offices at New Delhi, Mumbai, Kolkata, Chennai & Secundrabad ● Ten Regional Offices at Lucknow, Chandigarh, Jaipur, Bhopal, Ahmadabad, Guwahati, Bhubaneswar, Patna, Ernakulam and Bangalore. ● One Internet Ticketing Office at New Delhi ● One Tourism office at New Delhi ● Fourteen Rail Neer Plants at Nangloi-Delhi, Danapur-Bihar, Palur-Tamil Nadu, Ambernath-Maharashtra, Amethi-Uttar Pradesh, Parassala-Tamil Nadu, Bilaspur-Chhatisgarh, Hapur-Uttar Pradesh, Sanand-Gujarat, Mandideep-Madhya Pradesh, Jagiroad-Assam, Maneri-Madhya Pradesh, Nagpur-Maharashtra and Sankrail-Kolkata ● 11 Base Kitchens located at New Delhi, Howrah, Ahmedabad, Patna, Mumbai Central, Mumbai CST, Ballarshah, Nagpur, Balasore, Sealdah and Kharagpur Jn.
10. Markets served by the Company – Local/State/ National/International	<p>IRCTC has got nationwide operations and the Company's services are available across India. The Company also provides services into booking of international tour and travel packages.</p>

SECTION B: FINANCIAL DETAILS OF THE COMPANY (2019-20)

1. Paid up Capital (INR)	₹ 160 Crores
2. Total Turnover (INR)	₹ 2275.48 Crores
3. Total profit after taxes (INR)	₹ 528.57 Crores
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company has spent ₹ 7.67 Crores which is 2% of profit after tax as computed in accordance with the provisions of Section 135 & 198 Companies Act, 2013 and also the allocated budget on CSR activities for FY 2019-20.
5. List of activities in which expenditure in 4 above has been incurred:-	Refer "CSR and Sustainability Report" annexed as Annexure "C" to the Directors' Report

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?	No
2. Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Not Applicable , as IRCTC does not have any Subsidiary Company.
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	<p>The Company does not mandate its suppliers/ distributors to participate in the BR initiatives, but encourages them to adopt such practices relevant to conducting responsible business. The suppliers, vendors, agents, consultants, contractors and third parties, who have business relationships with the Company, are contractually bound to abide by the Code of Conduct, Whistle Blower Policy and performance standards benchmarks.</p> <p>They are involved in this capacity to make a positive impact towards our Business Responsibility initiatives</p>

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies	No.	Particulars	Details
	1.	DIN Number	08083674
	2.	Name	Mrs. Rajni Hasija
(b) Details of the BR head	3.	Designation	Director (Tourism & Marketing)
	No.	Particulars	Details
	1.	DIN Number	Not Applicable
	2.	Name	Mr. Sandip Trivedi
	3.	Designation	Group General Manager (OCS)
	4.	Telephone number	011-23311252
	5.	Email Id	ggmops2@irctc.com

2. Principle-wise (as per NVGs) BR Policy/ policies

Principle No.	Principles
P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the well being of all employees
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote human rights
P6	Business should respect, protect, and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

(a) Details of compliance (Reply in Y/N)

No. Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1. Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	No	Y	Y
2. Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	-	Y	Y
3. Does the policy conform to any National / International standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	-	Y	Y
All the policies of the Company have been formulated confirming to applicable statutes / guidelines / rules / policies etc. issued by the Government of India. These policies were formulated keeping in view industry practices and standards.									
4. Has the policy been approved by the Board? If yes, has it been signed by MD/owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	-	Y	Y
Policies of the Company have been approved by the Board/ Competent Authorities as per Board Delegated Powers.									
5. Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	-	Y	Y
6. Indicate the link for the policy to be viewed online?	The Policies of the Company are available on the website of the Company at the below mentioned link:- https://www.irctc.com/policies.html -								
7. Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	-	-	Y
8. Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	-	-	Y
9. Does the company have a grievance redressal mechanism related to the policy/ policies to address stakeholder's grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	-	-	Y
10. Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Policies of the Company as such are not audited by external agencies, however Policies have been amended from time to time as per regulatory/ business/ environmental requirements.								

(b) If answer to the questions at serial number 1 against any principle, is 'No', please explain why : (Tick up to 2 options)

No. Questions	Principle 7-Regarding Responsible Public Advocacy
1. The company has not understood the principles.	-
2. The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.	-
3. The company does not have financial or manpower resources available for the task.	-
4. It is planned to be done within next 6 Months.	-
5. It is planned to be done within the next 1 year.	-
6. Any other reason (please specify).	IRCTC is a member of various industrial and trade bodies and participates in these forums on issues and policy matters that impact the interest of our stakeholders. Wherever felt necessary, we give our comments on various consultation papers and draft regulations etc. issued by Ministry of Railways, Ministry of Tourism etc. Being a public sector enterprise, though, the Company has established different set of internal regulations related to Principle 7 but has not made any specific policy on this subject.

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	Various principles of BR performances are integral to the day-to-day operations of the Company and the same are reviewed by the Board / Board level Committee(s) as an integral aspect of business sustainability. During FY 20, Board Level Committee for CSR & SD met thrice for assessment and reviewed the CSR activities of the Company while the Board of Directors met eight times during the year.
(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently is it published?	IRCTC got listed w.e.f. 14th October, 2019 and based on the market capitalization as on 31.03.2020, IRCTC is among the top 500 listed companies. In view of the above, Business Responsibility Report (BRR) has become mandatory, as the Company is reporting for the very first time in its corporate history. The Company is, therefore, publishing its BR report for the first time as a part of the Annual Report 2019-20. Going forward, the practice of reporting BR Report shall continue annually. The BR Report for the year 2019-20 shall be uploaded as a part of the Annual Report on the website of the Company and shall be available at the following link: https://www.irctc.com/annual-report.html

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs / Others?

IRCTC, a listed Government Company and Public Sector Enterprise is committed to observe transparency and accountability in all its operations. The Company has adopted a number of policies/ rules to strengthen ethical conduct at all levels including the following:

- a) **IRCTC's Conduct and Discipline Appeal rules:** IRCTC CDA Rules define the desirable and non-desirable acts and conduct for the employees and extend to all its employees. CDA rules also laid down procedure for actions in the case of non-compliance with the defined terms as well as for any misconduct.
- b) **Vigilance Department:** The Company has a well-structured vigilance department, aiming at better transparency, integrity and to inculcate good governance within the organization.
- c) **Whistle Blower and Fraud Prevention Policy:** The Company has in place Whistle Blower Mechanism and Fraud Prevention & Detection Policy. The whistle blower mechanism has been laid down for employees to raise any ethical issues within the organisation.

The Fraud Prevention & Detection Policy provides a system of disclosure for any fraud or suspected

fraud involving employees (all full time, part time or employees appointed on adhoc/ temporary/contract basis) of IRCTC as well as representatives of vendors, suppliers, contractors, consultants, service providers or any outside agency(ies) doing any type of business with IRCTC.

- d) **Code of Business Ethics & Conduct:** IRCTC has laid down two separate codes, i.e., Code of Business Ethics & Conduct for Board Members and Senior Management Personnel and Code of Conduct for employees of IRCTC in alignment with Company's Vision & Mission.

- e) **Compliance with provisions of Right to Information Act, 2005 :** As IRCTC is a designated public authority, the provisions of the Right to Information Act, 2005 are applicable on us. The Company ensures smooth access to information in a timely manner.

In addition, several initiatives have been taken/ are being taken by IRCTC to strengthen Integrity, transparency and fairness in its business practices which such as, well defined "Schedule of Powers" defining the powers of the top executives and below for carrying out work in prescribed manner, implementation of "Integrity Pact Program" considered as a useful tool in ensuring transparency in the procurement process, Implementation of E-procurement mechanism for most of the procurements etc.

Since, the Company has no active joint ventures and subsidiary, the extension of these policies to them is not applicable.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

As per requirement of SEBI (LODR) Regulations, 2015 and provisions of Section 178 of the Companies Act, 2013, the Company has a Stakeholders Relationship Committee specifically to look into various aspects of interest of shareholders. As reported by Alankit Assignments Limited (Registrar & Transfer Agent of the Company), subsequent to IPO, 21 grievances were received from the shareholders during the year 2019-20, out of which all grievances except 3 grievances were redressed up to March 31, 2020. The unresolved grievances have been replied after the closure of financial year by RTA.

Further, the investors grievances received from the investors related to IPO were/are handled at the end of appointed Book Running Lead Managers for the IPO of the Company.

During the year 2019-20, the vigilance department has received a total of 62 complaints. Out of these 45 complaints were disposed off and 17 are pending as on 31st March, 2020. The action of remaining 17 complaints was taken after the closure of financial year.

No case of whistle blower complaint was received. One complaint under sexual harassment was reported during the year, which was disposed off in time.

As on 31st March 2020, one complaint was filed by the MSEs, on MSME SAMADHAN- Delayed Payment Monitoring System, which has been duly closed.

A total of 3919 public grievances/complaints were received from the general public under Centralized Public Grievance Redressal and Monitoring Scheme (CPGRAMS) during the year 2019-20. All the grievances were disposed off within average period of 20 days. Details are as below:

Complaint sources	Received	Disposed	Pending with IRCTC
CPGRAM complaints (Total)	3919	3910	9

Arbitration cases and legal cases

The details of arbitration and legal cases being dealt by IRCTC during FY 2019-20 is mentioned below:

Supreme Court

SN	Cases
1	Pending cases as on 01.04.2019
2	New cases during the year
3	Balance cases

High Court

SN	Cases
1	Pending cases as on 01.04.2019
2	New cases during the year
3	Disposed off
4	Balance cases

Civil Court

SN	Cases
1	Pending cases as on 01.04.2019
2	New cases during the year
3	Disposed off
4	Balance cases

Arbitration Matters

SN	Cases
1	Pending cases as on 01.04.2019
2	New cases during the year
3	Disposed off
4	Balance cases

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

In its endeavour to promote sustainability from a holistic perspective, IRCTC is keen to address social and environmental concerns through its catering and water packaging services. It aims to employ environment-friendly packaging and processes to ensure sustainability in its operations.

● **Catering**

- IRCTC has started trial of bagasse packaging for food supplied from Base Kitchen/New Delhi. Post the successful trial, bio-degradable bagasse packaging will be encouraged in other kitchens as well.
- The use of non-plastic, bio-degradable cutlery is being encouraged for Onboard Catering Services.
- Service providers have been instructed to ensure proper garbage disposal, through agencies fixed by Railways.

● **Rail Neer**

a. 600 kW Solar Power Generation:

IRCTC has installed solar PV power plant of 120 KW at five of its' company owned Rail Neer plants at Nangloi

(Delhi), Danapur (Bihar), Palur (Tamil Nadu), Ambernath (Maharashtra) and Bilaspur (Chattisgarh.).

This initiative has helped reduce the energy bill of Rail Neer Packaged Drinking Water Plant, besides generating revenue from the sale of surplus power to the grid. The yearly consumption of KWh units has reduced by approx 7.2 Lakhs units, resulting in cost savings of approx ₹ 50 Lakhs per annum.

b. Solar Evaporation Ponds:

We have constructed solar evaporation ponds around our Rail Neer plants, enabling high Total Dissolved Solid (TDS) reject water released during water treatment processes from RO units to be naturally discharged for evaporation through the solar evaporation pond.

c. Tree Plantation:

As a part of the business model of Rail Neer, the plants source underground water for further purification and processing. We also engage in afforestation activity, thereby initiating a cycle for prospective rainfall and improvement in ground water levels. During the year, more than 10,000 saplings have been planted in areas surrounding Rail Neer Plants at Nangloi, Palur, Danapur, Ambernath and Bilaspur.

● Internet Ticketing:

- a. IRCTC E-Ticketing System was replaced with Next Generation E-Ticketing (NGeT) System on 28-Apr-2014. This resulted in capacity of per minute ticket booking increase from 2000 tickets to 7200 tickets per minute. IRCTC NGeT system is being upgraded regularly to cater to the load requirement. The per minute ticket booking capacity increased to 25,000 tickets. Highest booking of 26,458 tickets in a minute was achieved on March 5, 2020 (at 11:02 Hrs.). 73% of Reserved Rail Tickets were booked online in FY 2019-20 with 8.25 Lakhs ticket bookings on daily basis.
- b. IRCTC Launched new User Interface of its Next Generation e-Ticketing system (NGeT) to book train tickets faster in more user-friendly manner than before. IRCTC revamped its e-ticketing Website www.irctc.co.in and Rail Connect Mobile App which is now more passenger-friendly, clutter-free with easier log-in, navigation and secured with more data systems and processes.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

- (a). Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

● Catering :

IRCTC has adopted several innovative techniques to save energy and water in its Base kitchen at NDLS.

(i) Shifting to Piped Natural Gas based cooking

Instead of traditional LPG cylinder based cooking we have shifted on Piped Natural Gas based cooking. Presently the PNG supply at Base Kitchen NDLS is through IGL. The PNG supply is safe, convenient and produce less wastage as compared to gas cylinder supply which is risky and may result in more wastage, due to balance of gas in the bottom of cylinders. Almost no additional space is needed in PNG system.

BK-NDLS with average meals production capacity 10000 meals per day consumes 6372 Standard Cubic Meter PNG per month.

(ii) Conventional CFL light fixtures replaced by LED lights.

3x36 watts/2x40 watts were replaced with energy efficient 28 watt LED light fixtures. More than 90 such fixtures are provided at BK-NDLS. There is saving of approximate 31755 units per year in consumption of energy due to said energy efficient electrical fixtures.

(iii) Re-use of RO waste water in cleaning, washing and bathrooms.

Presently there are two RO water plant system at BK-NDLS (I) 1000 Litres per hour (LPH) (II) 400 Litres per hour LPH.

BK-NDLS with average meals production capacity 10000 meals per day consumes 6000 Lts approx of RO filtered water and about 9000 Lts of waste water is used for premises cleaning, crate washing area, floor washing, urinals etc

● Internet Ticketing:

IRCTC Internet Ticketing Centre (ITC) is not a Production Unit. It is an intermediary medium for selling Reserved Rail Tickets of Indian Railways to the customers through its Website www.irctc.co.in and IRCTC Rail Connect Mobile App (Android and iOS Platforms). IT Centre handles all the operational activities pertaining to e-tickets - booking/cancellation/ refunds, Payment Gateway Accounting/ Reconciliation, Settlements with banks, TDR filing/refunds, Agent Model, PG Integrations, Complaints, etc and is also an IT arm for IRCTC Services (Air-ticketing, Tourism, e-Catering).

The energy consumed is miniscule as Internet Ticketing Centre is not a production unit. The cost of energy /Infra /AMCs, etc. for IT Centre stood at ₹ 13.6 Crores and total no. of tickets booked were 30.19 Crores in FY 2019-20. The resources consumption (energy/infra) amounted to ₹ 2.22 per ticket.

● Rail Neer

Measurement of usage of water, fuel, per unit is carried out at plant level at regular intervals. As on date, specific energy consumption of 0.05 kwh per bottle and ground water extraction of 1.6 litres has been recorded for the production of 1 litre water bottles. The Company has put in place all policies and processes to conserve energy and natural resources.

To reduce the consumption of PET bottles, IRCTC reduced the weight of PET preform and HDPE cap, optimizing the weight from 22 gm to 20 gm and 2.2 gm to 1.6 gm, respectively. This has resulted in reduction of plastic consumption by approx 780 metric tons annually, at current production level.

The reduced weight of PET preform has resulted in savings of approx 20 paise per preform. IRCTC has manufactured approx 27.5 Crores Rail Neer bottles in 2019-20 resulting in savings of approx ₹ 5.5 Crores. Similarly, the optimized weight of caps contributed to savings of approx ₹ 0.03 per cap, translating to ₹ 0.8 Crore savings in 2019-20.

(b). Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company installed energy efficient LED lighting and ventilation system in Base Kitchen/New Delhi. Apart from the new installations, replacement of conventional lighting with energy efficient lighting was taken up in phased manner. All new plants commissioned in 2019-20 were installed with LED lighting fixture. To reduce water consumption, secondary RO system was installed at Rail Neer Plant, Nangloi and Palur.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

(a). If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company has put in place a well-defined procedure for sustainable sourcing of raw material with a well-documented Material Management Policy. The Company has policies of long-term contracts and rate-contracts to ensure that operations and business pursuits do not suffer due to externalities. For almost all raw materials, more than one source of supply is ensured to maintain uninterrupted supply chain.

Distribution and Sale of Rail Neer is carried out through selected agencies called Carry and Forwarding Agencies (CFA). CFA collects the product from Plant, transports it to

the destination/godown at major Railway Stations mandated for sale and distribution to static and mobile units of Indian Railways. CFA also collects the sales proceeds and deposits it to the Company's account. Rail Neer is dispatched to CFA against advance recurring deposit and Distribution area for each Plant has been fixed for the CFA.

Carrying and Forwarding Agencies (CFAs) have been empowered to issue invoice through Handheld Terminals (HHTs) to licensees, enabling live record and reconciliation of sale and supply of stock to trains and catering units in one plant as pilot project. This has simplified the process of bill settlement, rendered it accurate offering real time solutions. It has also resulted in savings in stationary and time for reconciliation. Further, it is proposed to be populated on IRCTC's server to enable easy access of data online, rendering its usefulness as a decision making tool to assess the performance of Rail Neer.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

(a). If yes, what steps have been taken to improve their capacity and capability of local and small vendors ?

In line with Govt. of India directives for promotion of MSMEs, the Company has been complying with the guidelines, to the extent feasible. The Company has been registered on Trade Receivable e-Discounting System (TReDS) platforms of Receivable Exchange of India Limited (RXIL). Trade Receivables Discounting System (TReDS) is the scheme for facilitating the financing of trade receivables of MSMEs from corporate and other buyers, including Government Departments and Public Sector Undertakings (PSUs), through multiple financiers.

The Company is continuously pursuing with its MSE suppliers to get themselves on-boarded on TReDS Platforms, for which detailed guidelines have been provided in 'Tender' section of the Company's official website www.irctc.com.

The Company has also incorporated suitable provisions in its Tender Documents for procurements of various products produced and services rendered by Micro and Small Enterprises in line with amendment to the Public Procurement Policy (Order 2012) in November 2018.

Further, as per Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012, regarding procurement of 25% of total procurement to be done from Micro and Small Enterprises (MSEs), the Company during 2019-20 procured 25.16% from MSEs.

5. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

● **Internet Ticketing:**

Yes, the IT Department of IRCTC has in place a mechanism to recycle e-waste and dispose condemned IT infrastructure. The existing mechanism is being followed to identify all electronic/ICT/Office automation items such as Printer/Computer/UPS/ Keyboard/Mouse/mini Switches etc., that crossed their useful life or beyond serviceable condition or defunct and dispose it through auction. Such disposal is being carried out through the recognized bidders which follow the Govt. of India's e-Waste handling Rules, 2011, and other country-level regulations

Consumable items such as exhausted or empty Printer Toner & Printer Cartridge are collected by the OEM M/s Hewlett Packard under their Green IT Re-Cycle Schemes on regular basis. Major IT items such as Servers are not disposed but they are returned to OEM through Buyback scheme for new procurements. Similarly, items such as Air-conditioner units are returned under buy-back scheme to the authorized channel partners of OEMs. More than 20% of the Internet Ticketing e-waste/condemned IT Assets have been either disposed by way of auction or returned under Green IT Recycle Scheme of OEMs.

● **Railneer:**

Extended Producer Responsibility:

As per Plastic Waste Management Rules, 2016 and Amendment dated March, 2018, IRCTC, as manufacturer of Rail Neer, has to fulfill its obligation towards Extended Producers Responsibility (EPR). Under EPR compliance, IRCTC has to arrange the collection and supply of scrap plastic materials, mainly PET bottles to Plastic Recycling plants. During 2018-19, IRCTC used 5600 MT of Plastics, primarily PET bottles.

To fulfill its obligation towards Extended Producers Responsibility, IRCTC has engaged an agency for arranging EPR compliance. IRCTC has applied for registration at Central Pollution Control Board New Delhi, and also submitted the action plan to CPCB for achieving target of EPR compliance

As per provisions of the Plastic Waste Management (PWM) Rules 2016, the selected agency has been entrusted to perform -

- (i) registration with CPCB and quarterly EPR compliances to CPCB

- (ii) collection of PET bottles and shrink-wrapping material from Railway stations or other sources to provide EPR certificate equivalent to the plastic material used by IRCTC.
- (iii) arranging the collection of crushed material generated from the bottle crushing machines
- (iv) installation of brushing crushing machines at nearby places (beyond Railway Stations)
- (v) arranging take back credit equivalent to Metric Ton of PET/PE plastic recycled
- (vi) making good the shortfall quantity for EPR compliances from their own collection network.

Principle 3: Businesses should promote the well-being of all employees

1. Please indicate the Total number of employees.

The Company has 1384 regular employees on roll. In addition to this 62 Railway officers and staff are on deputation to IRCTC.

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

393 Contractual supervisors have been engaged for manning/supervising in train services in Catering department. In addition to these contractual staff, IRCTC is taking services of 655 outsource staff engaged through Manpower agency.

3. Please indicate the Number of permanent women employees.

There are a total of 102 women employees amongst the regular employees

4. Please indicate the Number of permanent employees with disabilities

There are 05 permanent employees with different level of disabilities.

5. Do you have an employee association that is recognized by management.

The Company does not have any recognized employees association/union.

6. What percentage of your permanent employees is members of this recognized employee association?

Not applicable

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on the end of the financial year
1.	Child labour / forced labour / involuntary labour	Nil	Nil
2.	Sexual harassment	01	Nil
3.	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

The Company has in place a detailed annual plan for training employees across all levels for Corporate office as well as Zones and regional offices and project site). Also, in case of particular requirement(s), officers and employees are nominated for training on specific knowledge area for relevant discipline. The percentage of safety & skill upgradation training in FY 20 is mentioned below:

(a) Permanent Employees	: 30.00%
(b) Permanent Women Employees	: 47.00%
(c) Casual/Temporary/Contractual Employees	: 35.32%
(d) Employees with Disabilities	: 20.00%

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes. We have mapped and identified internal and external stakeholders, including disadvantaged, vulnerable and marginalized stakeholders. Our stakeholders include employees, customers, local communities, suppliers and contractors, investors and shareholders, government, regulators and peers and industry ecosystem.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

The Company has identified PwD, SC, ST, OBC and women as disadvantaged, vulnerable & marginalised stakeholders

with their concerns addressed as per the government policies applicable from time to time.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

The Company has identified differently abled, SC, ST, OBC women as disadvantaged, vulnerable and marginalised stakeholders and their concerns are addressed as per the government policies as applicable from time to time. SC/ST employees are given 15% and 7.5% reservation respectively in promotion upto DGM level. They are also given 10% relaxation in applicable qualifying marks. Differently-abled persons are given higher conveyance allowance as per Govt. directive and reservation in promotion is also given upto Executive level.

"IRCTC is committed to provide its contribution in making Governments' initiative on Start Up India and Skill Development, a huge success and accordingly during the last financial year has tied ups with 13 startups working in areas like Catering, tourism, software, Digital payments, Artificial intelligence and logistics."

The Company has in place a CSR vision document with the vision statement, as , "To remain a frontrunner for impacting the lives of socially and economically deprived and working towards a sustainable, inclusive developmental change over a horizon of time through the corporate social responsibility activities at IRCTC." At IRCTC, CSR aims at the development of disadvantaged and marginalized sections of society. Some of the CSR initiatives include solar lighting for rural areas, skill development trainings, providing medical facilities to less privileged and in backward areas, employment of rural women through Self Help Groups (SHGs) and provisions for sanitary napkin disposal machines, imparting employment oriented training and skill development programs for unemployed youth/SC/ST/ OBC women and Economically Weaker Sections (EWS) of society etc.

The Company has adopted public procurement policy for goods procured and services rendered by Micro and Small Enterprises (MSEs). Further, the Company has a Policy for Prevention, Prohibition and Redressal of Sexual Harassment at work place for providing a congenial and safe working atmosphere to women employees.

Keeping in view the requirement of stakeholders and applicable provisions, the website of the Company has been designed, developed and updated with the information like meetings of BOD, AGM, Quarterly results, Annual reports etc.,

Principle 5: Businesses should respect and promote human rights**1. Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?**

Being a Government Company and a Central Public Enterprise under Ministry of Railways, its HR policies and practices reflect the incorporation of Human Rights, which cover all the employees and relative aspects pertaining to Vendors/ Suppliers/Contractors through contract conditions.

Further, IRCTC "CDA Rules" also define the desirable and non-desirable acts and conduct for the employees (including those deputed in Subsidiaries/ Joint Ventures). There is a laid down procedure for actions in case of non-compliance with the defined terms as well as for any inappropriate or unwelcome sexually-oriented behavior.

To promote fair and equitable employment relationship, a scheme for Grievance Redressal of employees is also in place which ensures a time bound redressal of grievances. Internal Complaints Committees (ICCs) have been constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints received regarding sexual harassment.

IRCTC conducts various technical and behavioral trainings to sensitize people towards women, the differently-abled and the socially weaker sections of the society have also been imparted.

The Company has comprehensive Whistle Blower Policy in place enabling employees to report malpractices such as misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, etc. or matters affecting the interests of the Company with necessary safeguards for the protection of the Whistleblower

IRCTC has zero tolerance for human rights abuse by a third party with which it does business and has provisions to cease business with the said third party immediately for the violations if proved and in addition to any other action under the relevant provisions of law. No child labour, forced labour or involuntary labour is permissible in the Company.

IRCTC has no active joint venture and subsidiary, therefore ensures the coverage of these policies is not applicable to the Company. However, the Company ensures that its suppliers/contractors comply with the law of the land by getting such clauses incorporated in their respective contracts/agreements.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

Two complaints from Other Backward Classes (OBC) and 01 from Scheduled Tribe (ST) was received during last financial year and were disposed off to their satisfaction levels.

Principle 6: Businesses should respect, protect and make efforts to restore the environment.**1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

The Company has a CSR & Sustainability Policy and CSR Vision Document to act in socially, economically and environmentally sustainable manner at all times. Since the Company has no active joint venture and has no subsidiary, the applicability of policy is not extendable to JVs/ subsidiaries.

The Company ensures that its suppliers/contractors comply with the law of the land by getting such clauses incorporated in their respective contracts/agreements.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

The Company does not have any exclusive policy to address global environmental issues such as climate change, global warming etc. but efforts are made to ensure that all the guidelines of the Government of India and laws of the land in respect of these issues are strictly adhered to by the company.

The Company at its Railneer plants has been taking clean initiatives such as Rail Water Harvesting, plastic recycling, green/clean energy by installation of solar system. Railneer plant, Bilaspur has adopted reject water recovery and recycling system through which around 20KL of water per day can be recovered and reused in producing Rail Neer. By adopting this procedure, 25 KL of R.O Reject water is being recovered and recycled for toilet flushing.

To address the global environment issues such as global warming and climate change, the Company's railneer plants located at Danapur, Shankrail and Jaggi Road has conducted plantation drives of more than 100 saplings covering more than 33% of the open area.

Details are available on the IRCTC website, <https://irctc.com/rail-neer-introduction.html>

3. Does the company identify and assess potential environmental risks? Y/N

Yes, the company takes into account the potential environmental risks within its Risk Management policy and tries to mitigate the risks as best as possible.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

The company does not have any exclusive project related to clean development mechanism, but all guidelines and instructions of the government on this subject matter are followed, as and when required.

IRCTC's Railneer Plants have adopted Biodigester developed by the Defence Research and Developed Organisation (DRDO). Solid and Liquid Sewage waste enters the biodigester with inoculums, reduces pathogen more than 99% and generates clean water. The generated clean water is being used for gardening application.

In addition, it is ensured at all Railneer plants that the quality and quantity of liquid effluents and gaseous emissions are within the statutory limits as mentioned in the Environment Protection Act, and the rules made there under. Adequate measures are also taken for control of pollution from all sources.

The Company's all Rail Neer Plants takes certificate(s)/ consent(s) from state/central government authorities in compliance of Environment Protection Act -Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act 1981.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

The Company makes efforts to use the latest and green technology, including renewable energy technology, wherever possible. For instance, solid wastes are disposed off scientifically so as to not cause any environmental pollution. Rail Neer Plant at Danapur is producing power to the tune of 120KW through solar panels and is recycling water through pumps @ 2500 LPH. Additionally, recharging of ground water is done through ponds adopted at Danapur and JHA JHA provided by ECR.

Details of such initiatives taken at IRCTC Rail Neer Plants are available on the IRCTC website, <https://irctc.com/rail-neer-introduction.html>

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, Emissions/Waste generated by the company are within the permissible limits given by CPCB/SPCB

7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Nil.

Principle7: Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

Yes, IRCTC has an association with a number of trade chamber and associations such as Standing Conference of Public Enterprise (SCOPE), Federation of Indian Chambers of Commerce and Industry (FICCI), Confederation of Indian Industry (CII), India Habitat Center (IHC), All India Management Association (AIMA), PHD Chamber of Commerce and Industry (PHDCCI).

2. Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).

The Company has a strong presence in hospitality sector with majority of its business segments depending on Railways. The Company represents its views through knowledge sharing systems, responses to surveys, feedback on industry needs, etc. The Company regularly interacts with Ministry of Railways, Ministry of Tourism, Department of Public Enterprises and has participated in various policy formulation by providing its inputs.

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company's policies are in compliance with Government of India guidelines to promote diversity, equity and recognize people on their merits and skill sets irrespective of their race, caste , religion, colour, ancestry, marital status, gender, age and nationality.

IRCTC is committed to implement Corporate Social Responsibility & Sustainability activities in a planned and time bound manner. The emerging concept of CSR & Sustainability goes beyond charity and requires the company to act beyond its legal obligations and to integrate social, environmental and ethical concerns into company's business process. This policy document (manual) encompasses IRCTC's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large. The details of the projects under CSR Policy and indicative allocation of the CSR Budget has been given in the below paragraph.

The CSR fund was spent as per the CSR policy of IRCTC in alignment with the policies outline by the Government of India. Out of the total CSR Budget of ₹ 7.67 Crores, an amount of ₹ 2.53 Crores (33% of CSR budget) was provided to Swachh Bharat Kosh as a mandatory requirement and ₹ 1.5 Crores was provided to PM Cares Fund. The remaining amount was provided for the projects on the themes mandated by CPSE, such as Education, Skill Development, Health, Environment Sustainability, Sanitation, etc. Accordingly, the projects covered under the mandated themes included provision of ₹ 2.05 Crores, to Aspirational Districts and ₹ 1.59 Crores to locations not covered under Aspirational Districts.

The list of projects under the above mentioned categories are enclosed in the CSR & sustainability Report annexed to Directors Report

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?

The Company has an in-house dedicated CSR Department for implementing CSR Policy of the company and wherever the Company does not have an in-house expertise for carrying out the project, the services from the specialized agencies viz. NGOs, Government/Semi – government/ autonomous organizations , Registered trusts and societies exclusively formed for carrying out CSR activities, are taken.

3. Have you done any impact assessment of your initiative?

The Company monitors the impact of CSR Programmes through Zonal Internal Surveillance Groups (ISGs) as well as through the certification/documentary proof provided by the implementing agencies, to ensure proper implementation and execution of the projects.

4. What is your company's direct contribution to community development projects-Amount in INR and the details of the projects undertaken.

CSR initiatives of the company are undertaken in alignment with the Company's overall objective of building a balanced and a sustainable entity. Every year, in accordance with the DPE guidelines and as approved by the Board of Directors, on recommendation of CSR&SD Committee, IRCTC contributes 33% of its Annual CSR &SD budget towards Swachh Bharat Kosh and Clean Ganga Fund.

Further details on the same can be found from IRCTC's CSR and Sustainability Report annexed as **Annexure-'C'** of Directors Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The communities intended to be benefitted are consulted and closely involved in the process of identifying, planning and implementation of the CSR activities. Wherever possible, the local authorities and specialised agencies such as NGOs and Registered Trusts/societies engaged are consulted and involved. During implementation, regular interactions and visits are done by Internal Surveillance Group to ensure maximum benefit reaches to the targeted community/group.

For Aspirational Districts, the funding of projects is done through District Collectors/ DMs to ensure the successful adoption of the CSR projects in their respective areas, as per the instructions of the government.

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

The Company's overall business is contributed from Ministry of Railways, which includes providing facility of internet ticketing for railway passengers, catering services to the trains and at stations within India; providing packaged drinking water (Railneer) to the passengers.

IRCTC has a special cell dealing with consumer complaints. The Company received around 8476 catering complaints and all the complaints were disposed off in time and there is no complaint pending at the end of financial year.

In addition, regular meetings were carried out with the vendors / contractors/suppliers at the regions/zones/ offices for speedy resolutions of their grievances / issues faced by them

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)

Amongst its business segments , the Company has its own branded packaged drinking water product for the rail commuters with the name , Rail Neer.

Yes, the Company displays product information on the label of Rail Neer Packaged Drinking Water bottles in accordance with the standards and guidelines laid down by Bureau of Indian Standards (BIS), Food Safety and Standards Authority of India (FSSAI) and Legal Metrology Department.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

A case has been filed by Meet Shah against Ministry of Railways and IRCTC regarding contravention of provision of section 4 of the Competition Act, alleging that rounding off of the actual base fare to next higher multiple of ₹ 5 by Opposition Parties as misuse of their dominant position by charging higher base fare.

Competition Commission of India after investigating the complaint, closed the complaint holding that no case of contravention of provision of section 4 of the Act made out against both parties vide order dated 03.02.2020, which was duly informed to exchanges under Regulation 30 of SEBI (LoDR) Regulations.

As such, no case is pending against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending at the close of the financial year.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

IRCTC conducted Customer Satisfaction Survey in its own managed catering units by engaging Third Party Agency having MRSI (Market Research Society of India) accreditation during the year 2019-20.

IRCTC has conducted Customer Satisfaction surveys in 344 mobile units & 241 static units regarding passenger feedback for catering services. The overall feedback received from the survey indicated that 91% of the feedback was rated as Excellent, Very good & Good for Mobile Units & 94% of the feedback was rated as Excellent, Very good & Good for Static units.



Annexure – “E” to the Directors’ Report

DIVIDEND DISTRIBUTION POLICY OF INDIAN RAILWAY CATERING AND TOURISM CORPORATION LIMITED

1. PREAMBLE

SEBI vide its notification dated 08.07.2016 has inserted regulation 43A in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which requires top five hundred (500 listed entities based on market capitalization (calculated as on March 31 of every financial year) to formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.

Considering the fact that Indian Railway Catering and Tourism Corporation Limited (IRCTC) is in the process of launching an IPO by way of disinvestment of shares belonging to Government of India in the share capital of the Company. In addition, IRCTC being a government company is also under obligation to follow the guidelines of Department of Investment and Public Asset Management (DIPAM). Accordingly, the dividend distribution policy of IRCTC has been formulated.

2. DEFINITIONS

Term	Definition
“Act”	means Companies Act, 2013 including the rules framed there under as amended from time to time.
“SEBI Regulations”	means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force.
“Applicable Laws”	means the Companies Act, 2013 and Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time and such other act, rules or regulations which provides for the distribution of Dividend.
“Company ”	means “Indian Railway Catering and Tourism Corporation Limited”
“Board ”	Means the collective body of the Directors of the Company.
“Chairman”	means the Chairman of the Board of Directors of the Company.
“Director”	means a Director appointed to the Board of a Company.
“Compliance Officer”	means the Compliance Officer of the Company appointed by the Board of Directors pursuant to the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.
“CMD”	means Chairman & Managing Director of the Company.
“Dividend”	means Dividend as defined under Companies Act, 2013.
“DIPAM”	Means Department of Investment and Public Asset Management
“DPE”	means the Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of India.
“Policy”	means this Dividend Distribution Policy.
“Guidelines”	Means guidelines issued by DIPAM, DPE or SEBI on dividend as applicable.

3. INTERPRETATION

In this Policy, unless the contrary intention appears;

- the clause headings are for ease of reference only;
- a reference to a clause number includes a reference to its sub-clauses;
- words in singular number include the plural and vice versa;
- words and expressions used and not defined in this Policy but defined in the Act or rules made thereunder

or Securities and Exchange Board of India Act, 1992 or regulations made thereunder or Depositories Act, 1996 shall have the meanings respectively assigned to them in those Acts, Rules and Regulations and DIPAM/DPE Guidelines.

In case of any dispute or difference upon the meaning/ interpretation of any word or provision in this Policy, the same shall be referred to CMD and his decision in such a case shall be final.

4. EFFECTIVE DATE

The Policy shall become effective from the date of its listing i.e 14.10.2019

5. REGULATORY/ POLICY FRAMEWORK

- The policy has been framed broadly in line with the provisions of the Companies Act, 2013 and;
- Taking into consideration, guidelines on “Capital Restructuring of Central Public Sector Enterprises” issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Department of Public Enterprises;
- SEBI and other guidelines, to the extent applicable.

6. OBJECTIVE AND SCOPE OF THE POLICY

- This Policy is aimed at increasing the Company's fundamental value ensuring an annual dividend payout based on the amount of profit to be distributed amongst shareholders of the Company after balancing the requirement of deployment of internal accruals for its sustenance and growth plans.
- The Company's commitment is to deliver sustainable value to all its stakeholders.
- The Company has been consistently paying dividend and this trend is expected to continue in future as well unless the company is unable to declare dividend due to any of the factors listed ahead.

7. INTENT OF THIS POLICY

The intent of this Policy is to broadly specify the following parameters:

- Circumstances under which the shareholders may or may not expect dividend;
- Financial parameters that shall be considered while declaring dividend;
- Internal and external factors that shall be considered for the declaration of dividend;
- Policy as to how the retained earnings of the Company shall be utilized and;
- Parameters that shall be adopted with regard to various classes of shares of the Company.

Provided that if the Company proposes to declare dividend on the basis of parameters in addition to clauses A to E or proposes to change such additional parameters or the dividend distribution policy contained in any of the parameters, it shall disclose such changes along with the rationale for the same in its annual report and on its website.

A. Circumstances under which the shareholders of the Company may or may not expect dividend.

The decision regarding dividend pay-out is a crucial decision as it balances the amount of profit to be distributed amongst shareholders with the requirement of deployment of internal accruals for sustenance and growth plans of the Company.

Dividend is declared at the Annual General Meeting of the shareholders based on the recommendation by the Board. Board may recommend dividend, at its discretion, to be paid to shareholders. Board may also declare interim dividend. Generally, the factors that may be considered by the Board before making any recommendations for the dividend shall include, but not limited to, future capital expenditure plans, profits earned during the financial year, cost of raising funds from alternate sources, cash flow position and applicable taxes including tax on dividend, guidelines issued by the Government.

B. Financial Parameters that shall be considered while declaring dividend.

Being a Central Public Sector Enterprise (CPSE), the Company endeavors to declare the dividend as per the guidelines on “Capital Restructuring of Central Public Sector Enterprises” issued by DIPAM, Govt. of India on 27.05.2016, mandating every CPSE to pay a minimum annual dividend of 30% of PAT or 5% of the net-worth, whichever is higher subject to the maximum dividend permissible under the extant legal provisions. Nonetheless, CPSEs are expected to pay the maximum dividend permissible under the Act under which a CPSE has been set up, unless lower dividend proposed to be paid is justified on case to case basis at the level of Administrative Ministry/Department after considering the following financial parameters:

- Net-worth of the Company and its Capacity to borrow;
- Long-term borrowings;
- CAPEX/Business Expansion needs;
- Retention of profit for further leveraging in line with the CAPEX needs; and
- Cash and bank balance.

C. Internal and External factors that shall be considered for declaration of dividend**Internal Factors****Extent of realized profits as a part of the IND AS profits of the Company**

The extent of realized profits out of its profits calculated as per IND AS, affects the Board's decision of determination of dividend for a particular year. The Board is required to consider inter alia, the following factors before taking any dividend or retention decision:

- (i) Profit upto the quarter/ for the financial year;
- (ii) Available balance in the free reserves of the Company;
- (iii) Dividend payout trend of the Company and the industry;
- (iv) Future business projections and operational requirements;
- (v) Stability of earnings and projections of future profits
- (vi) Operating cash flows, treasury positions and operational requirements
- (vii) Borrowing levels and the capacity to borrow;
- (viii) Present and future capital expenditure plans of the Company
- (ix) Additional investments in any subsidiaries / joint ventures or associates of the Company;
- (x) Providing for unseen events and contingencies which has financial implications;
- (xi) The need for replacement of capital assets, expansion and modernization or augmentation of capital stock, including any major capital expenditure proposals
- (xii) Any other factor as may be deemed fit by the Board.

External Factors**Economic Environment**

In case of uncertain or recessionary economic and business conditions, the Company may like to retain the profit to build up the reserves to meet future eventualities.

Capital Market

In case of unfavorable market conditions, the Company may resort to a conservative dividend payout.

Statutory requirements and Government Guidelines

- The Company shall observe the relevant statutory requirements of the Companies Act, 2013 including

those with respect to mandatory transfer of a certain portion of profits to any specific reserve such as Debenture Redemption Reserve, Capital Redemption Reserve etc. as provided in the Act, at the time of taking decision with regard to dividend declaration or ploughing back their profit in the business.

- Being a Government Company, the Company shall also consider the guidelines in force in respect of dividend declaration as issued from time to time by the Government of India. In the event the Company is not able to comply with the Government of India guidelines, it would approach the Government of India for suitable exemption from the same through its Administrative Ministry.
- In terms of section 123 of the Companies Act, 2013, no dividend shall be declared by a company except out of the profit of the company for that year or out of profit of the any previous year or years arrived at after providing for depreciation in accordance with the provision of the Act and after transfer of such percentage of its profit for that financial year as it may consider appropriate to the reserves of the company.

Agreements with lending institutions/ Debenture Trustees

The decision of dividend pay-out shall also be subject to the restrictions and covenants contained in the agreements as may be entered into with the lenders of the Company from time to time.

D. Utilization of Retained Earnings

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:

- Market expansion plan;
- Product expansion plan;
- Increase in production capacity;
- Modernization and revamps;
- Diversification of business;
- Long term strategic plans;
- Replacement of capital assets;
- Where the cost of debt is expensive/ Substitution of high cost debt/ repaying the high cost debt;
- Other such criteria as the Board may deem fit from time to time.

E. Parameters to be adopted with regard to various classes of shares

The holders of the equity shares of the Company, as on the record date, are entitled to receive dividends. Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share. The policy shall be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

- Distribution of cash as an alternative to dividend payment by way of buyback of equity shares etc.

8. STATUTORY REQUIREMENTS

The Board shall ensure compliance with the Companies Act, 2013 and Rules framed thereunder, the guidelines on “Capital Restructuring of Central Public Sector Enterprises” issued by DIPAM, Govt. of India on 27.05.2016 and all other applicable law while taking decision of a dividend payout during a particular year.

9. This Policy shall not apply to:

- Distribution of dividend in kind i.e., by issue of bonus shares or other securities, subject to applicable law;

10. DISCLOSURE OF THIS POLICY

The policy shall be disclosed in the Annual report of the Company, as required under Companies Act, 2013 and Rules framed thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and as may be required under any other law for the time being in force.

11. REVIEW

To the extent any change/amendment is required in terms of any applicable law, the CMD of the Company is authorized to review and amend the Policy, to give effect to any such changes/ amendments. Such amended Policy shall be placed before the Board for its noting.

12. WEBSITE

The Policy will be uploaded on the Company's website for public information.

**Annexure – “F” to the Directors’ Report****FORM NO.MGT-9
EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31st March, 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i	CIN	L74899DL1999GOI101707
ii	Registration Date	27th September, 1999
iii	Name of the Company	Indian Railway Catering and Tourism Corporation Limited
iv	Category/Sub-Category of the Company	Company Limited by Shares Government Company
v	Address of the Registered office and contact details	11th Floor, B-148, Statesman House, Barakhamba Road, New Delhi – 110001 Tel. No. : 011-23311263-64 Fax. No. : 011-23311259 Email: companysecretary@irctc.com
vi	Whether Listed Company	Yes (w.e.f. 14th October, 2019)
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Alankit Assignments Limited, ‘4E/2, Alankit House’ Jhandewalan Extension, New Delhi-110055, Tel: 91-11-42541234/1960, Fax: 91-11-42541201/23552001, Website: www.alankit.com Email ID: rtta@alankit.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company are given below:

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	Catering & Hospitality	722	45.89
2.	Internet Ticketing	631	27.24
3.	Travel & Tourism	791	12.96

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
3.	Royale Indian Rail Tours Limited* Ground Floor, STC Building (Jawahar Vyapar Bhawan), 1-Tolstoy Marg, New Delhi-110001	U60100DL2008PLC185285	Associate	50%	2(6) of Companies Act, 2013

*Due to dispute between equity partners, IRCTC had terminated the agreement with Cox and Kings Ltd. on 12th August, 2011 and initiated proceedings u/s 397 and 398 of the Companies Act, 1956 against Cox and Kings Ltd. and the matter is sub judice before the court. Further, permission has also been taken by RIRTL from CLB for not holding the Board and General Meetings without approval of CLB in July, 2013

IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2019)				No. of Shares held at the end of the year i.e. (31.03.2020)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. PROMOTERS AND PROMOTERS GROUP									
(1) INDIAN									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Government/ State Government(s)	15,99,99,944	56	16,00,00,000	100	13,98,40,000	-	13,98,40,000	87.40	-12.60
c) Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
d) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	15,99,99,944	56	16,00,00,000	100	13,98,40,000	-	13,98,40,000	87.40	-12.60
(2) FOREIGN									
a) Individuals (Non Resident Individuals/Foreign Individuals)	-	-	-	-	-	-	-	-	-
b) Government	-	-	-	-	-	-	-	-	-
c) Institutions	-	-	-	-	-	-	-	-	-
d) Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
e) Any Other (Specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter & Promoter Group (A) = (A)(1) + (A)(2)	15,99,99,944	56	16,00,00,000	100	13,98,40,000	-	13,98,40,000	87.40	-12.60
B. PUBLIC SHAREHOLDING									
(1) INSTITUTIONS									
a) Mutual Funds	-	-	-	-	32,78,108	-	32,78,108	2.05	2.05
b) Venture Capital Funds	-	-	-	-	-	-	-	-	-
c) Alternate Investment Funds	-	-	-	-	74,403	-	74,403	0.05	0.05
d) Foreign Venture Capital	-	-	-	-	-	-	-	-	-
e) Foreign Portfolio Investors	-	-	-	-	27,27,505	-	27,27,505	1.70	1.70
f) Financial Institutions/ Banks	-	-	-	-	1,55,485	-	1,55,485	0.10	0.10
g) Insurance Companies	-	-	-	-	87,422	-	87,422	0.05	0.05
h) Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-
i) Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
j) Any Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):-	0	0	0	0.00	63,22,923	0	63,22,923	3.95	3.95
(2) NON INSTITUTIONS									
a) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 Lakhs	-	-	-	-	1,10,51,830	207	1,10,51,830	6.91	6.91
ii) Individual shareholders holding nominal share capital in excess ₹ 2 Lakhs	-	-	-	-	2,25,535	-	2,25,535	0.14	0.14
b) NBFC registered with RBI	-	-	-	-	-	-	-	-	-
c) Employee Trusts	-	-	-	-	-	-	-	-	-
d) Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-



Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2019)				No. of Shares held at the end of the year i.e. (31.03.2020)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
e) Any Other (Specify)									
i) Bodies Corp.	-	-	-	-	11,20,756	-	11,20,756	0.70	0.70
ii) Non- Resident Indian (NRI)	-	-	-	-	3,56,245	-	3,56,245	0.22	0.22
iii) Non Resident Non Repatriates	-	-	-	-	64,508	-	64,508	0.04	0.04
iv) Trust	-	-	-	-	67,274	-	67,274	0.04	0.04
v) Clearing Member	-	-	-	-	6,16,595	-	6,16,595	0.39	0.39
vi) HUF	-	-	-	-	2,76,024	-	2,76,024	0.17	0.17
vii) Employees	-	-	-	-	58,103	-	58,103	0.04	0.04
Sub-total (B)(2):-	-	-	-	-	1,38,36,870	207	1,38,37,077	8.65	8.65
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	2,01,59,793	207	2,01,60,000	12.60	12.60
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	15,99,99,944	56	16,00,00,000	100	15,99,99,793	207	16,00,00,000	100	-

Note:

- In the beginning of the year, Central Government (Ministry of Railways) i.e. President of India and its Nominees held 16,00,00,000 shares (out of which POI held 15,99,99,944 shares in demat account and remaining 56 shares were held in physical form by 7 Nominees)
- During the year, the President of India through Ministry of Railways divested 2,01, 60,000 shares amounting to 12.60% of its stake i.e. in the Company through offer for sale to the public. The Company got listed on October 14, 2019 on BSE and NSE.

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2019)			Shareholding at the end of the year (31.03.2020)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1.	President of India	15,99,99,944	99.99	0.00	13,98,40,000	87.40	0.00	-12.60
2.	Sh. Vinod Kumar Yadav, Chairman Railway Board*	8	Negligible	0.00	0	0	0.00	Negligible
3.	Sh. Purnendu Sekhar Mishra, MT, Railway Board*	8	Negligible	0.00	0	0	0.00	Negligible
4.	Sh. Anurag, AM(TT), Railway Board*	8	Negligible	0.00	0	0	0.00	Negligible
5.	Sh. Sunil Mathur, AM (T&C), Railway Board	8	Negligible	0.00	0	0	0.00	Negligible
6.	Sh. Vijay Kumar, FC, Railway Board*	8	Negligible	0.00	0	0	0.00	Negligible
7.	Sh. Vishwesh Saryuprasad Chaube, ME, Railway Board*	8	Negligible	0.00	0	0	0.00	Negligible
8.	Sh. Sushant Kumar Mishra, Secretary, Railway Board*	8	Negligible	0.00	0	0	0.00	Negligible
	Total	16,00,00,000	100	0.00	139840000	87.40	0.00	-12.60

* S. No. 2 to 8 are nominees of President of India.

*56 equity shares of seven nominees of President of India were transferred to the President of India during the year.

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. Particulars No.	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1. President of India	16,00,00,000	100	16,00,00,000	100
At the beginning of the year				
Date 14.10.2019	2,01,60,000	-12.60	13,98,40,000	87.40
Decrease in Promoters Shareholding during the year				
Reasons for Decrease: Disinvestment through offer for sale to public by listing of shares on NSE and BSE				
At the end of the year	13,98,40,000	87.40	13,98,40,000	87.40
2. Sh. Vinod kumar Yadav, Chairman Railway Board	8	Negligible	8	Negligible
At the beginning of the year				
Off Market transfer on 31.01.2020	8	Negligible	0	0.00
At the end of the year	0	0.00	0	0.00
3. Sh. Purnendu Sekhar Mishra, MT, Railway Board	8	Negligible	8	Negligible
At the beginning of the year				
Off Market transfer on 15.01.2020	8	Negligible	0	0.00
At the end of the year	0	0.00	0	0.00
4. Sh. Anurag, AM(TT), Railway Board	8	Negligible	8	Negligible
At the beginning of the year				
Off Market transfer on 15.01.2020	8	Negligible	0	0.00
At the end of the year	0	0.00	0	0.00
5. Sh. Sunil Mathur, AM (T& C), Railway Board	8	Negligible	8	Negligible
At the beginning of the year				
Off Market transfer on 15.01.2020	8	Negligible	0	0.00
At the end of the year	0	0.00	0	0.00
6. Sh. Vijay Kumar, FC, Railway Board	8	Negligible	8	Negligible
At the beginning of the year				
Off Market transfer on 15.01.2020	8	Negligible	0	0.00
At the end of the year	0	0.00	0	0.00
7. Sh. Vishwesh Saryuprasad Chaube, ME, railway Board	8	Negligible	8	Negligible
At the beginning of the year				
Off Market transfer on 31.01.2020	8	Negligible	0	0.00
At the end of the year	0	0.00	0	0.00
8. Sh. Sushant Kumar Mishra, Secretary, Railway Board	8	Negligible	8	Negligible
At the beginning of the year				
Off Market transfer on 15.01.2020	8	Negligible	0	0.00
At the end of the year	0	0.00	0	0.00



(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Particulars	Share holding at the beginning of the year		Transactions during the year		Cumulative shareholding at the end of the year	
		No. of shares	% of total shares of the company	Date of Transactions	Purchase/ Sale	No. of shares	% of total shares of the company
1.	ANGEL BROKING LIMITED	0	0.00			0	0.00
	Buy			18.10.2019	96,604	96,604	0.06
	Sell			25.10.2019	(43,303)	53,301	0.03
	Buy			01.11.2019	27,373	80,674	0.05
	Sell			08.11.2019	(22,380)	58,294	0.04
	Buy			15.11.2019	44,744	1,03,038	0.06
	Buy			22.11.2019	9,239	1,12,277	0.07
	Buy			29.11.2019	3,061	1,15,338	0.07
	Sell			06.12.2019	(8,437)	1,06,901	0.07
	Sell			13.12.2019	(13,436)	93,465	0.06
	Buy			20.12.2019	794	94,259	0.06
	Sell			27.12.2019	(1,247)	93,012	0.06
	Buy			31.12.2019	5,844	98,856	0.06
	Buy			03.01.2020	12,653	1,11,509	0.07
	Buy			10.01.2020	9,440	1,20,949	0.08
	Sell			17.01.2020	(21,693)	99,256	0.06
	Sell			24.01.2020	(27,840)	71,416	0.04
	Sell			31.01.2020	(24,119)	47,297	0.03
	Buy			07.02.2020	83,351	1,30,648	0.08
	Buy			14.02.2020	67,064	1,97,712	0.12
	Sell			21.02.2020	(37,433)	1,60,279	0.10
	Buy			25.02.2020	23,722	1,84,001	0.12
	Buy			28.02.2020	26,182	2,10,183	0.13
	Buy			06.03.2020	93,906	3,04,089	0.19
	Sell			13.03.2020	(79,249)	2,24,840	0.14
	Sell			20.03.2020	(32,228)	1,92,612	0.12
	Buy			27.03.2020	5,470	1,98,082	0.12
	Sell			31.03.2020	(21,121)	1,76,961	0.11
	At the end of the year					1,76,961	0.11
2.	GOVERNMENT OF SINGAPORE	0	0.00			0	0.00
	Buy			11.10.2019	11.10.2019	1,03,876	0.06
	Buy			18.10.2019	18.10.2019	4,32,478	0.27
	Sale			25.10.2019	25.10.2019	4,07,478	0.25
	Sale			15.11.2019	15.11.2019	3,10,923	0.19
	Buy			29.11.2019	29.11.2019	3,63,923	0.23
	Sale			20.12.2019	20.12.2019	3,19,962	0.20
	Sale			27.12.2019	27.12.2019	2,60,047	0.16
	Sale			07.02.2020	07.02.2020	2,30,047	0.14
	Sale			14.02.2020	14.02.2020	2,25,047	0.14
	Purchase			21.02.2020	21.02.2020	2,75,047	0.17
	Purchase			25.02.2020	25.02.2020	2,82,029	0.18
	Sale			06.03.2020	06.03.2020	1,82,712	0.11
	Purchase			20.03.2020	20.03.2020	1,93,712	0.12
	Sale			27.03.2020	27.03.2020	1,86,730	0.12
	Sale			31.03.2020	31.03.2020	1,56,730	0.10
	At the end of the year					1,56,730	0.10

Sl. No.	Particulars	Share holding at the beginning of the year		Transactions during the year		Cumulative shareholding at the end of the year	
		No. of shares	% of total shares of the company	Date of Transactions	Purchase/Sale	No. of shares	% of total shares of the company
3.	CANARA ROBECO MUTUAL FUND A/C CANARA ROBECO CONSERVATIVE HYBRID FUND	0	0.00			0	0.00
	Buy			11.10.2019	1,42,153	1,42,153	0.09
	Buy			18.10.2019	24,32,000	25,74,153	1.61
	Sale			25.10.2019	(10,552)	25,63,601	1.60
	Sale			01.11.2019	(11,000)	25,52,601	1.60
	Sale			10.01.2020	(17,500)	25,35,101	1.58
	Sale			07.02.2020	(5,11,512)	20,23,589	1.26
	Sale			14.02.2020	(1,00,000)	19,23,589	1.20
	Sale			21.02.2020	(2,29,000)	16,94,589	1.06
	Sale			25.02.2020	(2,59,100)	14,35,489	0.90
	Sale			28.02.2020	(7,500)	14,27,989	0.89
	Sale			06.03.2020	(4,59,117)	9,68,872	0.61
	At the end of the year					9,68,872	0.61
4.	KUWAIT INVESTMENT AUTHORITY FUND 227	0	0.00			0	0.00
	Buy			11.10.2019	39,857	39,857	0.02
	Buy			18.10.2019	5,72,608	6,12,465	0.38
	Buy			25.10.2019	3,20,176	9,32,641	0.58
	Buy			24.01.2020	78,337	10,10,978	0.63
	Sale			14.02.2020	(65,485)	9,45,493	0.59
	Sale			25.02.2020	(55,173)	8,90,320	0.56
	Sale			28.02.2020	(51,000)	8,39,320	0.52
	Sale			06.03.2020	(95,070)	7,44,250	0.47
	At the end of the year					7,44,250	0.47
5.	ITPL-INVESCO INDIA TAX PLAN	0	0.00			0	0.00
	Buy			11.10.2019	1,01,646	1,01,646	0.06
	Buy			18.10.2019	9,91,124	10,92,770	0.68
	Sale			25.10.2019	(4,16,008)	6,76,762	0.42
	Buy			08.11.2019	40,872	7,17,634	0.45
	Sale			15.11.2019	(1,22,760)	5,94,874	0.37
	Sale			22.11.2019	(1,21,801)	4,73,073	0.30
	Buy			29.11.2019	4,190	4,77,263	0.30
	Buy			06.12.2019	5,503	4,82,766	0.30
	Buy			13.12.2019	2,11,019	6,93,785	0.43
	Buy			20.12.2019	2,11,900	9,05,685	0.57
	Buy			27.12.2019	1,14,599	10,20,284	0.64
	Buy			31.12.2019	50,788	10,71,072	0.67
	Buy			03.01.2020	15,479	10,86,551	0.68
	Sale			10.01.2020	(1,194)	10,85,357	0.68



Sl. No.	Particulars	Share holding at the beginning of the year		Transactions during the year		Cumulative shareholding at the end of the year	
		No. of shares	% of total shares of the company	Date of Transactions	Purchase/ Sale	No. of shares	% of total shares of the company
	Buy			17.01.2020	60,387	11,45,744	0.72
	Buy			31.01.2020	30,735	11,76,479	0.74
	Sale			07.02.2020	(2,32,061)	9,44,418	0.59
	Sale			14.02.2020	(77,808)	8,66,610	0.54
	Sale			21.02.2020	(96,315)	7,70,295	0.48
	Sale			25.02.2020	(5,74,551)	1,95,744	0.12
	Purchase			20.03.2020	40,313	2,36,057	0.15
	Sale			27.03.2020	(25,516)	2,10,541	0.13
	At the end of the year					2,10,541	0.13
6.	PRINCIPAL MIDCAP FUND	0	0.00			0	0.00
	Buy			11.10.2019	63,692	63,692	0.04
	Buy			18.10.2019	6,75,000	7,38,692	0.46
	Sale			25.10.2019	(23,000)	7,15,692	0.45
	Sale			22.11.2019	(15,064)	7,00,628	0.44
	Buy			20.12.2019	351	7,00,979	0.44
	Sale			03.01.2020	(44,845)	6,56,134	0.41
	Buy			10.01.2020	15,356	6,71,490	0.42
	Sale			17.01.2020	(25,014)	6,46,476	0.40
	Sale			24.01.2020	(497)	6,45,979	0.40
	Sale			31.01.2020	(39,085)	6,06,894	0.38
	Sale			07.02.2020	(2,94,390)	3,12,504	0.20
	Sale			21.02.2020	(5,097)	3,07,407	0.19
	Sale			25.02.2020	(26,117)	2,81,290	0.18
	Sale			28.02.2020	(5)	2,81,285	0.18
	Sale			20.03.2020	(23,071)	2,58,214	0.16
	Buy			27.03.2020	697	2,58,911	0.16
	Sale			31.03.2020	(6,199)	2,52,712	0.16
	At the end of the year					2,52,712	0.16
7.	RELIANCE CAPITAL TRUSTEE CO LTD	0	0.00			0	0.00
	Buy			11.10.2019	1,60,215	1,60,215	0.10
	Buy			18.10.2019	21,16,223	22,76,438	1.42
	Sale			25.10.2019	(3,23,135)	19,53,303	1.22
	Sale			08.11.2019	(10,660)	19,42,643	1.21
	Sale			22.11.2019	(1,00,000)	18,42,643	1.15
	Sale			06.12.2019	(8,514)	18,34,129	1.15
	Sale			31.01.2020	(2,00,000)	16,34,129	1.02
	Sale			07.02.2020	(22,223)	16,11,906	1.01
	Sale			14.02.2020	(9,02,692)	7,09,214	0.44
	Sale			21.02.2020	(1,00,000)	6,09,214	0.38
	Buy			20.03.2020	64,175	6,73,389	0.42
	Buy			27.03.2020	2,30,000	9,03,389	0.56
	At the end of the year					9,03,389	0.56

Sl. No.	Particulars	Share holding at the beginning of the year		Transactions during the year		Cumulative shareholding at the end of the year	
		No. of shares	% of total shares of the company	Date of Transactions	Purchase/Sale	No. of shares	% of total shares of the company
8.	SUNDARAM MUTUAL FUND A/C- SUNDARAM SMALL CAP FUND	0	0.00			0	0.00
	Buy			11.10.2019	1,45,460	1,45,460	0.09
	Buy			18.10.2019	9,00,000	10,45,460	0.65
	Sale			25.10.2019	(40,815)	10,04,645	0.63
	Sale			01.11.2019	(15,177)	9,89,468	0.62
	Sale			08.11.2019	(2,038)	9,87,430	0.62
	Sale			15.11.2019	(15,022)	9,72,408	0.61
	Sale			17.01.2020	(1,750)	9,70,658	0.61
	Sale			31.01.2020	(207)	9,70,451	0.61
	Sale			07.02.2020	(32,451)	9,38,000	0.59
	Sale			14.02.2020	(8,000)	9,30,000	0.58
	Sale			21.02.2020	(9,000)	9,21,000	0.58
	Sale			25.02.2020	(19,003)	9,01,997	0.56
	Sale			28.02.2020	(27,421)	8,74,576	0.55
	Sale			06.03.2020	(3,52,829)	5,21,747	0.33
	At the end of the year					5,21,747	0.33
9.	PINEBRIDGE GLOBAL FUNDS- PINEBRIDGE INDIA EQUITY FUND	0	0.00			0	0.00
	Buy			18.10.2019	2,50,000	2,50,000	0.16
	Sale			25.10.2019	(2,50,000)	0	0.00
	Buy			29.11.2019	50,079	50,079	0.03
	Buy			06.12.2019	1,02,261	1,52,340	0.10
	Buy			13.12.2019	1,49,239	3,01,579	0.19
	Buy			20.12.2019	500	3,02,079	0.19
	Buy			27.12.2019	29,199	3,31,278	0.21
	Sale			07.02.2020	(1,40,000)	1,91,278	0.12
	Sale			14.02.2020	(50,000)	1,41,278	0.09
	Buy			21.02.2020	3,50,000	4,91,278	0.31
	Buy			20.03.2020	50,000	5,41,278	0.34
	Buy			27.03.2020	55,000	5,96,278	0.37
	Sale			31.03.2020	(1,00,000)	4,96,278	0.31
	At the end of the year					4,96,278	0.31
10.	FIDELITY FUNDS- INDIA FOCUS FUND	0	0.00			0	0.00
	Buy			11.10.2019	74,264	74,264	0.05
	Buy			18.10.2019	5,67,116	6,41,380	0.40
	Buy			25.10.2019	4,53,923	10,95,303	0.68
	Sale			07.02.2020	(91,654)	10,03,649	0.63
	Sale			25.02.2020	(1,45,558)	8,58,091	0.54
	Sale			28.02.2020	(69,408)	7,88,683	0.49
	At the end of the year					7,88,683	0.49

Note:

- The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated. Trading reflected on the above-mentioned is on weekly basis. Shareholding is consolidated based on permanent account number (PAN) of the shareholder.
- Top ten shareholders as on March 31 2020 have been considered, for the above disclosures



(v) Shareholding of Directors and Key Managerial Personnel (KMP)

Sl. Shareholding of Directors and No. Key Managerial Personnel	Shareholding at the beginning of the year		Transaction during the year			Cumulative shareholding during the year	
	No. of shares	% of total shares of the company	Date/ Period	Increase / Decrease in shareholding	Reason	No. of shares	% of total shares of the company
A Directors							
1. Shri Mahendra Pratap Mall Chairman & Managing Director	NIL	NA	Nil movement during the period			NIL	NA
2. Shri Sriram Venkatachalam Director (Catering Services) (up to 30.06.2019)	NIL	NA	Nil movement during the period			NIL	NA
3. Smt. Rajni Hasija Director (Tourism & Marketing)	NIL	NA	Nil movement during the period			NIL	NA
4. Shri Narendra Part-time Government Director & Additional Charge of Director (Finance) (from 19.08.2019 up to 15.01.2020)	NIL	NA	Nil movement during the period			NIL	NA
5. Shri Sanjeeb Kumar Part-time Government Director& Additional Charge of Director (Finance) (from 13.02.2020 up to 05.05.2020)	NIL	NA	Nil movement during the period			NIL	NA
6. Smt. Smita Rawat Part-time Government Director (up to 10.10.2019)	NIL	NA	Nil movement during the period			NIL	NA
7. Shri Neeraj Sharma Part-time Government Director	NIL	NA	Nil movement during the period			NIL	NA
8. Shri Vinay Srivastava Part-time Government Director (w.e.f. 20.03.2020)	NIL	NA	Nil movement during the period			NIL	NA
9. Dr. Rabi Narayan Bohidar Part-time (non-official) Director (up to 30.01.2020)	NIL	NA	Nil movement during the period			NIL	NA
10. Dr. Dheeraj Sharma Part-time (non-official) Director (up to 30.01.2020)	NIL	NA	Nil movement during the period			NIL	NA
11. Smt. Kanak Aggarwal Part-time (non-official) Director (up to 30.01.2020)	NIL	NA	Nil movement during the period			NIL	NA
12. Prof. Sachin Chaturvedi Part-time (non-official) Director	NIL	NA	Nil movement during the period			NIL	NA
13. Shri Comal Ramachandran Sundaramurti Part-time (non-official) Director	NIL	NA	Nil movement during the period			NIL	NA
14. Ms. Sarita Deshpande Part-time (non-official) Director	NIL	NA	Nil movement during the period			NIL	NA
B. Key Managerial Personnel							
1. Shri Ajai Srivastava GGM (Finance) & CFO	NIL	NA	Nil movement during the period			NIL	NA
2. Mrs. Suman Kalra Company Secretary & Compliance Officer	NIL	NA	Nil movement during the period			NIL	NA

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2019)				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total(i+ii+iii)				
Change in Indebtedness during the financial year				
- Addition		NIL		
- Reduction				
Net Change				
Indebtedness at the end of the financial year (31.03.2020)				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total(i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(in ₹)

Sl. No. Particulars of Remuneration		Name of MD/WTD/ Manager			Total Amount
		WTD			
		Sh. M.P. Mall Chairman & Managing Director	Sh. V. Sriram Director (Catering Services) (up to 30.06.2019)	Smt. Rajni Hasija Director (Tourism & Marketing)	
1.	Gross salary	70,84,911	49,97,702	42,89,973	1,63,72,586
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	9,21,798	9,21,798
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit				
	- others, specify...				
5.	Others, please specify				
	1. Medical Reimbursement	85,557	0	0	85,557
	2. Electricity Expenses	62,170	8,000	22,100	92,270
	3. TADK	2,94,038	30,000	2,72,328	5,96,366
Total(A)		75,26,676	50,35,702	55,06,199	1,80,68,577
Ceiling as per the Act*		Not Applicable			

*Section 197 of the Companies Act, 2013, is exempted for government companies in terms of Ministry of Corporate Affairs' notification dated 5th June, 2015.



B. Remuneration to other directors:

(in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
1.	Independent Directors	Dr. Rabi Narayan Bohidar (up to 30.01.2020)	Dr. Dheeraj Sharma (up to 30.01.2020)	Smt. Kanak Aggarwal (up to 30.01.2020)	Sh. C. R. Sundaramurti	Prof. Sachin Chaturvedi	Ms. Sarita Deshpande	
a)	Fee for attending board/ committee meetings	2,10,000	2,55,000	1,50,000	1,95,000	1,35,000	2,40,000	11,85,000
b)	Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c)	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total(1)	2,10,000	2,55,000	1,50,000	1,95,000	1,35,000	2,40,000	11,85,000
2.	Other Non-Executive Directors	Ms. Smita Rawat (up to 10.10.2019)		Sh. Neeraj Sharma	Sh. Narendra (from 19.08.2019 up to 15.01.2020)	Sh. Sanjeeb Kumar (from 13.02.2020 up to 05.05.2020)	Sh. Vinay Srivastava (w.e.f. 20.03.2020)	Total Amount
a)	Fee for attending board committee meetings	NIL		NIL	NIL	NIL	NIL	NIL
b)	Commission	NIL		NIL	NIL	NIL	NIL	NIL
c)	Others, please specify	NIL		NIL	NIL	NIL	NIL	NIL
	Total(2)	NIL		NIL	NIL	NIL	NIL	NIL
	Total(B)=(1+2)							11,85,000
	Total Managerial Remuneration	Not Applicable						
	Overall Ceiling as per the Act*	Not Applicable						

*Section 197 of the Companies Act, 2013, is exempted for government companies in terms of Ministry of Corporate Affairs' notification dated 5th June, 2015.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (in ₹)
		CEO@	Ms. Suman Kalra Company Secretary	Mr. Ajai Srivastava CFO*	
1.	Gross salary	-	27,38,137	29,10,047	56,48,184
	(a) Salary as per provisions contained in section17(1)of the Income-tax Act,1961	-			
	(b) Value of perquisites u/s17(2)Income-taxAct,1961	-	4,35,971	6,97,990	11,33,961
	(c) Profits in lieu of salary under section17(3)Income-taxAct,1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as% of profit	-	-	-	-
	- Others, specify..	-	-	-	-
5.	Others, please specify	-	-	-	-
	1. Medical Reimbursement	-	0	0	0
	2. Electricity expenses	-	0	0	0
	3. TADK	-	0	1,20,000	1,20,000
	Total	-	31,74,108.00	37,28,037.00	69,02,145.00

@CMD, IRCTC is deemed to be CEO

*Mr. Ajai Srivastava was nominated as CFO. He held the office of CFO till 09.07.2020

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ COURT)	Appeal made, if any (give details)
A. COMPANY Penalty Punishment Compounding	NIL	NA	NA	NA	NA
B. DIRECTORS Penalty Punishment Compounding	NIL	NA	NA	NA	NA
C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding	NIL	NA	NA	NA	NA

For and on behalf of the Board of Directors

(M.P. Mall)

Chairman & Managing Director

DIN: 02316235

Place: New Delhi

Dated: 18th August, 2020



Annexure – “G” to the Directors’ Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended March 31, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Indian Railway Catering and Tourism Corporation Limited
11th Floor, B-148, Statesman House
Barakhamba Road New Delhi-110001, IN

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Indian Railway Catering and Tourism Corporation Limited** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to me and the representations made by the Management, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on **March 31, 2020**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 (“SCRA”) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 [Not applicable to the company during the Audit Period];
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [Not applicable to the company during the Audit Period];
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client [Not applicable to the company during the Audit Period];
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [Not applicable to the company during the Audit Period];

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [Not applicable to the company during the Audit Period]; and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Other laws applicable specifically to the Company namely:
- a) The DPE Guidelines;
 - b) The Competition Act, 2002;
 - c) The Delhi Shops and Establishments Act, 1954;
 - d) The Right to Information Act, 2005;
 - e) E-Waste (Management & Handling) Rules, 2011;
 - f) The Environment (Protection) Act, 1986 read with The Environment (protection) Rules, 1986; and
 - g) Labour and Social Security Laws as possible.
 - h) Air (prevention & control of pollution) Act 1981 read with water prevention and control of pollution) Rules 1975
 - i) Water prevention and control of pollution) Act 1974
 - j) Employees provident funds and miscellaneous Provisions Act, 1952
 - k) Factories Act, 1945
 - l) Food safety and Standards Act 2016
 - m) The Legal Metrology Act 2009

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to conducting board and general meetings.
- (ii) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above subject to the following observation:

- i. *The number of Independent Directors on the Board was less than half of the total strength of Board as required under SEBI (LODR) Regulation and the DPE guidelines for which company has regularly written to its administrative ministry i.e. Ministry of Railways for appointment of appropriate number of Independent Directors on the board.*

- ii. *As informed by the management of the company, they are not able to prepare the consolidated financial statements of its Joint Venture, Royale India Rail Tours Limited (RIRTL) since Fiscal 2011 on account of ongoing litigation with Cox & Kings Limited (the JV partner with 50% share) and unavailability of financial statements of the RIRTL.*

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors having women director and the composition of board is as per provisions of the Act. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. However, the Composition of the Board of Directors of the company was not having such number of Independent Directors as required under SEBI (LODR) Regulations and the DPE guidelines for which company has regularly written to its administrative ministry i.e. Ministry of Railways for appointment of appropriate number of Independent Directors on the board.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Further the Company has made Initial Public Offering of 20,160,000 Equity Shares of Face Value of ₹ 10 Each ("Equity Shares") through an offer for sale by the President of India, acting through the Ministry of Railways, Government of India (The "Selling Shareholder"), for Cash at a price of ₹ 320.00 per equity Share (Including a share premium of ₹ 310.00 Per Equity Share). A discount of ₹10 per Equity Share on the Offer Price was offered to the Retail Individual Investors and Eligible Employee. The offer was made in terms of Rule 19(2) (b)(iii) of the Securities Contracts (Regulation) Rules, 1957, as*



amended ("SCRR") read with Regulation 41 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("SEBI ICDR Regulations") and in accordance with Regulation 26(1) of the SEBI ICDR Regulations. The equity shares of Indian Railway Catering and Tourism Corporation Limited, were listed and admitted to dealings on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) with effect from October 14, 2019.

I further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have

been subject to review by statutory financial audit by other designated professional.

For **Amit Agrawal & Associates**
(Company Secretaries)

CS Amit Agrawal
Proprietor
CP No. 3647, MNo.5311
UDIN:F005311B000551967

Date :05.08.2020
Place: New Delhi

This report is to be read with my letter of even date which is annexed as an "Annexure-A" and forms an integral part of this report.

Annexure- A

To,
The Members,
Indian Railway Catering and Tourism Corporation Limited
11th Floor, B-148, Statesman House
Barakhamba Road New Delhi-110001, IN

My Secretarial Audit Report of even date is to be read along with this letter:

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I have followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the management representations about the compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability nor of the efficacy of the effectiveness with which the management has conducted the affairs of the Company.

For **Amit Agrawal & Associates**
(Company Secretaries)

CS Amit Agrawal
Proprietor
CP No. 3647, MNo.5311

Date :05.08.2020
Place: New Delhi

Annexure – “H” to the Directors’ Report

I - Addendum to Directors’ Report

(Management replies to the remarks made by Independent Auditor on the financial statements for 2019-20)

Point in the Auditor’s Report	Auditor’s Remarks	Management Reply
Key Audit Matter	<p>a. That with regards to the Ind Accounting Standard 115 on Revenue from Contract with Customers, the company is in receipt of integration charges from booking agents (Non Refundable one time fees) for providing connectivity with the IRCTC Portal for railway ticket booking along with the annual maintenance charges which may vary based on volume of ticket bookings etc. The management is of the opinion that the agreement with the parties for integration charges is generally for one to three years, and subsequently the annual maintenance the contract is renewed but without any integration charges.</p> <p>Further since the renewal is unilateral at the option of IRCTC such integration charges shall not be deferred as income beyond initial contract period of one to three years.</p> <p>In our opinion, the contract for integration charges and annual maintenance contract are not distinct contracts therefore Income of integration charges (one time non refundable fees) shall be amortized over the expected contract period instead of recognizing revenue at one time. Further past trend has indicated that there is hardly any case where the contract was not renewed by IRCTC. Accordingly in our view, the one time integration charges shall be recognized as revenue over the estimated contract period (estimated 20 years based on past trend) rather than accruing the entire amount as income based on initial contract of one to three years.</p> <p>Deferment of such integration charges in terms of above based on the past information compiled by the management has caused overstatement of revenue by ₹ 6.33 Crores during the financial year ended 31st March 2020 and other equity comprising of reserves and surplus as at 31st March 2020 by ₹ 37.74 Crores.</p>	<p>Company is in receipt of integration charges from booking agents (Non Refundable one time fees) for providing connectivity with the IRCTC Portal for railway ticket booking along with the annual maintenance charges which may vary based on volume of ticket bookings etc.</p> <p>The management is of the opinion that the agreement with the parties for integration charges is generally for one to three years, and subsequently for annual maintenance, the contract is renewed but without any integration charges and it's only on the discretion of IRCTC. Therefore, the present accounting treatment as per Ind AS 115 is in line with the stand taken by the company.</p> <p>Further, since the renewal is unilateral at the option of IRCTC, such integration charges shall not be deferred as income beyond initial contract period of one to three years and the corporation has deferred the revenue received in term of integration charges on the basis of Ind As 115.</p>

Point in the Auditor's Report	Auditor's Remarks	Management Reply
Point 2 (a) of Report on other Legal & Regulatory Requirements	<p>i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit except for third party balance confirmations including balances payable/receivable from railways. Further the party wise receivables and payables as per subledgers in the ERP system could not be reconciled with the corresponding ledger balances as per ERP system.</p>	<p>Approx. 75% of outstanding in respect of trade receivables/trade payables are related to different Zonal Railways. Further, the Railway do the accounting on Cash basis and hence Balances in regard to receivable/payable can't be confirmed by Railway on a particular date. However, regular reconciliation meetings are being held with concerned Zonal Railways to reconcile & recover the dues from railways.</p> <p>In respect of parties other than Railways, the Company has started the practice of sending balance confirmation letters to parties of each zone w.e.f financial year 2019-20.</p> <p>Further, party wise receivable and payable ledger could not be reconciled as the difference arises due to legacy transaction and migration of data from earlier financial system to present financial system in oracle and the same will be reconciled by identification of legacy transaction during the implementation of latest version of ERP which is in final stage of implementation.</p>
Point 2(b) of Report on other Legal & Regulatory Requirements	<p>In our opinion, the internal control as well as the internal audit system is not commensurate with the size of the company and the nature of it's operations. There is an immediate need to develop stronger MIS for periodical closure and review of operations at zonal level and of various business segments which could reduce the errors and omissions observed during the course of audit.</p>	<p>A. The internal audit is carried out by a reputed professional firm which is enlisted with C&AG and audit is being done in accordance with the detailed scope of work in line with the Company's operations.</p> <p>B. The internal control system is well in place in the Company in view of the following:-</p> <ol style="list-style-type: none"> The Corporation is voluntarily getting the cost audit done by a reputed Cost Accountants firm in spite of non-applicability of the cost audit to the Corporation; The Corporation is carrying out the assessment of Internal Financial Control through professional CA firm and report of the same is discussed in Audit Committee meeting. There are other different types of audits like audits by C&AG, various tax audits etc. conducted in the corporation; The transactions are being carried out and authorized in line with SOP (schedule of Powers) in the Corporation;

Point in the Auditor's Report	Auditor's Remarks	Management Reply
		<p>v. There are policies like Whistle Blower policy, Anti fraud policy and also vigilance department in the corporation to prevent and detect fraud and no frauds have been detected in the Corporation;</p> <p>vi. Audit Committee of the Company holds regular meeting to discuss the financial matters/internal control systems.</p> <p>Recommendation of Auditor for further strengthening the internal control have been duly considered and complied.</p>
Point 2(c) of Report on other Legal & Regulatory Requirements	<p>That with regards to the convenience charges (formally known as service charges) received on the online ticketing booking amounting to ₹ 349.64 Crores up to March 31, 2020, reliance has been placed on the management representation that unlike the previous arrangement with the Indian Railway, there is no obligation upon the company to share the service charges earned with the Indian Railway. In our opinion, that reference was made to the Railway Board that restoration of convenience charges is must to recover the infrastructure cost whereas the Internet Ticketing Division has reasonable high operating margins as per Note No.59 to the financial statements.</p>	<p>Prior to 2014, there was no sharing of Service Charge between IRCTC and Railways though quantum of Service Charge was decided by Indian Railways. In the year 2014, sharing started in the ratio of 80:20 between IRCTC and Railways.</p> <p>In the year 2015, sharing ratio was changed to 50:50 with revision of Service Charge from ₹ 10 to ₹ 20 for Non-AC classes and ₹ 20 to ₹ 40 for AC as per letters from Railway Board.</p> <p>Thereafter, Service Charge was completely withdrawn by Indian Railways with effect from 23rd November 2016.</p> <p>On continuous representation of IRCTC, Ministry of Railways has authorized IRCTC to take a suitable decision on the imposition/restoration of Convenience Fee/Service Charge and the quantum to be levied. There is no mention of sharing on imposed/restored quantum of Convenience Fee/Service Charge.</p> <p>Accordingly, IRCTC has taken a decision to impose Convenience Fee at the reduced rate when compared with earlier Service Charge.</p> <p>Therefore, no sharing of Convenience Fee is admissible to Indian Railways.</p>
Point 2(d) of Report on other Legal & Regulatory Requirements	<p>That in our opinion, the railways share of 15% needs to be provided on the revenue from portion of supply of food from the base kitchens operated by IRCTC in terms of the Catering Policy 2017, the same being in the nature of revenue from departmentally managed units. The same shall result in increase in expenses to the tune of ₹ 2.96 Crores for the financial year under consideration. Further the railway share on trains operated under partial unbundling model in previous financial years amounting to ₹ 18.49 Crores not provided for, pending clarification from the Railways may reduce the retained earnings of the company.</p>	<p>Under the old catering policy, revenue sharing on departmental catering business was to be done on the basis of overall profitability in this business on PAN India basis.</p> <p>In line with above, the Corporation has represented to Railways for exemption of railways share on revenue in case of trains is being managed under unbundling/partial unbundling model. Hence the provision of the same has not been made in accounts.</p>

Point in the Auditor's Report	Auditor's Remarks	Management Reply
Point 2(e) of Report on other Legal & Regulatory Requirements	<p>That in our opinion, in terms of the catering policy, there is a need to do a yearly assessment of the sales to review and reassess the license fee for static units but no such information/ revision was shared with us. Also, Trade receivable includes licensees with significant increase in credit risk and also those which are credit impaired on account of legal disputes, yet renewals as well as new business arrangement are conducted with such parties without settling pending disputed claims. In our opinion there is a need to fully adapt the e-tendering system and to reduce the number of limited tenders floated during the year for having a wider range of qualified vendors associated with the company.</p>	<p>The related clause no.16.02.3 of catering policy is "License fee will be reassessed and revised at the time of each renewal. To arrive at a realistic figure zonal railways will ensure that a fresh assessment of sales turnover/revenue is conducted during the peak season and lean season of the year immediately preceding the year of renewal with the periodicity of three - months in order to assess the actual sales turnover so as to fix the revised license fee".</p> <p>As per tender clause no. 2.2 Assessment of sales "IRCTC reserves the right to assess the sales turnover during the period of license. During such assessment, the License fee will be calculated @ 12% of the assessed sales turnover or the annual guaranteed License fee quoted by the successful bidder, whichever is higher. The assessment of sale may be done electronically or by deputing IRCTC officials periodically".</p> <p>As per above clauses, at the time of renewal of each contract of FP/FFUs, assessment of revenue is done by sales figures of the units for the last 9/5 years, whichever the case may be, and revised licence fee is fixed accordingly.</p> <p>Each license agreement is regulated by the terms and conditions enshrined in the agreement, which are sacrosanct. The dispute, if any, refers to interpretation of the terms of the license. Unless the licensee is debarred or blacklisted for breach of terms and conditions of license, there is no legal bar on the licensee to participate in the tender process. Similar there is a specified procedure in the catering policy 2010/2017 in regard to renewal of license and the same is followed in letter and spirit, while considering renewal, in public interest to maintain catering services onboard.</p> <p>All tenders (open tenders and limited tenders) are issued through E-tender mode. Only in emergencies/urgency, limited tenders are issued. In normal circumstances always open tendering is done instead of limited tender.</p>
Point 2(f) of Report on other Legal & Regulatory Requirements	<p>In our opinion, immediate measures need to be taken to upgrade the current ERP system along with adequate training to the staff for reducing manually compiled reports and timely delivery of integrated financial data during course of audit. This shall also require identification and reconciliation of the legacy transactions the balances of which is stated to have been existing since the migration</p>	<p>The up-gradation of ERP to its latest version R12 has been done and a new version of ERP has been made live from 3rd August 2020. The training to staff and identification of legacy transaction is an integral part of the implementation of new version and is in progress.</p>

Point in the Auditor's Report	Auditor's Remarks	Management Reply
	<p>of data from earlier financial system to present financials maintained in Oracle apart from legacy transactions pertaining to the period of transfer of operations from/to railways.</p> <p>Further, reconciliation between the transactions executed through 3rd party applications/portals as well as manual data with the financial information posted in the books of accounts could not be made and accordingly reliance was placed on information available on records and verified on test check basis as per the financial books. In our opinion the information transfer between all the 3rd party application/portals needs to be fully automated & documented for verification.</p>	<p>Furthermore, the corporation has engaged the team of oracle itself to up-grade the ERP so as to enable us to reduce the manual procedures and to extract the integrated financial data.</p>
Point 2(g) of Report on other Legal & Regulatory Requirements	<p>That the bank balances reflected in the financial statements have been stated as per the books of accounts and are subject to posting of financial payments and receipts crystallized in the company bank accounts but which are pending confirmations/reconciliations. Further the transaction by transaction reconciliation could not be made for some of the bank accounts being handled at Internet Ticketing division of the company on account of voluminous ticket booking and cancellation transactions on behalf of railways. (Refer to Note No. 38)</p>	<p>Presently, the accounting reconciliation is done on monthly basis between amounts credited/debited from Bank accounts and records available with IRCTC transaction Data. If amount matches in both the records and no discrepancy is found, then it is considered that the reconciliation is final. However, if it is found that there is any mismatch between these records, then transaction level reconciliation is being done to find out the exceptional transaction. There after the concerned banks are coordinated on regular basis for recovery of such mismatching transaction or otherwise.</p> <p>The volume of transactions is very huge. At present, around 8 to 9 Lakhs transactions are taking place on daily basis through Payment Gateway and Net banking/ATM cum Debit cards (43 banks for NGET Ticketing service).</p> <p>The above facts have already been disclosed in note no.38 of the financial statements. The said note has been disclosed in financial statements w.e.f. F.Y.2012-13 as per advice of the statutory auditors.</p>
Point 2(h) of Report on other Legal & Regulatory Requirements	<p>That the company is in the process of reconciling the liabilities under GST as well as the credit admissibility with the returns filed. That financial implications of the same shall be assessed once the reconciliation activity for the previous years is completed. That as represented to us the assessment of carry forward liability on account of various provisions including reverse charge mechanism on payment to railways, reimbursement claims etc. is being done and suitable corrective measures shall be taken based on directions from the Legal consultant in due course of time.</p>	<p>With respect to the GST audit and reconciliation, it is highlighted that the GST audit and reconciliation of F.Y. 2017-18 has already been done and necessary adjustments entries have been incorporated in the books of accounts.</p> <p>GST Audit and reconciliation for F.Y. 2018-19 is in process and will be completed in statutory time limit provided in the Act.</p> <p>Further, GST reconciliation for F.Y. 2019-20 also is in process and will be completed within short span of time.</p>



Point in the Auditor's Report	Auditor's Remarks	Management Reply
Point 2(k) of Report on other Legal & Regulatory Requirements	<p>In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder except as stated under:</p> <p>i) That with regards to the Ind Accounting Standard 31 on Interest in Joint Ventures, on account of the ongoing litigation with M/s Cox & Kings Ltd. in respect of joint venture company M/s Royale India Rail Tours Limited, for which the financial have not been prepared since 2010-11 and hence the company is neither filing the consolidated financial statements nor the disclosures have been made regarding the financial position of such joint venture company.</p> <p>Further in view of the termination of the joint venture agreements, the company is of the view that M/s Cox & Kings Ltd cannot invoke arbitration clause in relation to the reliefs sought. Consequential financial impact, if any could not be ascertained. (Refer to Note 37.3 & 45)</p> <p>(ii) That with regards to the Ind Accounting Standard 37 on Provisions, Contingent Liabilities and Contingent Assets,</p> <p>The commissioner of VAT vide order dated 23rd March 2006 had levied VAT on on-board catering services in train treating the same as sales. The plea of the company was not accepted by the Appellate Tribunal as well as by the Hon' Delhi High Court and SLP is now pending at the Hon' Supreme Court. The company as a prudent policy has been providing VAT liability but only net of corresponding VAT Input and service tax being paid since only one of the taxes may be applicable. Such VAT Input amounting to ₹ 11.19 Crores have been stated as balance due from statutory authorities as other current asset. In case the ruling goes against the company, the entire VAT liability (on gross or net basis) along with the interest (as levied) may have to be deposited and a separate service tax refund application may be required to be filed and obtained separately. (Refer to Note 37.4).</p>	<p>i. The Arbitration is pending and the facts have already been disclosed in note no.37.3 and 45 of the financial statements for the F.Y.2019-20. The said notes have been disclosed in financial statements w.e.f. F.Y.2011-12 as per advice of the statutory auditors.</p> <p>ii. The case is pending with the Hon'ble Supreme Court of India and it has already been disclosed in note no.37.4 of the financial statements of the Company for F.Y.2019-20. An application for early hearing has already been filed. The said note has been disclosed in financial statements w.e.f. F.Y.2014-15 as per advice of the statutory auditors and there is no change in status of the case. Further, on the admissibility of input tax credit, a legal opinion also has been obtained by the corporation during the F/y 2018-19.</p>

For and on behalf of the Board of Directors

(M.P.Mall)

Date: 18th August 2020
Place: New Delhi

Chairman & Managing Director
DIN:02316235

Annexure-“I” to the Directors’ Report

II - Addendum to the Directors’ Report

Management replies to the remarks made by Secretarial Auditor on the compliance of Corporate Governance for F.Y. 2019-20

Auditor’s Remarks	Management Reply
The number of Independent Directors on the Board was less than half of the total strength of Board as required under SEBI (LODR) Regulation and the DPE guidelines	The power to appoint Directors on the Board of Company vests with President of India (POI) in accordance with the Articles of Association. Further, Company has written to its administrative ministry i.e. Ministry of Railways from time to time for appointment of appropriate number of Independent Directors on its Board.
Non-preparation of the consolidated financial statements of its Joint Venture, Royale India Rail Tours Limited (RIRTL)	The company, is not able to prepare the consolidated financial statements of its Joint Venture, Royale India Rail Tours Limited (RIRTL) on account of ongoing litigation with Cox & Kings Limited (the JV partner with 50% share) since fiscal 2011 and unavailability of financial statements of the RIRTL. Further, the NCLT has declared the said JV to be in managerial dispute.

For and on behalf of the Board of Directors

(M.P.Mall)

Chairman & Managing Director
DIN:02316235

Date: 18th August 2020
Place: New Delhi



Annexure-“J” to the Directors’ Report

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm’s length basis:

Name(s) of the related party	Nature of Relationship	Duration of contract	Salient terms	Dates of Approval by the Board	Amount ₹	Amount paid as advances, if any
NIL						

2. Details of contracts or arrangements or transactions at Arm’s length basis:

Name(s) of the related party	Nature of Relationship	Duration of contract	Salient terms	Dates of Approval by the Board	Amount ₹	Amount paid as advances, if any
NIL						

For and on behalf of the Board of Directors

(M.P.Mall)

Chairman & Managing Director
DIN:02316235

Date: 18th August, 2020
Place: New Delhi

Independent Auditor's Report

To the Members of

M/s Indian Railway Catering and Tourism Corporation Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **M/s Indian Railway Catering and Tourism Corporation Limited** ('the Company'), which comprise the balance sheet as at 31 March 2020, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements read along with our audit report give the information required by the Act in the manner so required and give a true and fair view in conformity with the in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis of opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. That our opinion is based on sufficient and appropriate audit evidence that we obtained during the course of our Audit.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone

financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

- a. **That with regards to the Ind Accounting Standard 115 on Revenue from Contract with Customers**, the company is in receipt of integration charges from booking agents (Non Refundable one time fees) for providing connectivity with the IRCTC Portal for railway ticket booking along with the annual maintenance charges which may vary based on volume of ticket bookings etc. The management is of the opinion that the agreement with the parties for integration charges is generally for one to three years, and subsequently the annual maintenance contract is renewed but without any integration charges. And that since the renewal is unilateral at the option of IRCTC such integration charges shall not be deferred as income beyond initial contract period of one to three years.

In our opinion, the contract for integration charges and annual maintenance contract are not distinct contracts therefore Income of integration charges (one time non refundable fees) shall be amortized over the expected contract period instead of recognizing revenue at one time. Further past trend has indicated that there is hardly any case where the contract was not renewed by IRCTC. Accordingly in our view, the one time

integration charges shall be recognized as revenue over the estimated contract period (estimated 20 years based on past trend) rather than accruing the entire amount as income based on initial contract of one to three years.

Deferment of such integration charges in terms of above based on the past information compiled by the management is estimated to cause overstatement of revenue by ₹ 6.33 Crores during the financial year ended 31st March 2020 and other equity comprising of reserves and surplus as at 31st March 2020 by ₹ 37.74 Crores

Information Other than the Financial Statements and Auditor's Report Thereon

- a. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate

Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

- b. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- c. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- d. When we read the Other Information, if we conclude that there is a material misstatement therein, we shall communicate the matter to those charged with governance. That such information is pending for approval on the date of audit report.

e. Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

The responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained

up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

1. Report on other Legal & Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report hereunder along with emphasis on some matters. Our Opinion is not modified on such matters.

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit except for third party confirmations including balances payable/receivable from railways. Further the party wise receivables and payables as per sub-ledgers in the ERP system could not be reconciled with the corresponding ledger balances as per ERP System.

- b. In our opinion, the internal control as well as the internal audit system is not commensurate with the size of the company and the nature of its operations. There is an immediate need to develop stronger MIS for periodical closure and review of operations at zonal level and of various business segments which could reduce the errors and omissions observed during the course of audit.
- c. That with regards to the convenience charges (formally known as service charges) received on the online ticketing booking amounting to ₹ 349.64 Crores up to March 31, 2020, reliance has been placed on the management representation that unlike the previous arrangement with the Indian Railways, there is no obligation upon the company to share the service charges earned with the Indian Railways. In our opinion, that reference was made to the Railway Board that restoration of convenience charges is must to recover the infrastructure cost whereas the Internet Ticketing Division has reasonable high operating margins as per Note No.59 to the financial statements.
- d. That in our opinion, the railways share of 15% needs to be provided on the revenue from portion of supply of food from the base kitchens operated by IRCTC in terms of the Catering Policy 2017, the same being in the nature of revenue from departmentally managed units. The same shall result in increase in expenses to the tune of ₹2.96 Crores for the financial year under consideration. Further the railway share on trains operated under partial unbundling model in previous financial years amounting to ₹18.49 Crores not provided for, pending clarification from the Railways may reduce the retained earnings of the company.
- e. That in our opinion, in terms of the catering policy, there is a need to do a yearly assessment of the sales to review and reassess the license fee for static units but no such information/revision was shared with us. Also, Trade receivable includes licensees with significant increase in credit risk and also those which are credit impaired on account of legal disputes, yet renewals as well as new business arrangement are conducted with such parties without settling pending disputed claims. In our opinion there is a need to fully adapt the e-tendering system and to reduce the number of limited tenders floated during the year for having a wider range of qualified vendors associated with the company.

- f. In our opinion, immediate measures need to be taken to upgrade the current ERP system along with adequate training to the staff for reducing manually compiled reports and timely delivery of integrated financial data during course of audit. This shall also require identification and reconciliation of the legacy transactions the balances of which is stated to have been existing since the migration of data from earlier financial system to present financials maintained in Oracle apart from legacy transactions pertaining to the period of transfer of operations from/to railways.

Further, reconciliation between the transactions executed through 3rd party applications/portals as well as manual data with the financial information posted in the books of accounts could not be made and accordingly reliance was placed on information available on records and verified on test check basis as per the financial books. In our opinion the data posting between all the 3rd party application/portals needs to be fully automated & documented for verification.

- g. That the bank balances reflected in the financial statements have been stated as per the books of accounts and are subject to posting of financial payments and receipts crystallized in the company bank accounts but which are pending confirmations/reconciliations. Further the transaction by transaction reconciliation could not be made for some of the bank accounts being handled at Internet Ticketing division of the company on account of voluminous ticket booking and cancellation transactions on behalf of railways. (Refer to Note No. 38)
- h. That the company is in the process of reconciling the liabilities under GST as well as the credit admissibility with the returns filed. That financial implications of the same shall be assessed once the reconciliation activity for the previous years is completed. That as represented to us the assessment of carry forward liability on account of various provisions including reverse charge mechanism on payment to railways, reimbursement claims etc. is being done and suitable corrective measures shall be taken based on directions from the Legal consultant in due course of time.
- i. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

- j. the balance sheet, the statement of profit and loss including other comprehensive income, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account

- k. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder except as stated hereunder:

- i. That with regards to the Ind Accounting Standard 31 on Interest in Joint Ventures, on account of the ongoing litigation with M/s Cox & Kings Ltd. in respect of joint venture company M/s Royale India Rail Tours Limited, for which the financial have not been prepared since 2010-11 and hence the company is neither filing the consolidated financial statements nor the disclosures have been made regarding the financial position of such joint venture company.

Further in view of the termination of the joint venture agreements, the company is of the view that M/s Cox & Kings Ltd cannot invoke arbitration clause in relation to the reliefs sought. Consequential financial impact, if any could not be ascertained. (Refer to Note 37.3 & 45)

- ii. That with regards to the Ind Accounting Standard 37 on Provisions, Contingent Liabilities and Contingent Assets,

The commissioner of VAT vide order dated 23rd March 2006 had levied VAT on on-board catering services in train treating the same as sales. The plea of the company was not accepted by the Appellate Tribunal as well as by the Hon' Delhi High Court and SLP is now pending at the Hon' Supreme Court. The company as a prudent policy has been providing VAT liability but only net of corresponding VAT Input and service tax being paid since only one of the taxes may be applicable. Such VAT Input amounting to ₹11.19 Crores have been stated as balance due from statutory authorities as other current asset. In case the ruling goes against the company, the entire VAT liability (on gross or net basis) along with the interest (as levied) may have to be deposited and a separate service tax refund application may be required to be filed and obtained separately. (Refer to Note 37.4).

- l. On the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2) of the Act.
 - m. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls the reporting requirement have been reported in Annexure B.
 - n. That as required by Section 143(5) of the Act, and as per the directions issued by the Comptroller and Auditor General of India, refer to our report in Annexure C
 - o. With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules 2014, in our opinion and to our best of our information and according to the explanations given to us:
 - a. The Company has represented and disclosed the impact of pending litigations on its financial position in its Ind AS financial statements (Refer to Note No.37.2, 37.3 & 37.4)
 - b. The company had not entered into any long term contracts including derivative contracts
 - c. There were no amount which was required to be transferred to Investor education & Protection fund by the company.
- For **Serva Associates**
Chartered Accountants
FRN: 000272N
- C.A.Nitin Jain**
(Partner)
Membership Number: 506898
UDIN: 20506898AAAADL2014
- Place: Delhi
Date: July 10, 2020

Annexure 'A' to the Independent Auditors' Report

As referred to in the Auditors' Report of even date to the members of **M/s Indian Railway Catering and Tourism Corporation Limited** on the Ind AS financial statements for the year ended March 31, 2020

- (i) (a) The company has maintained records showing full particulars, including quantitative details and situation of fixed assets however the asset number wise identification is not available.
- (b) As represented to us all the assets have been physically verified by the management during the year at regular intervals according to a program of verification. In our opinion, the manner of physical verification needs to be elaborated and formalized. No material discrepancies have been reported on such verification.
- (c) The title deeds of immovable properties are held in the name of the company.
- (ii) The physical verification of inventory has been conducted at reasonable intervals by the company & no material discrepancies were reported on physical verification of the inventory during the year. The inventory has been taken as quantified, valued and certified by the management.
- (iii) The company has not granted any loan secured or unsecured to companies, firms, Limited liability partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act and hence provisions para (iii) are not applicable.
- (iv) The company has not given/advances any loans to directors and parties covered under Section 185 or loans and

advances under Section 186 of the Companies Act, 2013 and hence the provisions of paragraph (iv) are not applicable to the company.

- (v) The company has not accepted any deposits and hence para (v) is not applicable.
- (vi) According to the information and explanations given to us, in our opinion the maintenance of cost records have not been prescribed for the company by the Central Government under subsection (1) of section 148 of the Companies Act, though the same have been made voluntarily by the company.
- (vii) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues deducted/accrued in the books of accounts including Income Tax, Goods and service Tax, Cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, Goods and Service Tax, cess and other statutory dues were in arrears which was payable as at 31st March'2020 for a period of more than six months from the date they become payable. However the liabilities under GST are subject to reconciliation as stated in our report above and such liability if any could not be assessed.
- (b) According to the information and explanation given to us, the statutory dues which have not been deposited on account of dispute with the authorities apart is as under:

Name of the statute	Name of the Dues	Period to which amount pertains	Amounts in Lakhs	Forum where dispute is pending	Remarks
ENTRY TAX	Assessment, Interest & Penalty	2011-12 to 2012-13	0.90	High Court	Hearing in Process
Service Tax	Tax on Renting, Agent Business, catering etc	01.04.2007 to 31.03.2012	7902.16	CESTAT	Hearing in Process
Service Tax	On charter coach booking	April, 2016 to June 2017	48.44	Commissioner	Hearing in Process
Service Tax	Tax on Renting, Agent Business, catering etc	2012-13 upto June 2017	23.05	CESTAT	Hearing in Process
Service Tax	Demands on catering, tour operations, goods transportation etc.	2014-15	177.87	High Court/Tribunal/ Appellate Authority	Hearing in Process

Name of the statute	Name of the Dues	Period to which amount pertains	Amounts in Lakhs	Forum where dispute is pending	Remarks
Service Tax	On Sale of Package Drinking Water	2008-09 to 2012-13	38.57	CESTAT/Commissioner (Appeals)	Hearing in Process
VAT	Demand on Mobile Catering Services	2008-09 to June 2017	8251.01	Supreme Court	Hearing in Process
VAT	Assessment, Interest & Penalty	2005-06 & 2008-09	373.30	Jt. Comm. of Sales Tax (Appeal)	Hearing in Process
VAT	ITC Denial, demand on Mobile Catering	2010-11 to 2012-13	161.70	Tribunal	Hearing in Process
VAT Bihar	Demand on Mobile Catering Services	2008-09 to 2011-12	915.80	Supreme Court	Hearing in Process
VAT Bihar	Demand on Mobile Catering Services	2011-12	73.24	High Court/ Tribunal/ Appellate Authority	Hearing in Process
VAT Delhi	Assessment, Interest & Penalty	2012-13	77.74	VATO, SPL OHA	Hearing in Process
VAT Delhi & CST	Assessment, Interest & Penalty	2009-10 to 2010-11	599.38	Special Commissioner (DVAT)	Hearing in Process
VAT Delhi & CST	Assessment, Interest & Penalty	2013-14 to 2015-16	427.97	DVAT OHA	Hearing in Process
VAT Jharkhand	Penalty	2010-11 to 2012-13	46.31	ADC	Hearing in Process
VAT Jharkhand	Demand	2010-11 to 2012-13	40.03	High Court/ Tribunal/ Appellate Authority	Hearing in Process
VAT Kerala	Pertaining to Denial of Compounding Rate	2014-15	47.57	ACTO	Hearing in Process
VAT Odisha	Assessment, Interest & Penalty	2011-12 to 2013-14	147.56	Commissioner, Tribunal	Hearing in Process
VAT Odisha	Demand on Mobile Catering Services	2011-12 to 2012-13	14.11	Tribunal	Hearing in Process
VAT Rajasthan	Assessment, Interest & Penalty	2005-06 to 2016-17	32.56	ACTO	Hearing in Process
VAT UP	Assessment, Interest & Penalty	2008-09	17.08	Commissioner (UPVAT)	Hearing in Process
TOTAL			19,416.34		

(viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues against the borrowings made from Banks. No borrowings have been made from other financial institutions or debentures.

(ix) The company has not raised any money by way of Initial Public Offer (IPO) or further public offer (including debt instruments). As per the decision of Government of India to disinvest the shareholding by 12.6% of paid up share capital of company, the initial public offer was held on 30th September, 2019 and the shares of the Company were listed on NSE and BSE on 14th October, 2019. Accordingly, 2.016 Crores (Two Crores one Lakh sixty thousand total share) shares i.e. 12.6% of total capital having face value of ₹10/- each were offered to public through offer for sale, out of which 1.6 Lakhs share were reserved for employees (approx. 0.79% of total issue). No term loans were taken by the company.

(x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the representations made to us, 2 cases of frauds were detected during the year and are under investigation however on account of the directions given by the Railway Board details of the same were not shared and hence we are unable to comment on the materiality and the financial implications of the same on the company. Further details on frauds (if any) where investigation was concluded during the year was also not shared with us during the course of audit.

(xi) As per Notification dated 05.06.2015, Section 197 of the Act is not applicable in case of a Government Company. Accordingly, paragraph 3 (xi) of the Order is not applicable.

(xii) The company is not a nidhi company & hence paragraph (xii) of the order is not applicable.



(xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standard.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

(xv) The company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph (xv) of the order is not applicable.

(xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **Serva Associates**

Chartered Accountants

FRN: 000272N

C.A.Nitin Jain

(Partner)

Membership Number: 506898

UDIN: 20506898AAAAADL2014

Place: Delhi

Date: July 10, 2020

Annexure‘B’ to the Auditors’ Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of M/s **Indian Railway Catering and Tourism Corporation Limited** (“the Company”) as of 31st March 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material

weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained subject to our comments reported in inherent limitations below are sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. We have broadly reviewed the operating procedures and identification of potential risks involved as documented by the management. Effort has been



made to cover substantially the entire business of the company, yet owing to multiple geographical locations & Covid-19 induced movement restriction, the testing of the risks control measures was restricted to limited samples selected. However, we have considered the limitation reported above in determining the nature, timing & extent of audit test applied in our audit of Ind AS financial statements of the company and the limitations do not affect our opinion on the Ind AS financial statements of the Company.

Opinion

In our opinion, suitable measures needs to be taken for adapting system control procedures as against the manual control procedures being followed for over all strengthening of the financial control system. That reliance has been placed on such manual control procedures along with management representations including suitable measures being taken in the updated ERP System under implementation. We have performed

the testing of internal financial controls over financial reporting at the Corporate level and subject to the above, the same were principal operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Serva Associates**

Chartered Accountants

FRN: 000272N

C.A.Nitin Jain

(Partner)

Membership Number: 506898

UDIN: 20506898AAAADL2014

Place: Delhi

Date: July 10, 2020

Annexure 'C' to the Auditors' Report

Report under Section 143(5) of the Act, and as per the directions issued by the Comptroller and Auditor General of India on Financials of M/s Indian Railway Catering and Tourism Corporation Limited for the Financial Year ended 31st March 2020

Directions under Section 143(5) of the Companies Act 2013 applicable.

1. Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.

Reply: Yes, however the current version of the ERP system (Oracle), is not being used as end to end integrated accounting system since most of the information and calculations is being prepared in Excel Sheets or third party applications and uploaded/posted manually in the Financial Accounting Module.

That IT system upgradations is in process and as represented to us under mentioned limitations shall be duly addressed in the upgraded system,

- a. master data reconfiguration
- b. reconciliation of legacy transactions
- c. inoperative & redundant ledger accounts, profit centers/ departments,
- d. integration issues including correcting the mapping of tax codes as well as subledger accounts &
- e. User controls & adequate staff training

2. Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.

Reply: Not Applicable

3. Whether funds received/receivable for specific schemes from central/state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.

Reply: With regards to the government grant received in previous years, the same has been accounted for in terms of the applicable Ind AS. No new grant has been received during the year.

For **Serva Associates**

Chartered Accountants

FRN: 000272N

C.A.Nitin Jain

(Partner)

Membership Number: 506898

UDIN: 20506898AAAADL2014

Place: Delhi

Date: July 10, 2020



Balance Sheet

as at 31st March, 2020

Amount (₹ in Lakhs)

Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
I. ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	3	15,585.09	14,704.91
(b) Capital work-in-progress	4	1,620.79	4,037.71
(c) Investment Property	5	2,738.82	2,765.59
(d) Other Intangible Assets	5A	434.05	754.80
(e) Right-of-use Assets	5B	9,581.13	-
(f) Financial Assets	6		
(i) Investments	6.1	0.32	0.32
(ii) Loans	6.2	18.14	239.17
(iii) Other Financial Assets	6.3	8.06	8.06
(g) Deferred Tax Assets (Net)	7	6,572.45	8,171.99
(h) Other Non-Current Assets	8	2,625.80	2,287.20
		39,184.65	32,969.75
2 Current assets			
(a) Inventories	9	976.30	788.87
(b) Financial Assets	10		
(i) Trade Receivables	10.1	78,941.26	58,745.40
(ii) Cash and Cash Equivalents	10.2	59,739.41	46,006.95
(iii) Bank Balances other than (ii) above	10.3	69,903.38	67,996.60
(iv) Loans	10.4	1,188.91	835.15
(v) Others	10.5	14,798.83	3,482.53
(c) Current Tax Assets (Net)	11	4,202.15	1,008.46
(d) Other Current Assets	12	56,048.94	47,589.94
		285,799.17	226,453.90
Total Assets		324,983.82	259,423.65
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	13	16,000.00	16,000.00
(b) Other Equity	14	116,781.76	91,101.93
		132,781.76	107,101.93
2 Liabilities			
(i) Non-current liabilities			
(a) Financial Liabilities	15		
(i) Other Financial Liabilities	15.1	7,907.96	1,472.24
(b) Provisions	16	4,888.14	4,616.09
(c) Other Non-Current Liabilities	17	776.81	581.01
		13,572.91	6,669.34
(ii) Current liabilities			
(a) Financial Liabilities	18		
(i) Trade payables	18.1		
(a) total outstanding dues of micro enterprises and small enterprises		41.50	7.74
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		16,912.31	19,305.14
(ii) Others	18.2	78,341.40	60,703.72
(b) Other Current Liabilities	19	80,222.81	61,715.65
(c) Provisions	20	3,111.14	1,375.34
(d) Current Tax Liability (Net)	21	-	2,544.79
		178,629.15	145,652.39
Total Equity and Liabilities		324,983.82	259,423.65

The Notes are an integral part of these Financial Statements.

As per our Report of even date attached

For **Serva Associates**

Chartered Accountants

Firm Reg. No. : 000272N

For and on behalf of :-

Indian Railway Catering & Tourism Corporation Limited**CA Nitin Jain**

Partner

M.NO:-506898

Mahendra Pratap Mall

Chairman & Managing Director

DIN:- 02316235

Ajit Kumar

Director (Finance) & CFO

DIN:-07247362

Suman Kalra

Company Secretary

M.No.FCS9199

Place : New Delhi

Date : 10th July, 2020

Statement of Profit and Loss

for the year ended 31st March, 2020

Amount (₹ in Lakhs)

Particulars	Note No.	For the year ended 31 st March 2020	For the year ended 31 st March 2019
I. Revenue from operations	22	227,548.39	187,000.22
II Other Income	23	7,805.32	8,893.73
III Total Revenue (I+II)		235,353.70	195,893.96
Expenses			
Cost of Materials Consumed	24	10,992.96	9,331.13
Purchase of Stock-in-Trade	25	2,857.66	3,095.07
Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade	26	(69.57)	(14.62)
Expenses of Catering Services	27	67,278.88	62,625.95
Expenses of Tourism	28	28,740.89	30,718.76
Manufacturing & Direct Expenses	29	9,610.81	6,784.09
Employee benefit expense	30	24,401.03	19,505.80
Finance costs	31	727.38	234.86
Depreciation and amortization expense	32	3,993.83	2,863.96
Other Expenses	33	12,396.21	16,632.03
IV Total Expenses (IV)		160,930.09	151,777.04
V Profit before exceptional items and tax (III - IV)		74,423.62	44,116.92
VI Exceptional Items	33	111.40	3,739.12
VII Profit before tax (V - VI)		74,535.02	47,856.04
VIII Tax expense:			
(1) Current tax	34		
- For the year		19,871.97	18,823.35
- For Earlier years		82.20	-
(2) Deferred tax		1,723.72	(1,823.70)
IX Profit/(Loss) for the period from continuing operations (VII-VIII)		52,857.13	30,856.39
X Profit/(Loss) from discontinued operations		-	-
XI Tax expense of discontinued operations		-	-
XII Profit/(Loss) from discontinued operations (X - XI)		-	-
XIII Profit/(Loss) for the period (IX + XII)		52,857.13	30,856.39
XIV Other Comprehensive Income			
A. (i) Items that will be reclassified to Profit or Loss			-
(ii) Income Tax relating to Items that will be reclassified to Profit or Loss		-	-
B. (i) Items that will not be reclassified to Profit or Loss		-	-
- Remeasurment of post-employment benefit obligation	35	(493.36)	39.98
(ii) Income Tax relating to Items that will not be reclassified to Profit or Loss		124.18	(13.97)
XV Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)		52,487.95	30,882.40
XVI Earning per equity share:			
(For Continuing Operation)			
(1) Basic (in ₹)	36	33.04	19.12
(2) Diluted (in ₹)	36	33.04	19.12
XVII Earnings Per Equity Share:			
(For Discontinuing Operation)			
(1) Basic (in ₹)		-	-
(2) Diluted (in ₹)		-	-
XVIII Earnings Per Equity Share:			
(For Continuing and Discontinued Operation)			
(1) Basic (in ₹)	36	33.04	19.12
(2) Diluted (in ₹)	36	33.04	19.12

The Notes are an integral part of these Financial Statements.

As per our Report of even date attached
For **Serva Associates**
Chartered Accountants
Firm Reg. No. : 000272N

For and on behalf of :-
Indian Railway Catering & Tourism Corporation Limited

CA Nitin Jain
Partner
M.NO:-506898

Mahendra Pratap Mall
Chairman & Managing Director
DIN:- 02316235

Ajit Kumar
Director (Finance) & CFO
DIN:-07247362

Place : New Delhi
Date : 10th July, 2020

Suman Kalra
Company Secretary
M.No.FCS9199



Statement of Cash Flow for the year ended 31st March, 2020

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31st March 2020	For the year ended 31st March 2019
A. Cash Flow from Operating Activities		
Profit before tax	74,535.02	47,856.04
Adjustments for :-		
Depreciation	3,993.83	2,863.96
Loss on sale of Fixed Assets	233.51	14.54
Interest Income	(4,931.86)	(5,088.18)
Dividend Income from Mutual fund	(389.74)	(637.28)
Interest Expenses on Lease Liabilities	527.65	-
Operating Profit before operating capital changes	(1) 73,968.40	45,009.08
Adjustments for :-		
Decrease / (Increase) in Inventories	(187.43)	(48.27)
Decrease/ (Increase) in Trade & Other Receivables	(20,195.86)	(3,553.56)
Decrease/ (Increase) in Other Non Current Financial assets	-	88.59
Decrease/ (Increase) in Other Current Financial assets	(12,602.03)	(96.96)
Decrease/ (Increase) in Other Current assets	(8,459.00)	12,147.01
Decrease/ (Increase) in Other Non Current assets	(338.60)	(1,084.68)
Decrease/ (Increase) in Financial Assets Loans	(132.73)	30.18
(Decrease) / Increase in other Non current financial liability	916.08	(950.94)
(Decrease) / Increase in Non Current Provisions	(221.31)	(1,190.91)
(Decrease) / Increase in Other Non current liabilities	195.80	(112.43)
(Decrease) / Increase in trade payables	(2,359.08)	4,206.74
(Decrease) / Increase in Other financial liability	15,397.39	9,694.41
(Decrease) / Increase in Other Current Liability	18,507.16	1,176.30
(Decrease) / Increase in Current provisions	1,735.80	1,047.80
Decrease / (Increase) in Current Investments	-	-
	(2) (7,743.81)	21,353.28
Cash generated from operation	(1+2) 66,224.60	66,362.36
Income Tax Paid (Net of refunds)	(25,692.64)	(16,458.81)
Total Cash generated from Operating Activities	40,531.96	49,903.55
B. Cash Flow From Investing Activities		
Sale/Disposal of Property, Plant and Equipment's & Other intangible assets	47.90	34.14
Purchase of Property, Plant and Equipment's & Other intangible assets	(3,528.83)	(5,428.08)
Interest Receivable	6,217.60	3,409.15
Dividend received	389.74	637.28
Changes in Other Bank balances	(1,906.78)	(33,925.24)
Net Cash used in Investing Activities	1,219.63	(35,272.75)
C. Cash Flow From Financing Activities		
Payment of principal portion of Lease Liability	(1,211.00)	-
Payment of interest portion of Lease Liability	-	-
Dividend Paid (including Tax on Dividend)	(26,808.12)	(17,939.75)
Net Cash generated from Financing Activities	(28,019.12)	(17,939.75)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	13,732.46	(3,308.94)

Statement of Cash Flow

for the year ended 31st March, 2020

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31st March 2020	For the year ended 31st March 2019
Opening Cash & Cash Equivalents	46,006.95	49,315.89
Closing Cash & Cash Equivalents	59,739.41	46,006.95
Reconciliation of Cash & Cash Equivalents		
Cash and Cash Equivalent Comprises of		
Cash on hand	8.31	33.88
Cheques/drafts on hand	-	41.07
Balances with banks:		
- In Current Account	58,139.07	43,772.73
- In Flexi Account	1,592.03	2,159.27
- In Fixed Deposits with original maturity of less than three months		
Cash and Cash Equivalents as per Balance Sheet	59,739.41	46,006.95

Notes:-

- The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS-7 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- The company adopted the amendment to Ind-AS 7 effective from April 1, 2017, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

Reconciliation of Liabilities arising from financing activities

Particulars	Amount (₹ in Lakhs)	
	Lease Liabilities	
Balance at 1st April, 2019	8,443.27	
Cash flows:-		
- Repayment		1,211.00
- Proceeds		
Non-Cash:-		
- Fair Value		527.65
- Additions to right of use assets in exchange for increased lease liabilities		
Balance at 31st March, 2020	7,759.92	

The Notes are an integral part of these Financial Statements.

As per our Report of even date attached
For **Serva Associates**
Chartered Accountants
Firm Reg. No. : 000272N

For and on behalf of :-
Indian Railway Catering & Tourism Corporation Limited

CA Nitin Jain
Partner
M.NO:-506898

Mahendra Pratap Mall
Chairman & Managing Director
DIN:- 02316235

Ajit Kumar
Director (Finance) & CFO
DIN:-07247362

Place : New Delhi
Date : 10th July, 2020

Suman Kalra
Company Secretary
M.No.FCS9199



Statement of Changes in Equity

for the year ended 31st March, 2020

A. Equity share capital

Particulars	Number of shares in Lakhs	Amount (₹ in Lakhs)
Balance as at April 1, 2019	1,600.00	16,000.00
(16,00,00,000 Equity shares of ₹ 10 each)		
Issue of shares capital during the year	-	-
Balance as at 31st March, 2020	1,600.00	16,000.00
16,00,00,000 Equity shares of ₹ 10 each		

B. Other Equity

Particulars	Reserves & Surplus		Amount (₹ in Lakhs)
	General Reserve	Retained Earnings	Total
Balance at the beginning of the year	45,491.70	45,610.23	91,101.93
Changes in accounting policy or prior period errors	-	-	-
Balance at the beginning of the year	45,491.70	45,610.23	91,101.93
Profit for the year		52,857.13	52,857.13
Other Comprehensive Income for the year (net of income tax)	-	-369.18	-369.18
Total Comprehensive Income for the year	-	52,487.95	52,487.95
Transfer from Retained earnings	3,500.00		3,500.00
Payment of dividend on equity shares	-	(22,237.20)	(22,237.20)
Payment of dividend tax on dividend paid to equity shares	-	(4,570.92)	(4,570.92)
Transfer to general reserves	-	(3,500.00)	(3,500.00)
Bonus shares issued		-	-
Balance at the end of the year	48,991.70	67,790.06	116,781.76

The Notes are an integral part of these Financial Statements.

As per our Report of even date attached

For **Serva Associates**

Chartered Accountants

Firm Reg. No. : 000272N

For and on behalf of :-

Indian Railway Catering & Tourism Corporation Limited

CA Nitin Jain

Partner

M.NO:-506898

Mahendra Pratap Mall

Chairman & Managing Director

DIN:- 02316235

Ajit Kumar

Director (Finance) & CFO

DIN:-07247362

Suman Kalra

Company Secretary

M.No.FCS9199

Place : New Delhi

Date : 10th July, 2020

Statement of Changes in Equity for the year ended 31st March, 2019

A. Equity share capital

Particulars	Number of shares in Lakhs	Amount (₹ in Lakhs)
Balance as at April 1, 2018	400.00	4,000.00
(4,00,00,000 Equity shares of ₹ 10 each)		
Issue of shares capital during the year	1,200.00	12,000.00
(12,00,00,000 Equity shares of ₹ 10 each)		
Balance as at March 31, 2019	1,600.00	16,000.00
16,00,00,000 Equity shares of ₹ 10 each		

B. Other Equity

Particulars	Reserves & Surplus		Amount (₹ in Lakhs)
	General Reserve	Retained Earnings	Total
Balance at the beginning of the year	41,991.70	48,779.25	90,770.95
Changes in accounting policy or prior period errors	-	(234.09)	-234.09
Impact due to adoption of Ind AS-115		(514.24)	-514.24
Restated balance at the beginning of the year	41,991.70	48,030.92	90,022.62
Profit for the year		30,592.99	30,592.99
Other Comprehensive Income for the year (net of income tax)	-	26.01	26.01
Total Comprehensive Income for the year	-	30,619.00	30,619.00
Transfer from Retained earnings	3,500.00		3,500.00
Payment of dividend on equity shares	-	(14,880.92)	(14,880.92)
Payment of dividend tax on dividend paid to equity shares		(3,058.83)	(3,058.83)
Transfer to general reserves	-	(3,500.00)	(3,500.00)
Bonus shares issued		(12,000.00)	(12,000.00)
Balance at the end of the year	45,491.70	45,210.16	90,701.87

The Notes are an integral part of these Financial Statements.

As per our Report of even date attached
For **Serva Associates**
Chartered Accountants
Firm Reg. No. : 000272N

For and on behalf of :-
Indian Railway Catering & Tourism Corporation Limited

CA Nitin Jain
Partner
M.NO:-506898

Mahendra Pratap Mall
Chairman & Managing Director
DIN:- 02316235

Ajit Kumar
Director (Finance) & CFO
DIN:-07247362

Place : New Delhi
Date : 10th July, 2020

Suman Kalra
Company Secretary
M.No.FCS9199

Accounting Policies as per Indian Standards (Ind AS)

1. Corporate Information

Indian Railway Catering and Tourism Corporation Ltd. (IRCTC) has been set up by the Ministry of Railways. IRCTC is a public limited company domiciled and was incorporated in India on September 27, 1999 with the basic purpose of hiving off entire catering and tourism activity of the railways to the new Corporation so as to professionalize and upgrade these services with public-private participation. Rail based Tourism in India will be the specific vehicle for achieving high growth in coordination with state agencies, tour operators, travel agents and the hospitality industry. The Company is registered under the Indian Companies Act, 1956 and the registered office of the company is located at 11th floor, B-148 Statesman House Barakhamba Road New Delhi-110001

As per the decision of Government of India to disinvest the shareholding by 12.6% of paid up share capital of IRCTC, the initial public offer was held on 30th September, 2019 and the shares of the Company were listed on NSE and BSE on 14th October, 2019. Accordingly, 2.016 Crores (Two Crores one Lakh sixty thousand total share) shares i.e. 12.6% of total capital having face value of ₹10/- each were offered to public through offer for sale, out of which 1.6 Lakhs share were reserved for employees (approx. 0.79% of total issue).

2. Basis of Preparation

a) Statement of Compliance

The financial statements as at and for year ended March 31, 2020 have been prepared on going concern basis in accordance with Indian Accounting Standards (In-AS) notified under the Companies (Indian Accounting Standards) Rules 2015 as amended from time to time.

b) Basis of Measurement

The Corporation is following accrual basis of accounting under historical cost convention and for the following item that have been measured at fair value as required by relevant Ind-AS.

- i. Defined benefit Plan and other long term employee benefits
- ii. Certain financial assets and liabilities measured at fair value (Refer policy on financial instrument).

c) Use of estimates& Judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and

assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of income and expenses. Examples of such estimates includes estimated useful life of property, plant and equipment, employee benefit expenses, provisions, satisfaction of performance obligation in revenue recognition etc. actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Future results could differ due to changes in these estimates and difference between the actual result and the estimates are recognized in the period in which the results are known /materialize.

- d) All financial information presented in Indian rupees and all values are rounded to the nearest lakh rupees with two decimal points except where otherwise stated.
- e) Statutory dues payable and refundable are treated as current liability and current assets due to current in nature.
- f) **Statement of Cash Flow**

Statement of Cash Flow is made by using the Indirect Method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, financing and investing activities of the company are segregated.

For the purposes of the statement of cash flow, cash and cash equivalents include cash in hand, cash at banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system.

The company has adopted the amendment to Ind-AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosures requirement. The adoption of amendment did not have any material effect on the financial statements.

g) Foreign Currency

i. Functional and presentation currency

The financial statements are presented in Indian Rupees (INR), which is functional as well as presentation currency of the company.

ii. Transaction and balances

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary foreign currency assets and liabilities are translated or converted with reference to the rates of exchange ruling on the date of the Balance Sheet.

Foreign exchange gains and losses resulting from the settlement of such transaction and for the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

h) Property, Plant and Equipment

- i. Property, Plant and Equipment are stated at cost of acquisition including installation charges and other related expenses if recognition criteria are met.
- ii. Cost of replacement, major inspection, repair of significant parts is capitalized if the recognition criteria are met.

- iii. In case of Computers the cost of Operating System software procured along with Computer has been capitalized with Computers, while regular upgrades and Annual Maintenance Charges; have been treated as revenue expenditure.
- iv. Expenditure on the leased buildings for Office premises has been capitalized as Leasehold -Office Development
- v. The tools and plants placed as such at catering units are taken on, as is where basis is. Due to non-availability of value of such assets, such assets are accounted at Nominal Value of ₹1/- per item in the Books of Zonal Offices of the Corporation for the purpose of ensuring physical verification.
- vi. The Luxury Tourist Train has been capitalized and shown as "Luxury Tourist Train" in Fixed Assets Schedule, refer policy on government grant for treatment of grant related to acquisition of these assets.
- vii. Upon sale of assets cost and accumulated depreciation are eliminated from the financial statements and the resultant gains or losses are recognized in the statement of profit and loss.

i) Depreciation & Amortization: -

- (a) Depreciation is provided in accordance with the life specified under Schedule II of the Companies Act, 2013 except for certain items. The Life of certain assets which has not been taken as per schedule II of the Companies Act, 2013 is as follows:-

Particulars	Useful Life
Expenditure incurred on civil work on premises located on Railway land other than Railneer Plants has been accounted as lease hold improvement and has been depreciated over a period of ten years.	10 Year
Residential flats constructed on railway land are on lease for a period of 30 years and the same has been depreciated over that period.	30 Year
IRCTC has taken land from Railways on lease basis for setting up of Railneer Plants at Nangloi, Danapur, Palur and Ambernath for which lease period has not been fixed by Railway authorities. As per the policy of the Railways the maximum period of lease can be for a period of 35 years which is further renewable for a period of 35 years. Hence, Depreciation on buildings of Railneer Plants at Nangloi, Danapur, Palur, Ambernath and Bilaspur has been provided accordingly.	35 Year
Solar power Plant and Electric Substation	25 years
DG Set , Water Blowing Machine, Compressors	10 years
Air Conditioners and chillers for plant	5 years

- (b) Depreciation is calculated on a straight line basis from the date of ready to use. Depreciation is provided up to the date of sale, discard and loss of the assets during the year.
- (c) Each part of an item of Property, Plant and Equipment related to Rail Neer is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset which is based on the estimates & certificate of inhouse technical expert. Further for the plants for whose the capital support are provided by IRCTC, the estimated life for whole Civil work and plant has been estimated as 20 years and 10 years respectively by in house technical committee.
- (d) Leasehold-Office developments in respect of office premises and Leasehold land (for which lease agreement exists) have been depreciated over the lease period. Expenditure incurred on civil work on premises located on Railway Land (for which no lease agreement exists) has been accounted as lease hold improvement and has been depreciated over a period of ten years.
- (e) Depreciation methods, useful lives and residual values are reviewed at each reporting date.
- (f) Depreciation is calculated at depreciable amount, i.e. Cost less its residual value.
- (g) In respect of Residential Flats constructed on leasehold land, depreciation is charged over the period of the lease of the land.

The estimated useful life of assets for current and comparative period of significant items of property plant and equipment which has been taken as per schedule II of Companies Act, 2013 are as follow:

Particulars	Useful Life
Plant and Machinery	15years
Computers	3 years
Network & Server	6 years
Air Conditioner	10 years
Furniture	10 years
Office Equipment's	5 years
Building other than Rail Neer Plant	60 years
Building	
Luxury Tourist train	15 years
Intangible Assets	4 years
Electrical Installation & Equipments	10 years

j) Capital Work in Progress/Capital Advances: -

Capital work in progress includes the cost of property, plant and equipment (PPE) that are not yet ready for their intended use and the cost of assets not put to use before the balance Sheet date. Advances paid to acquire PPE are shown as "Capital Advances" under other "Non Current Assets"

k) Intangible Assets: -

Intangible assets like software, licenses, web portal, tourism portal etc. are recorded at the consideration paid for acquisition and useful life of Intangible Assets has been assumed as 4 Years.

l) Investments in Joint Arrangements

Investment in equity instruments of joint ventures are measured at cost as per Ind AS 27- Separate Financial Statements.

m) Investment Properties

- a) Investment Properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.
- b) The company depreciates building component of investment property over the estimated useful life of the assets as prescribed in property, plant and equipment.
- c) Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

n) Operating cycle for Current and Non Current Assets

Company has classified the assets and liabilities as current which is expected to realise within the twelve months after the reporting period and all other assets and liabilities are classified as noncurrent.

o) Provisions, Contingent Liabilities and Contingent Assets:

A. Provisions: -

Provisions are recognized in respect of liabilities which can be measured only by using a substantial degree of estimates when:

- (a) The Company has a present obligation as a result of a past event.

- (b) Probable outflow of resources embodying economic benefits will be required to settle the obligation; and
- (c) The amount of the obligation can be reliably estimated. Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received. Provisions are reviewed at each Balance Sheet date.

Discounting of Provisions

Provision which expected to be settled beyond 12 months are measured at the present value by using pre-tax discount rate that reflects the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expenses.

B. Contingent Liabilities and Contingent Assets

- (a) Contingent Liabilities are disclosed in either of the following cases:
 - i. A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation; or
 - ii. A reliable estimate of the present obligation cannot be made; or
 - iii. A possible obligation, unless the probability of outflow of resource is remote.
- (b) Contingent assets are disclosed where an inflow of economic benefits is probable.
- (c) Contingent Liability and Provisions needed against Contingent Liability and Contingent Assets are reviewed at each Reporting date.
- (d) Contingent Liability is net of estimated provisions considering possible outflow on settlement.

p) Revenue Recognition: -

The Corporation is in the business of managing catering services (both mobile and static units), Bedroll services in mobile units, operating Departmental Catering Units, Managing Rail Yatiri Niwas and Railway Hotels on Public Private Partnership basis, awarding licenses for operating Food Plazas, Static Catering stalls, Automatic Vending Machines,

booking of Rail Tickets through Internet, Managing Rail Sampark-139 Call Centre on Public Private Partnership basis, arranging package tours through reputed tour operators, managing complete tour packages, manufacturing and distribution of Railneer-Packaged Drinking Water, etc.

- a) Company Recognizes revenue from contracts with customers based on a five-step as set out in Ind AS-115:-
 - (i) Identify contracts with a customer: - A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
 - (ii) Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
 - (iii) Determine the transaction price: The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
 - (iv) Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
 - (v) Recognise revenue when or as the Company satisfies a performance obligation by transferring a promised goods or services to a customer. An asset is transferred when the customer obtains control of that asset.

The Performance obligation is satisfied and recognized revenue overtime, if one of the following criteria is met:

- a) The performance does not create an asset with an alternate use and has an enforceable right to payment for performance completed to date.
- b) The performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- c) The customer simultaneously receives and consumes the benefits provided.



For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied. When performance obligation is satisfied by delivering the promised goods or services it creates a contract based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount revenue recognized this give rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty.

Revenue is recognized to the extent it is probable that the economic benefits will flow and the revenue and costs if applicable can be measured reliably.

i. Sales: -

Sales of Railneer-packaged drinking water, food and beverage items are recognized at the point in time when the goods are sold and services rendered and are recorded net of GST etc. in terms of Ind AS-115. It does not include inter-depot and inter-unit transfers.

ii. Income from Internet Ticketing: -

Income from Internet ticketing is recognized on the basis of value of the service charges earned on the sale of tickets sold through Corporation's Web-site (www.irctc.co.in). Gross Service charges earned on the sales of such tickets on accrual basis have been booked as income of the Corporation & corresponding railway share is shown as expenses.

iii. Income from Catering Services: -

The Corporation has been given a mandate by Railway Board, Ministry of Railways to upgrade and professionalize catering services on trains & other locations. The Corporation recognizes its income from catering services as per the following policies.

• Income from On-board Catering Services:

The corporation is providing catering services on Rajdhani, duranto and Shatabdi Express Trains on Indian Railways network. The income is accounted on the basis of bills raised for catering services provided to the passengers of Indian Railways on accrual basis.

• Income from Concession Fees, User Charges and License Fee: -

The Corporation is receiving the income from the following: -

Sr. Nature of business activity No.	Nature of Fee received from licensees
1. Awarding license for providing Catering Services on Rajdhani and Shatabdi Express Trains.	One time Concession Fee for the contract period (including renewal period, if any), and Variable License Fee.
2. Award of license for arranging catering services on Mail/ Jan Shatabdi /Express Trains.	Fixed Annual License Fee as per the agreement signed with the awardees.
3. Award of license for setting up of Food Plaza and operation thereof at the Indian Railway premises	(i) Fixed Monthly User Charges and Variable License Fee in case of contracts awarded under earlier IRCTC Policy. (ii) Fixed Annual License Fee as per the agreement signed with the awardees.
4. Award of License for Water Vending Machines (WVM) at Railway Stations.	Fixed Annual License fee on basis of date of commencement of WVMs.
5. Award of License for static units at Railway Stations	(i) Fixed License fee in case of Contracts awarded under IRCTC Policy (ii) Fixed Annual License Fee as per the agreement signed with the awardees.
6. Award of license for Re-developing, Operation, Management and Transfer of RailYatriNivas and Railway Hotels on Indian Railway premises	Fixed Annual User Charges and License Fee as per the agreement signed with the awardees.
7. Licensee Fee of Handing over catering units in terms of catering policy 2017.	60% of Annual License fee collected by Railways booked as Income.
8. Fine, Penalty & Interest on delayed payment if any.	Fine, Penalty & Interest on delayed payment if any is recognized on its receipt from Licensee and vendors.

- **Concession fee:** Income is recognized on accrual basis on monthly pro-rata basis (fraction of the month, if any, has been treated as full month) over the period of time as given in the Ind AS-115 relating to revenue recognition. One-time concession fee (Unexpired Concession Fee) received by the Corporation has been treated as income received in advance. In case the contracts for the trains are terminated on account of cancellation / withdrawal of the train by Railway Administration, income is recognized over the period, the contract was in force.
- **User charges:** User Charges payable by the Food Plazas and Budget Hotels Licensees are accounted on accrual basis till the period project were in operation.
- **License Fee: -**
 - (a) Fixed yearly license fees received by the Corporation are accounted on accrual basis on monthly pro-rata basis (fraction of the month, if any, has been treated as full month) till the period project were in operation.
 - (b) Variable License fee is accounted on accrual basis as a fixed percentage of the catering services provided by the contractor.
 - (c) License fee is accounted on accrual basis as a fixed percentage of the projected turnover of the Rail Yatri Niwas and Railway Hotels operated by the licensees under re-develop, operate, manage and transfer basis.

Income Accrued on Forfeiture of Contracts: -
Recognition of income from Catering contracts terminated on account of breach of terms and conditions was made as under:

- I. Up to the date of termination, the income is recognized in respect of concession fee over the contract period on monthly pro-rata basis and in case of License fee over the period the train has been in operation on monthly pro-rata basis.
- II. Other income: Remaining balance of concession fee, License fee and Security Deposits on forfeiture of contracts are recognized as other income accrued during the year.

iv. Income from Package Tours: -

The Corporation is engaged in booking of Special Trains, Special Coach Charter and berths under value added tours for promoting the rail-based tourism and booking of Air Tickets. The Corporation is also engaged in booking of foreign tours on group basis. The income from special trains/ Coach Charters includes basic fare, other charges levied by the railway administration and Corporation's service charge as a fixed percentage of the basic fare. In case of value added tours, the income includes fare, block booking charges, other charges levied by the railway administration and Corporations service charges as fixed percentage of the fare.

In case of Complete Tour Packages, Buddhist Circuit Special Train and Bharat Darshan Trains, the income includes the total amount net of service tax/GST collected from the customer.

v. Income from Train Operations

Corporation is engaged in the operations of the trains received from the Zonal railways on haulage charge principle basis. The income from the operations of the special train includes the basis fare collected from the passengers, catering charges and other charges as fixed by the Company. The income from operations of trains is recognized over the period of time of the operations of the train as per the requirement of the Ind AS-115.

vi. Integration Charges

Integration Charges payable by the Principal Service Provider to IRCTC for registration and integration with IRCTC for reserved rail e-ticketing service has been recognized over the contractual period in which the parties to the contract have present enforceable rights and obligations.

- vii. Water vending Machines: That the company is in arbitration proceeding with the Licensee for water vending machines and as per the interim order of the arbitration, the revenue has been recognized/ accrued based on the date of commencement of each of the water vending machines as against immediate recognition of revenue on the date of commission of first WVM under a cluster arrangement with the licensee.



viii. Interest Income from Fixed Deposits including TDRs and Dividend Income: -

Income received as Interest from fixed deposit & TDRs is recognized on accrual basis by using effective rate of interest.

Dividend income is recognized when the company's right to receive the dividend is established.

ix. Duty Credit License:

At present A non-transferable duty credit license under the 'served from India Scheme' (SFIS) has been received as per foreign trade policy 2009-2014. The said License can be used against payment of excise & import duty for prescribed items.

Now, Served from India Scheme (SFIS) has been replaced with Service Exports from India Scheme (SEIS) as per Foreign trade Policy 2015-2020.

The Duty Scrips under Service Exports from India Scheme (SEIS) under Foreign Trade Policy, 2015-20 would be freely transferable and can be monetized. The Scrips issued under Service Exports from India Scheme can only be usable for payment of Basic Customs Duty on imports. The Scrips are redeemable under New Policy.

That Duty credit entitlements are accounted for as receivables upon approval of the same by the concerned department and pending the same the entitlements are shown as contingent assets.

q) Expenditure: -

Items of expenditure are recognized on accrual basis however certain expense/claims, which are not ascertainable are accounted for on their being ascertained.

(i) Expenditure on Railneer -Packaged Drinking Water and Departmental Catering Activity: -

Expenses are accounted on accrual basis and provision is made for all known losses and Liabilities

(ii) Expenditure on Internet ticketing: -

Expenses are accounted on accrual basis and provision is made for all known losses and Liabilities

(iii) Catering Charges Paid:

(a) Onboard Catering Charges:

Catering Charges paid to the Contractor are accounted for on accrual basis for catering services provided to the passengers of Indian Railways.

(b) Concession Fees, User Charges, License Fee : -

The Expenditure under this head has been recognized/ accounted for as per the following:-

- **Concession Fee Paid:** Concession Fee payable to Indian Railways in respect of on board catering contract is recognized on accrual basis on monthly pro-rata basis (fraction of the month, if any, has been treated as full month) over the contract period. Payment of Unexpired Concession Fee to the Indian Railways has been treated as an advance. In case the contracts for the trains are terminated on account of breach of terms and conditions of the contract or cancellation / withdrawal of the train by Railway Administration, expenditure is recognized over the period, the contract was in force.
- **User charges Paid:** User Charges payable to Indian Railways in respect of Food Plazas and Budget Hotels are accounted for on accrual basis till the period projects were in operation.
- **License Fee Paid: -**
 - (a) Fixed yearly license fees payable to Indian Railways by the Corporation is accounted for on accrual basis on monthly pro-rata basis (fraction of the month, if any, has been treated as full month) till the period project were in operation.
 - (b) Variable License fee payable to Indian Railways is accounted on accrual basis as a fixed percentage of the catering services provided /sales made.
- **Custody/Haulage Charges on Train Operations:-**
 - (a) Fixed yearly Charges payable to Zonal Railways by the Corporation is accounted for on accrual basis on monthly pro-rata basis till the period project were in operation.

(b) Variable Haulage Charges:- fee payable to Zonal Railways is accounted on accrual basis as a fixed rate charged for per km and per day of train operation as per the understanding with the railways.

(c) Custody Charge:- Fixed yearly Custody charges payable to Zonal Railways by the Corporation is accounted for on accrual basis on monthly pro-rata basis till the period project were in operation

• **Tourism Expenses: -**

The Cost of Ticket, other charges, if any, levied by the Indian Railways and Service charges on booking of the special train / coach charter / berths are accounted on accrual basis.

In case of complete tour packages and Buddhist Circuit Special Train, cost of train ticket, Service Charges and other charges, if any levied by Indian Railways, Road Travel expenses and accommodation and meal charges etc. are accounted on accrual basis.

r) Leases: -

Where the Company is the lessee:

- (i) The Company Recognizes a right-of- use asset and a lease liability at the lease commencement date. The right of-use asset is initially measured at cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.
- (ii) The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-to-use-asset or the end of the lease term. The estimated useful life of the right-to-use asset is determined on the same basis as those of property, plant and equipment. In addition, the right-to-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

(iii) The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

(iv) The lease liability is measured at amortized cost using the effective interest method, it is remeasured when there is a change in future lease payments from a change in an index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right -of-use asset, or is recorded in the profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

(v) The Company presents right-of-use asset separately on the face of the Balance Sheet in the "Right of use assets" and lease liabilities in "other financial liabilities" in the Balance Sheet.

(vi) Short term Lease and Leases of low value assets:-The Company has elected not to recognize right-of-use asset and lease liabilities for short term leases that have lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Where the Company is the lessor:

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognizes lease payments received under operating lease as income on a straight-line basis over the lease term as part of "Other Income".

s) Impairment of Assets: -

Cash generating units as defined in Ind AS 36 on 'Impairment of Assets' on 'Impairment of Assets' are identified at the

balance sheet date with respect to carrying amount vis-à-vis. recoverable amount thereof and impairment loss, if any, is recognized in the statement of profit and loss account. Impairment loss, if need to be reversed subsequently, is accounted for in the year of reversal.

t) Borrowing Cost: -

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalised as part of the cost of such assets till such time the assets are substantially ready for their intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowings costs are recognized in the statement of Profit and Loss in the period in which they are incurred.

u) Employee Benefits: -

(a) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages, and short- term compensated absences etc. are recognized in the period in which the employee renders the related service.

(b) Long Term Employee Benefits:

The obligation for long-term employee benefits such as long-term compensated absences, half pay leave & LTC is recognized in the same manner as in the case of defined benefit plans as mentioned in (c)(ii) below

(c) Post-Employment Benefits

- (i) **Defined contribution plans:** The Company makes defined contribution to the Regional Provident Fund Commissioner in respect of provident fund scheme. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.
- (ii) **Defined Benefit plans:** Company provides post-retirement medical benefits to employees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit plans.
- (iii) Gratuity is a post-employment defined benefit plan. The liability recognized in the balance sheet is the present value of the defined benefit obligation

at the balance sheet date less fair value of plan assets. The defined benefit obligation is calculated by an independent actuary using projected unit credit (PUC) method.

- (iv) Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions in respect of defined benefit plans are recognised in period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity.

- (d) Provision/liabilities towards Foreign Service Contribution- Pension and Leave Salary are made in terms of Government Rules & Regulations for employees on deputation/Deemed Deputation and charged to statement of Profit or Loss on accrual basis.

v) Inventories:

- (i) Inventories are valued at lower of cost and net realizable value.
- (ii) In case of raw materials, packing materials, stores, spares and consumables, the cost includes duties and taxes (net of ITC, wherever applicable) and is arrived at on FIFO basis.
- (iii) Cost of finished goods and work in process includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition.
- (iv) PD items (traded goods) are valued at cost or NRV on FIFO basis.

w) Taxation: -

(a) Current Income Tax: -

- (i) Taxes including current income-tax are computed using the applicable tax rates and tax laws.
- (ii) The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.
- (iii) Current income tax assets and liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. Liability for additional taxes, if any, is provided / paid as and when assessments are completed.

- (iv) Current tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

(b) Deferred Tax

The corporation has accounted for deferred taxation in line with IndAS-12 "Income Taxes" issued by the Ministry of Corporate Affairs.

- i. Deferred income tax assets and liabilities are recognized for temporary differences which is computed using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.
- ii. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- iii. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.
- iv. Deferred tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

x) Earning Per Share

In determining basic earnings per share, the company considers the net profit attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. In determining diluted earnings per share, the net profit attributable to equity shareholders and weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

y) Grants

- i. Government grants relating to purchase of property, plant and equipment are included in liabilities as deferred income and credited to profit or loss over the on systematic basis over the expected life of the related assets and presented within other income.
- ii. Grants relating to the revenue expenditure are adjusted against the related expenses. The unutilized portion of revenue and capital grant is shown as liability.
- iii. Government grant in the form of Non-monetary asset is recognized at fair value and presented in balance sheet by setting up the grant as deferred Income.

z) Cash & Cash Equivalents

Cash and cash equivalents comprise cash on hand, drafts/cheques on hand, bank balances, deposits with banks and short term investments, which are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

aa) Financial Instruments: -

Initial recognition and measurement

Financial Instruments recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial instruments.

Financial Asset at Amortized Cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets measured at amortised cost using effective interest rate method less impairment, if any. The EIR amortisation is included in finance income in the statement of profit and loss.

Following financial assets are measured at amortised cost: -

- (i) Security deposit
- (ii) Retention money
- (iii) Cash and cash equivalent
- (iv) Advances adjustable with other financial instrument

Financial Assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously

recognised in OCI is reclassified from the equity to P&L. Interest earned is recognised using the EIR method.

Financial Assets at Fair value through Profit & Loss (FVTPL)

FVTPL is a residual category for financial Assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. If doing so reduces or eliminates a measurement or recognition inconsistency.

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of P&L.

Financial liabilities at Amortised Cost

Financial liabilities at amortised cost represented by trade and other payables, security deposits, advances refundable and retention money are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

Financial liabilities at Fair Value through Profit & Loss (FVTPL)

The company has not designated any financial liabilities at FVTPL.

De-recognition

Financial Asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.

Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of Profit & Loss.

Impairment of Financial Assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets

which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Profit & Loss Account.

bb) Fair Value Measurement

Company measures financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company

determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At the reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information

in the valuation computation to contracts and other relevant documents.

The Company also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Note: - 3 - Property, Plant and Equipments



Particulars	Land		Leasehold Land	Flats on Leasehold Land	Leasehold Improvements	Buildings		Plant & Machinery	Electrical Installation & Equipment's	EDP Assets	Office Equipments		Furniture & Fixtures	Luxury Tourist Train	Total
	Leasehold Land	Freehold Land				Building-Factory-Leasehold	Building-Office-Leasehold				Conditioner	Air			
Gross Carrying Amount															
At 31 March 2018	1,508.60	860.57	951.87		1,182.45	2,472.85	178.34	5,819.07	533.09	8,168.02	481.08	1,631.71	563.83	5,109.66	29,461.15
Additions	122.98	-	-	-	568.60	-	3.54	330.22	3.89	351.79	12.66	135.32	59.16	21.24	1609.40
Disposals/Adjustments	-	-	-	-	-	34.17	-	25.63	-	69.21	1.28	22.55	1.51	-	154.35
At 31 March 2019	1,631.58	860.57	951.87		1,751.05	2,438.68	181.88	6,123.66	536.98	8,450.60	492.46	1,744.48	621.48	5,130.90	30,916.18
Re-classified due to IND-AS 116	1631.58	-	951.87	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	311.91	1,819.11	10.04	3,135.88	52.67	213.16	26.54	143.73	76.14	71.56	2,583.45
Disposals/Adjustments	(16.04)	-	-	-	314.65	(34.17)	-	96.27	8.98	52.14	9.53	345.31	46.30	-	5,860.73
At 31st March, 2020	-	876.61	-	-	1,748.30	4,291.98	191.92	9,163.27	580.68	8,611.61	509.47	1,542.89	651.32	5,202.46	33,370.50
Accumulated Depreciation and Impairment															
At 31 March 2018	6.39	-	198.93		730.04	427.51	43.34	1,813.86	299.35	5,292.40	282.11	1,333.18	381.60	3,088.07	13,896.79
Depreciation charge for the year	5.18	-	29.99	-	92.74	66.00	13.10	915.91	34.32	805.34	30.35	80.38	28.44	318.41	2,420.16
Impairment	-	-	-	-	20.99	-	-	18.75	-	48.75	0.84	15.07	1.27	-	105.67
Disposals/Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2019	11.57	-	228.92		801.79	493.51	56.44	2,711.02	333.67	6,048.99	311.62	1,398.49	408.77	3,406.48	16,211.28
Re-classified due to IND-AS 116	11.57	-	228.92	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	-	-	-	111.71	116.93	13.37	778.96	35.36	838.03	30.56	101.34	32.22	313.74	2,372.22
Impairment	-	-	-	-	121.52	-	-	33.34	8.98	46.58	6.20	311.88	29.08	-	557.57
Disposals/Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At 31st March, 2020	-	-	-	-	791.96	610.45	69.80	3,456.64	360.06	6,840.44	335.98	1,187.95	411.91	3,720.22	17,785.41
Net Carrying Value															
At 31st March, 2020	-	876.61	-	-	956.34	3,681.53	122.12	5,706.62	220.63	1,771.17	173.50	354.94	239.41	1,482.24	15,585.09
At 31 March, 2019	1,620.01	860.57	722.95		949.26	1,945.17	125.45	3,412.64	203.31	2,401.61	180.84	345.99	212.71	1,724.41	14,704.91
At 31 March, 2018	1,502.21	860.57	752.94		452.41	2,045.34	135.01	4,005.21	233.74	2,875.62	198.97	298.53	182.23	2,021.58	15,564.37

Note :- 31 During the FY 2009-10, the Company acquired a Pan India Luxury Tourist Train. The total cost of said train was ₹ 5,046.57 Lakhs. The Tourism Ministry had given capital subsidy of ₹ 1,23,700 Lakhs which has been recognised as deferred grant and amortised in the proportion of the depreciation

Note :- 4 - Capital Work in Progress

Particulars	Amount (₹ in Lakhs)												
	Railneer Plant - Vijaywada (AP)	Railneer Plant- Sankrail	Railneer Plant- Bhusawal (Maharashtra)	Railneer Plant- Masoori/ Hapur	Rail Neer Plant- Sanad	Rail Neer Plant- Mandideep	Railneer Plant- Una (HP)	Railneer Plant- Jabalpur (MP)	Railneer Plant- Jagiroad (Guwahati) Assam	Railneer Plant- Nagpur (Maharashtra)	Budget Hotel (Meghalaya Hotel)	Others	Total
Opening balance at 1st April 2018	56.00	197.77	-	282.84	-	176.27	-	-	-	-	-	52.38	765.26
Additions (subsequent expenditure)		383.99	130.14	598.18	671.92	547.61	42.00	284.03	488.51	14.50	-	176.43	3,337.30
Adjustments	56.00											8.85	64.85
Closing balance at 31st March 2019	-	581.76	130.14	881.02	671.92	723.88	42.00	284.03	488.51	14.50	-	219.96	4,037.71
Additions (subsequent expenditure)	-	289.93	144.47	19.83	91.03	39.46	95.22	371.91	229.94		337.29	824.73	2,443.81
Adjustments	-	871.69	-	900.85	762.95	763.34		655.94	718.45	14.50		173.02	4,860.74
Closing balance at 1st March 2020	-	-	274.61	-	-	-	137.22	-	-	-	337.29	871.67	1,620.79

Note :- 4.1

- (i) Expenditure incurred on civil work on premises located on Railway land other than Railneer Plants has been accounted as lease hold improvement and has been depreciated over a period of ten years.
- (ii) Residential flats constructed on railway land are on lease for a period of 30 years and the same has been depreciated over that period.

Note :- 4.2

IRCTC has taken land from Railways on lease basis for setting up of Railneer Plants at Nangloi, Danapur, Palur, Ambernath and Bilaspur for which lease period has not been fixed by Railway authorities. As per the policy of the Railways the maximum period of lease can be for a period of 35 years which is further renewable for a period of 35 years. Depreciation on buildings of Railneer Plants at Nangloi, Danapur, Palur, Ambernath and Bilaspur has been provided on straight line basis as per accounting policy being followed consistently. IRCTC has written to concerned Railways to confirm the maximum period of lease of such land provided to IRCTC, reply of which is awaited.

Note: - 5 - Investment Property

Particulars	Amount (₹ in Lakhs)		
	Land at Gurgaon	Building at Gurgaon	Total
Opening balance at 1 April 2018	464.66	2,296.90	2,761.56
Addition/Adjustment during the year	-	29.15	29.15
Disposal/Adjustment during the year	-	-	-
Closing balance at 31 March 2019	464.66	2,326.05	2,790.71
Addition/Adjustment during the year	-	10.26	10.26
Disposal/Adjustment during the year	-	-	-
Closing balance at 31 March 2020	464.66	2,336.31	2,800.97
Amortization and Impairment			
Opening balance at 1 April 2018	-	-	-
Amortization during the year	-	25.12	25.12
Disposal/Adjustment during the year	-	-	-
Closing balance at 31 March 2019	-	25.12	25.12
Amortization during the year	-	37.03	37.03
Disposal/Adjustment during the year	-	-	-
Closing balance at 31 March 2020	-	62.15	62.15
Net Carrying Value			
At 31 March 2020	464.66	2,274.16	2,738.82
At 31 March 2019	464.66	2,300.93	2,765.59
At 01 April 2018	464.66	2,296.90	2,761.56

Note:- 5.1 Fair value of Investment property as on 31st March, 2020 is ₹ 7696.50 Lakhs, which has been valued on the basis of Land and Building Method by adopting prevailing market rates by a registered valuer.

5.2 Operating Expenses incurred on investment property during the year have been disclosed in note no.33.

5.3 Other Disclosure

Particulars	Amount (₹ in Lakhs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Amounts recognized in statement of profit and loss for investment properties		
--Rental Income	76.13	-
Direct operating expenses of property that generated rental income	36.03	-
Direct operating expenses of property that did not generated rental income	-	-
Income arising from Investment properties before charging depreciation	40.10	-
Depreciation & amortisation	37.03	25.12
Income from Investment properties (net)	3.07	-25.12

Note:- 5A - Intangible Assets

Particulars	Amount (₹ in Lakhs)		
	Software's	Licenses	Total
Opening balance at 1 April 2018	2,827.41	1,374.36	4,201.77
Addition during the year	446.37	70.71	517.08
Disposal/Adjustment during the year	-	-	-
Closing balance at 31 March 2019	3,273.78	1,445.07	4,718.85
Addition during the year	6.20	-	6.20
Disposal/Adjustment during the year	-	-	-
Closing balance at 31 March 2020	3,279.98	1,445.07	4,725.05

Note: - 5A - Intangible Assets (Contd..)

Amount (₹ in Lakhs)

Particulars	Software's	Licenses	Total
Amortization and Impairment			
Opening balance at 1 April 2018	2,188.95	1,356.41	3,545.37
Amortization during the year	407.36	11.31	418.67
Disposal/Adjustment during the year	-	-	-
Closing balance at 31 March 2019	2,596.32	1,367.72	3,964.05
Amortization during the year	298.87	28.07	326.94
Disposal/Adjustment during the year	-	-	-
Closing balance at 31 March 2020	2,895.20	1,395.79	4,291.00
Net Carrying Value			
At 31 March 2020	384.77	49.28	434.05
At 31 March 2019	677.45	77.35	754.80
At 01 April 2018	638.45	17.95	656.39

Note:- 5B - Right-of-use Assets

Amount (₹ in Lakhs)

Particulars	Land	Building	Vehicles	Total
Gross Block				
Opening balance at 1 April 2019	-	-	-	-
Re-classified due to IND-AS 116	1,631.58	951.87	-	2,583.45
Addition during the year	2,128.94	2,756.03	3,626.87	8,511.84
Disposals / adjustment during the year	16.04	-	-	16.04
Closing balance at 31 March 2020	3,744.48	3,707.90	3,626.87	11,079.25
Depreciation and Impairment				
Opening balance at 1 April 2019	-	-	-	-
Re-classified due to IND-AS 116	11.57	228.92	-	240.49
Depreciation charged during the year	180.95	522.43	554.25	1,257.63
Disposals / adjustment during the year	-	-	-	-
Closing balance At 31 March 2020	192.52	751.35	554.25	1,498.12
Net Book Value				
At 31 March 2020	3,551.96	2,956.55	3,072.62	9,581.13
At 1 April 2019	-	-	-	-

Note :- 6 - Financial Assets- Non Current**Note :- 6.1 - Non-Current Investments**

Amount (₹ in Lakhs)

Particulars	As at 31 st March 2020	As at 31 st March 2019
A. Investments in Equity Instruments of Joint Venture		
25,00,000 equity shares of ₹ 10 each of Royale Indian Rail Tours Limited (As at 31 st March, 2019 25,00,000 equity shares of ₹ 10 each)	250.00	250.00
Less: Impairment in value of Investments	(250.00)	(250.00)
B. Other Investments		
Investments in NSC 8th Issue	0.20	0.20
Add: Interest Accrued	0.12	0.12
Total Investments	0.32	0.32

**Note :- 6.1 A - Total Non Current Investments**

Particulars	Amount (₹ in Lakhs)	
	As at 31 st March 2020	As at 31 st March 2019
Aggregate Amount of unquoted investments	250.00	250.00
Aggregate Amount of impairment in the value of investments	(250.00)	(250.00)
Aggregate Fair Value of investments	-	-

Refer to Note 37.3, 44.1 & 45

Note :- 6.2 - Loans

Particulars	Amount (₹ in Lakhs)	
	As at 31 st March 2020	As at 31 st March 2019
Unsecured, Considered Good		
a) Security Deposits	18.14	239.17
Total	18.14	239.17

Note :- 6.3 - Other Non Current Financial Assets

Particulars	Amount (₹ in Lakhs)	
	As at 31 st March 2020	As at 31 st March 2019
a) Term deposits having remaining maturity of more than 12 months of which margin money or security against borrowings, guarantees or other commitments, held as margin money against Bank guarantee	8.06	8.06
Total	8.06	8.06

Note : - 7 - Deferred Tax

Particulars	Amount (₹ in Lakhs)	
	As at 31 st March 2020	As at 31 st March 2019
A. Deferred Tax Liabilities		
Property, Plant and Equipment	515.88	777.38
Total of Deferred Tax Liabilities	515.88	777.38
B. Deferred Tax Assets		
Employee Benefit	2,013.42	2,093.65
Property, Plant and Equipment	-	-
Doubtful debts	2,102.97	2,979.54
Statutory liabilities (u/s 43B)	2,725.67	3,788.83
Investments	62.93	87.36
Lease Liability (Net of ROU)	123.42	-
Deferred Revenue	59.92	-
Total of Deferred Tax Assets	7,088.33	8,949.38
Deferred Tax Assets Net	6,572.45	8,171.99

Movement in Deferred Tax Asset/(Liability)

Amount (₹ in Lakhs)

Particulars	Property, Plant and Equipment	Employee Benefit	Doubtful debts	Statutory liabilities (u/s 43B)	Investments	Lease Liability (Net of ROU)	Deferred Revenue	Total
Closing balance as at 01st April 2018	(1,011.01)	2,136.88	1,354.71	3,795.17	86.52	-	-	6,362.27
Charged/(credited) during 2018-19								
To Profit & Loss	233.63	(29.26)	1,624.83	(6.34)	0.84	-	-	1,823.70
To other comprehensive income	-	(13.97)	-	-	-	-	-	(13.97)
Closing balance as at 31st March 2019	(777.38)	2,093.65	2,979.54	3,788.83	87.36	-	-	8,172.00
Charged/(credited) for the year 2019-20								
To Profit & Loss	261.50	(204.41)	(876.57)	(1,063.16)	(24.44)	123.42	59.92	(1,723.73)
To other comprehensive income	-	124.18	-	-	-	-	-	124.18
Closing balance as at 31st March 2020	(515.88)	2,013.42	2,102.97	2,725.67	62.93	123.42	59.92	6,572.45

Note :- 8 - Other Non-Current Assets

Amount (₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
a) Capital Advances		
Capital Advance to Indian Railways for Construction of Flats & Land	211.43	211.43
Capital Advance to RVNL for Construction of Flats & Land	780.00	780.00
Capital Advance to Air India for Purchase of Flats & Land	653.00	653.00
Capital Advance for Land for Budget Hotel at Bhubeneshwar	61.48	61.48
Capital Advance to DDA for purchase of Flats	450.00	-
b) Others		
Deposits with Govt. Authorities	467.42	574.72
Fair Value adjustment on Security Deposits Made*	2.47	6.57
Total	2,625.80	2,287.20

*It represents unamortised portion of the difference between the fair value of financial assets on initial recognition and expenditure incurred.

Note :- 9 - Inventories

(As taken, Valued and certified by management)

Amount (₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Raw Material	447.86	329.99
Work In progress	30.22	64.55
Finished Goods	481.81	377.53
Trading Goods-Packed (PD) items	16.41	16.80
Total inventories at the lower of cost and net realisable value	976.30	788.87

**Note :- 10 - Financial Assets****Note :- 10.1 - Trade Receivables**

Amount (₹ in Lakhs)		
Particulars	As at 31 st March 2020	As at 31 st March 2019
Unsecured		
Considered Good - Unsecured (Net of advances)	76,420.46	56,224.60
Trade Receivables which have significant increase in credit risk	4,155.45	4,947.11
Trade Receivables-credit impaired	6,644.45	6,024.33
Less: Allowance for Doubtful Debts	(8,279.10)	(8,450.64)
Total Trade receivables	78,941.26	58,745.40

Note :- 10.2 - Cash and Cash equivalent

Amount (₹ in Lakhs)		
Particulars	As at 31 st March 2020	As at 31 st March 2019
Cash on hand	8.31	33.88
Cheques/drafts on hand	-	41.07
Balances with banks:		
- In Current Account	58,139.07	43,772.73
- In Flexi Current Account	1,592.03	2,159.27
Total	59,739.41	46,006.95

Note :- 10.3 - Bank Balances other than Cash and Cash Equivalents

Amount (₹ in Lakhs)		
Particulars	As at 31 st March 2020	As at 31 st March 2019
- Restricted Balance with scheduled Bank		
Unpaid Dividend Accounts	8.30	-
- Deposits with original maturity of more than 3 months but less than 12 months (Refer note no.53)	69,741.23	67,842.74
- Margin money against Bank guarantee	153.85	153.86
Total	69,903.38	67,996.60

Note :- 10.4 - Loans

Amount (₹ in Lakhs)		
Particulars	As at 31 st March 2020	As at 31 st March 2019
Unsecured, Considered Good		
Security Deposits	1188.91	835.15
Total	1,188.91	835.15

Note :- 10.5 - Other Current Financial Assets

Amount (₹ in Lakhs)		
Particulars	As at 31 st March 2020	As at 31 st March 2019
Interest Accrued but not due on Term & Fixed deposits	1,823.92	3,109.65
Other Receivables	12,974.91	372.88
Total	14,798.83	3,482.53

Note :- 11 - Current Tax Assets

Particulars	Amount (₹ in Lakhs)	
	As at 31 st March 2020	As at 31 st March 2019
Income Tax Refunds	1,157.72	1,008.46
Advance tax & TDS (Net of Provision for Income Tax of ₹19871.97 Lakhs)	3,044.42	-
Total	4,202.15	1,008.46

Note :- 12 - Other Current Assets

Particulars	Amount (₹ in Lakhs)	
	As at 31 st March 2020	As at 31 st March 2019
Advances other than Capital Advances		
Other Advances	3,117.99	2,998.08
Less: Provision for Doubtful advances	(75.98)	(75.98)
Balance with Govt. Authorities	3,411.25	3,722.36
Other Deposits with Railway	48,331.01	39,354.67
Others		
Prepaid Expenses	1,259.50	1,572.75
Fair Value adjustment on Security Deposits Made*	5.17	18.06
Total	56,048.94	47,589.94

*It represents unamortised portion of the difference between the fair value of financial assets on initial recognition and expenditure incurred.

Note :- 13 - Equity Share capital

Particulars	Amount (₹ in Lakhs)	
	As at 31 st March 2020	As at 31 st March 2019
Authorised share capital		
25,00,00,000 Equity shares of ₹ 10 each	25,000.00	25,000.00
(As at 31 March 2019 - 25,00,00,000 Equity shares of ₹ 10 each)	25,000.00	25,000.00
Issued/Subscribed and Paid up Capital		
16,00,00,000 Equity shares of ₹ 10 each	16,000.00	16,000.00
(As at 31 March 2019 - 16,00,00,000 Equity shares of ₹ 10 each)	16,000.00	16,000.00

Note :- 13.1 - Reconciliation of the number of equity shares and share capital

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	No. of shares in Lakhs	Amt (₹ in Lakhs)	No. of shares in Lakhs	Amt (₹ in Lakhs)
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	1,600.00	16,000.00	400.00	4,000.00
Add: Shares Issued during the year (Bonus)	-	-	1,200.00	12,000.00
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	1,600.00	16,000.00	1,600.00	16,000.00

Note 13.2 :- Rights, Preference and restrictions attached to shares

The Company has one class of Equity Shares having a par value of ₹ 10 each. Per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The Company has no Preference Shares, thus, in the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company.

**Note : - 13 - Equity Share capital (Contd..)****Note :- 13.3 - Details of Shares held by shareholders holding more than 5% of the aggregate shares in the company**

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	No. of shares in Lakhs	% of holding	No. of shares in Lakhs	% of holding
Equity shares				
Ministry of Railway, Govt. of India & its nominees	1,398.40	87.40%	1,600.00	100%
Total	1,398.40	87.40%	1,600.00	100%

Note :- 13.4 - Aggregate no. of equity shares issued as fully paid by way of bonus during the period of five years immediately preceding the reporting date

Particulars	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2018	As at 31 st March 2017	As at 31 st March 2016
	No's in Lakhs	No's in Lakhs	No's in Lakhs	No's in Lakhs	No's in Lakhs
Equity shares issued as bonus	-	1,200.00	-	200.00	-
Total	-	1,200.00	-	200.00	-

Note : - 14 - Other Equity

Particulars	Amount (₹ in Lakhs)	
	As at 31 st March 2020	As at 31 st March 2019
General Reserve	48,991.70	45,491.70
Retained Earnings	67,790.06	45,610.23
Total	116,781.76	91,101.93

Note :- 14.1 General Reserve

Particulars	Amount (₹ in Lakhs)	
	As at 31 st March 2020	As at 31 st March 2019
Opening Balance	45,491.70	41,991.70
Add: Transfer from Retained Earnings	3,500.00	3,500.00
Closing Balance	48,991.70	45,491.70

Note :- 14.2 Retained Earnings

Particulars	Amount (₹ in Lakhs)	
	As at 31 st March 2020	As at 31 st March 2019
Opening Balance	45,610.23	48,545.16
Add : Impact due to prior period adjustment	-	136.64
Less: Impact due to Ind AS-115	-	(514.24)
Add: Profit during the period transferred from statement of profit & loss	52,857.13	30,856.39
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(369.18)	26.01
Payment of dividend on equity shares	(22,237.20)	(14,880.92)
Payment of dividend tax on equity shares	(4,570.92)	(3,058.82)
Transferred to General Reserve	(3,500.00)	(3,500.00)
	67,790.06	57,610.23
Less: Issue of bonus shares	-	12,000.00
Closing Balance	67,790.06	45,610.23

Note :- 14 - Other Equity (Contd..)**Distributions Made and Proposed**

Particulars	Amount (₹ in Lakhs)	
	As at 31 st March 2020	As at 31 st March 2019
Cash dividend on Equity shares declared and paid		
Final Dividend during the year ₹ 3.90 per share (31st March 2019 ₹ 5.55 per share)	6,237.20	8,880.92
Interim Dividend paid during the year ₹ 10.00 per share (31st March, 2019 ₹ 3.75 per share)	16,000.00	6,000.00
Dividend distribution Tax on Final & Interim dividend	4,570.92	3,058.82
	26,808.12	17,939.74
Proposed Dividend on Equity shares*		
Dividend for 31st March, 2020 :- ₹ 2.50 Per Share (31st March, 2019 ₹ 3.90 Per Share)	4,000.00	6,237.19
Dividend Distribution Tax on Proposed Dividend	-	1,282.07
	4,000.00	7,519.26

*The proposed dividend (including dividend distribution tax) on equity shares are subject to approval by shareholders at the Annual General Meeting and has not been recognised as a liability as at 31st March 2020.

Note :- 15 - Financial Liabilities - Non Current**Note :- 15.1 - Others**

Particulars	Amount (₹ in Lakhs)	
	As at 31 st March 2020	As at 31 st March 2019
Security Deposits	2,388.32	1,472.24
Lease Liabilities	5,519.64	-
Total	7,907.96	1,472.24

Note :- 16 - Provisions - Non Current

Particulars	Amount (₹ in Lakhs)	
	As at 31 st March 2020	As at 31 st March 2019
Provision for Employee Benefits		
Retirement Benefits (Refer note 37.1 & 42)	4,888.14	4,616.09
Total	4,888.14	4,616.09

Note :- 17 - Other Non Current Liabilities

Particulars	Amount (₹ in Lakhs)	
	As at 31 st March 2020	As at 31 st March 2019
Deferred Grant	216.20	275.54
Deferred portion of Security Deposits*	560.61	305.47
Total	776.81	581.01

*It represents unamortized portion of the difference between the fair value of financial liability on initial recognition and expenditure incurred.

**Note :- 18 - Financial Liabilities- Current****Note :- 18.1 - Trade Payables**

Particulars	Amount (₹ in Lakhs)	
	As at 31 st March 2020	As at 31 st March 2019
(a) total outstanding dues of micro enterprises and small enterprises	41.50	7.74
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		
For Goods	2,544.74	2,863.33
For Services (Net of advances)*	14,367.56	16,434.07
Total	16,953.81	19,305.14

*Is net of the advance payments made during regular course of business

Disclosure as per the requirement under MSME Act:-

Particulars	Amount (₹ in Lakhs)	
	As at 31 st March 2020	As at 31 st March 2019
1. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount due to micro and small enterprises	41.50	7.74
Interest due on above*	-	-
2. The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
3. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	-	-
4. The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
5. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006	-	-

Note :- 18.2 - Other Financial Liabilities

Particulars	Amount (₹ in Lakhs)	
	As at 31 st March 2020	As at 31 st March 2019
Security Deposits	11,155.09	11,008.62
Earnest Money deposit	4,272.24	2,469.49
Refundable for Internet Ticketing	2,380.67	1,733.94
Payable towards Others-Expenses Provisions*	54,437.10	41,673.82
Lease Rent advance	1,741.50	1,741.50
Advance Refundable(state teertha)	2,106.21	2,076.35
Unpaid Dividend	8.30	-
Lease liabilities	2,240.28	-
Total	78,341.40	60,703.72

*Includes provision of contingent nature

Note :- 19 - Other Current Liabilities

Particulars	Amount (₹ in Lakhs)	
	As at 31 st March 2020	As at 31 st March 2019
a) Contract Liability		
Unexpired concession fee	151.92	657.25
Unexpired Licenec fee	15,474.40	11,313.73
Unexpired User Charges	-	39.60
Advances received	4,759.66	7,140.02
	20,385.98	19,150.60
b) Others		
Rolling Deposits	43,455.32	25,886.51
Provision for VAT (Net of service tax) (Refer note no.37.4)	8,251.01	8,251.01
Provision for Service Tax	2,578.03	2,591.56
Deferred portion of Security Deposits*	132.25	115.77
Statutory Dues	5,375.94	5,623.84
Deferred Grant	44.28	96.36
Total	80,222.81	61,715.65

*It represents unamortized portion of the difference between the fair value of financial liability on initial recognition and expenditure incurred.

Note :- 20 - Provisions - Current

Particulars	Amount (₹ in Lakhs)	
	As at 31 st March 2020	As at 31 st March 2019
Provision for Employee Benefits (Refer note 37.1 & 40)	3,111.14	1,375.34
Total	3,111.14	1,375.34

Note :- 21 - Current Tax Liability

Particulars	Amount (₹ in Lakhs)	
	As at 31 st March 2020	As at 31 st March 2019
Provision for Income Tax (Net of advance tax & TDS of ₹16278.56 Lakhs)	-	2,544.79
Provision for Income Tax net of Advance Tax and TDS	-	2,544.79

Note :- 22 - Revenue from operations

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 st March 2020	For the year ended 31 st March 2019
A. Sale of Products		
Railneer (Packaged Drinking Water)	21,834.17	17,202.28
Catering		
- Sale of Food & Beverages	2,459.54	2,965.59
Non-Railway Business		
- Income from Catering	698.81	552.52
- Income from Other Services	-	13.00
	24,992.52	20,733.39
Total-Sale of Product	24,992.52	20,733.39



Note :- 22 - Revenue from operations (Contd..)

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 st March 2020	For the year ended 31 st March 2019
B. Sale of Service		
i) Internet Ticketing		
Service Charges Earned—IR Tickets	13.97	5.85
Convenience Fee	34,964.13	-
Income From License Fee-Call Centre	29.73	21.17
Income from Advertisement/SBI CO-Branded Cards & Loyalty Cards	13,412.56	9,901.08
Income From Fees from IATA/RTSA/Internet Cafe, etc.	10,333.39	4,399.09
Reimbursement against Service Charges	3,226.67	8,800.00
(a)	61,980.45	23,127.19
ii) Income From Catering Services		
Income from Catering & Comprehensive Services provided Income from On Board Catering & Other Services- Rajdhani/Shatabdi/Premium Trains	51,159.84	51613.15
Income from Concession Fee, License Fee etc.		
Income from Concession Fee	3,290.32	2618.12
Income from License Fee	39,815.64	38126.36
Income from User Charges-Food Plaza	28.25	51.50
Income from License Fee-Food Plaza	6,961.27	6486.16
(b)	101,255.33	98,895.29
iii) Tourism		
Tourism & Train Operation	23,872.92	18,713.62
Income from State Teertha	9,459.38	19,457.49
Income from User Charges-Rail Yatri Niwas	137.68	141.03
Income from License Fee-Rail Yatri Niwas	314.38	389.96
Maharaja Express-Revenue	5,162.35	5,382.75
(c)	38,946.71	44,084.85
iv) Railneer		
License Fee - Railneer	342.70	105.17
(d)	342.70	105.17
Total-Sale of Services	(a+b+c+d) 202,525.19	166,212.49
Other Operating Income		
Scrap Sale—Rail Neer	29.76	40.62
Scrap Sale—Departmental Catering	0.92	12.83
Scrap Sale—Non—Railway Catering	-	0.89
	30.68	54.34
	30.68	54.34
Revenue from Operation (Gross)	227,548.39	187,000.22

Note :- 23 - Other Income

Amount (₹ in Lakhs)

Particulars	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Interest Income		
Interest Income on FDR's & TDR's (Gross)	4,931.86	5,097.71
Interest Income - Others	15.67	107.29
Dividend Income from Mutual fund	389.74	637.28
(a)	5,337.28	5,842.28
Other Non-Operating Income		
Countermanding Charges & Security Deposit Forfeited	64.99	29.10
Income Accrued on Forfeiture of Contracts	5.86	13.43
Sale of Tender Forms	2.68	3.11
Profit on foreign exchange fluctuation	0.01	-
Amortization of Capital Grant	111.42	96.36
Income from amortisation of deferred security deposits-Liability	267.33	160.48
Interest Income on Unwinding of Discounts on security deposits	19.47	18.39
Contractual Fines & Penalties received	1,406.97	1,103.85
Income from Duty credit licence under "Served from India Scheme"	147.04	98.84
Reimbursement of Travel Insurance Premium	-	1,068.00
Rental Income from Investment Property	76.13	-
Miscellaneous Income	366.14	459.89
(b)	2,468.04	3,051.45
Total	(a+b) 7,805.32	8,893.73

Note :- 24 - Cost of Material Consumed

Amount (₹ in Lakhs)

Particulars	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Railneer (Packaged Drinking Water)		
Opening Stock	263.46	254.94
Add: Purchases And Expenses	9,805.89	7,762.28
	10,069.35	8,017.22
Less: Closing Stock	380.76	263.46
(a)	9,688.58	7,753.76
DEPARTMENTAL CATERING		
Opening Stock	66.52	41.43
Add: Purchases And Expenses	1,304.95	1,602.46
	1,371.46	1,643.89
Less: Closing Stock	67.09	66.52
(b)	1,304.37	1,577.37
Total	(a+b) 10,992.96	9,331.13

Note :- 25 - Purchase of Stock-in-Trade

Amount (₹ in Lakhs)

Particulars	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Purchase of PD/Cooked food items for resale	2,522.08	2,829.38
Purchase – Non-Railway Catering	335.58	265.69
	2,857.66	3,095.07
Total	2,857.66	3,095.07



Note :- 26 - Changes in Inventories of Finished Goods, Work in Progress & Stock in Trade

Amount (₹ in Lakhs)		
Particulars	For the year ended 31 st March 2020	For the year ended 31 st March 2019
RAILNEER (Packaged Drinking Water)		
Opening Stock		
Finished Goods	358.97	356.51
Work in progress	64.55	59.54
	423.52	416.05
Closing Stock		
Finished Goods	481.81	358.97
Work in progress	30.22	64.55
	512.03	423.52
Total	(88.51)	(7.47)
DEPARTMENTAL CATERING		
Opening Stock		
Finished Goods	1.40	2.22
PD Items	16.80	17.05
	18.20	19.27
Closing Stock		
Finished Goods	0.07	1.40
PD Items	1.65	16.80
	1.72	18.20
	16.48	1.07
MAHARAJA EXPRESS		
Opening Stock		
Finished Goods	17.15	8.93
Closing Stock		
Finished Goods	14.69	17.15
	2.47	(8.22)
(Increase)/Decrease in Finished Goods	(69.57)	(14.62)

Note :- 27 - Expenses of Licensee Catering Services

Amount (₹ in Lakhs)		
Particulars	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Expenses of Catering & Comprehensive Services Provided		
On Board Catering & Other Charges - Rajdhani & Shatabdi/ Premium Trains	47,266.41	44,867.26
	47,266.41	44,867.26
Expense of Concession Fee, License Fee etc.		
Concession Fee	1,316.13	1,041.82
License Fee	15,892.99	14,036.00
User Charges - Food Plaza	11.30	20.60
License Fee - Food Plaza	2,784.51	2,637.87
License Fee Railway Land - Food Plaza	7.54	22.40
	20,012.47	17,758.69
	67,278.88	62,625.95

Note :- 28 - Expenses of Tourism

Amount (₹ in Lakhs)

Particulars	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Tourism & Train Operation	17,301.34	13021.69
Expenses of State Teertha	7,488.87	13772.03
License Fee - Rail Yatri Niwas	125.75	155.99
User Charges - Rail Yatri Niwas	55.07	56.41
License Fee Paid Railway Land - Rail Yatri Niwas	0.04	0.04
Maintenance & Other Charges	469.81	284.95
Expenses of Maharaja Express	3,300.01	3427.65
	28,740.89	30,718.76
	28,740.89	30,718.76

Note :- 29 - Manufacturing & Direct Expenses

Amount (₹ in Lakhs)

Particulars	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Rail Near (Packaged Drinking Water)		
- Operation & Maintenance Charges	1,486.49	1,414.47
- License fee Railway Land	38.14	222.21
- Power & Fuel	988.05	983.82
- Repair & Maintenance - Plant & Machinery	22.79	25.43
- Repair & Maintenance - Others	31.13	101.69
- Other Direct Expenses	-	11.80
(a)	2,566.60	2,759.42
Catering		
- Freight Inward Loading & Unloading-Catering	19.15	116.02
- Food Inspection Expenses	90.71	52.06
- Fuel	127.43	112.71
- Other Direct Expenses	1,765.55	821.08
(b)	2,002.84	1,101.87
Internet Ticketing		
- Maintenance & Other Charges	2,434.43	2,516.52
- Cancellation Charges	14.02	21.29
- Railway Share	99.49	2.93
- Internet Usage Charges	75.84	95.63
- Commission paid	2,096.95	-
- Messaging Expenses	320.64	286.43
(c)	5,041.37	2,922.80
Total (a+b+c)	9,610.81	6,784.09

**Note :- 30 - Employee Benefit Expenses**

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Employee Benefits Expenses		
Salaries, Wages & Bonus	20,660.69	16,735.35
Contribution to Provident Fund, Leave Encashment and Other Funds	3,036.39	2,203.61
Gratuity	560.22	463.52
Staff Welfare Expenses	143.73	103.32
	24,401.03	19,505.80
	24,401.03	19,505.80

Note :- 31 - Finance Costs

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Interest Expenses	-	0.23
Unwinding of discount on security deposits	199.73	234.63
Interest Expense on Lease Liability	527.65	-
	727.38	234.86
	727.38	234.86

Note :- 32 - Depreciation & Amortization Costs

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Depreciation on Tangible Assets (Refer Note-3 & 5)	2,457.26	2,445.29
Amortization on Intangible Assets (Refer Note-5A)	326.94	418.67
Depreciation on Rights of use Assets (Refer Note-5B)	1,209.63	-
	3,993.83	2,863.96
	3,993.83	2,863.96

Note :- 33 - Other Expenses

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Electricity & Water	319.42	343.90
Office Rent	615.42	1,240.69
Duties, Rates & Taxes	359.42	34.75
Repair Maintenance & other*	1,236.63	911.56
Insurance	151.45	41.50
Travelling Expenses	927.05	858.80
Conveyance Expenses	206.26	209.92
Director Sitting Fees	10.95	14.85
Payment to Auditors (Refer Note No-33.1)	17.61	11.65
Cost Audit Fee	2.50	2.75
Internal Audit Fee	4.50	7.84
Secretarial Audit Fee	0.45	0.30
Legal & Professional Fees	410.92	682.70

Note :- 33 - Other Expenses (Contd..)

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Communication Expenses	190.33	180.47
Customer Satisfaction Survey Expenses	304.93	285.77
Freight Outward & CFA Charges	3,730.75	3,223.17
Corporate Social Responsibility	767.00	688.30
Printing and Stationary	157.40	106.20
Digitization Expense (Travel Insurance)	-	927.57
Advertisement Expenses	576.71	438.79
Business Development/Marketing Exp.	904.62	932.22
Vendors' Commission	61.44	64.08
Security Expenses	264.85	240.79
Profit on foreign exchange fluctuation	-	7.87
IPO Expenses	313.32	-
Loss on Sale of Fixed Assets	233.51	14.54
Allowance for Doubtful Debts/(Reversal of provision)	(171.53)	4,612.16
Provision for Contingencies (Litigations)	363.50	
Miscellaneous Expenses	436.80	548.90
Total	12,396.21	16,632.03

*Includes ₹ 36.03 Lakhs on maintenance of Investment Property

Note :- 33.1 - Details of Payment to Auditors

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Payment to Auditors as Auditor		
Audit Fee	8.85	7.70
Tax Audit Fee	3.16	2.75
In other Capacity		
Limited Review Fee	4.42	
Company Law Matters	-	-
Re-imbursement/Expenses on travel	1.18	1.20
Total	17.61	11.65

Note :- 33.2 - Exceptional Items

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Excess Provision Written Back	111.40	10712
Reimbursement of Travel Insurance Premium*	-	3,632.00
Total	111.40	3,739.12

*Reimbursement of Travel Insurance Premium represents the claim received from the railways for reimbursement of cost of insurance to railway passengers for F.Y 16-17 & 17-18.

**Note :- 34 - Income Tax Expense**

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Current Income Tax:		
Current income tax charge	19,871.97	18,823.35
Deferred Tax:		
In respect of the current year	1,475.36	(1,823.70)
Total	21,347.33	16,999.65

Income Tax Expense in Other comprehensive income

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Deferred Tax:		
In respect of the current year	(124.18)	13.97
	(124.18)	13.97

Reconciliation between Tax Expense and the Accounting Profit :

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Accounting profit before tax from continuing operations	74,041.66	47,632.62
Accounting profit before income tax	74,041.66	47,632.62
At India's statutory income tax rate of 25.17 % (31st March, 2019-34.944%)	18,636.29	16,644.74
Tax effect of amounts which are not deductible (taxable) in calculating Taxable income		
Add: Ind AS Adjusment Not Allowed in income tax	(189.32)	230.21
Penalties/Interest paid on late deposit of Tax	22.17	46.11
Impact of items not allowed under income tax	3.32	-
CSR Expenditure	193.05	240.52
Prior Period Income & Litigation	253.15	-
Interest Exp on MSME	-	-
Tax on perks	6.11	-
Exempt Income	(66.10)	(171.83)
Impact of Change in rate and other Items	2,364.49	23.86
	2,586.87	368.87
At the Effective Income Tax rate	21,223.15	17,013.62
Income tax expense reported in the statement of profit and loss (relating to continuing operations)	21,223.15	17,013.62
Effetive Tax Rate	28.66%	35.72%

Note :- 35 - Components of Other Comprehensive Income (OCI)

Particulars	Amount (₹ in Lakhs)	
	FVTOCI Reserve For the year ended 31 st March 2020	For the year ended 31 st March 2019
Remeasurement of Defined benefit plans (Gain/(Loss))		
- Gratuity	(613.18)	29.00
- Post Retirement Medical Benefit	123.20	-
- Leave Travel Concession	(3.38)	10.98
Total	(493.36)	39.98
Tax on Remeasurement of Defined benefit plans	124.18	(13.97)
Total	124.18	(13.97)

Note: - 36 - Earnings per share (EPS)

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Basic EPS		
From continuing operation	33.04	19.12
From discontinuing operation	-	-
Diluted EPS		
From continuing operation	33.04	19.12
From discontinuing operation	-	-

36.1 Basic Earning per Share

The earnings and weighted average number of equity shares used in calculation of basic earning per share and the EPS for the previous year is restated after adjustment for issue of bonus shares during the year.

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Profit attributable to equity holders of the company:		
From Continuing operations	52,857.13	30,592.99
From discontinuing operation	-	-
Earnings used in calculation of Basic Earning Per Share	52,857.13	30,592.99
Weighted average number of shares for the purpose of basic earnings per share	1,600.00	1,600.00

36.2 Diluted Earning per Share

The earnings and weighted average number of equity shares used in calculation of diluted earning per share:-

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Profit attributable to equity holders of the company:		
Continuing operations	52,857.13	30,592.99
From discontinuing operation	-	-
Earnings used in calculation of diluted Earning Per Share from continuing operations	52,857.13	30,592.99



Note: - 36 - Earnings per share (EPS) (Contd..)

The weighted number of equity shares for the purpose of diluted earning per share reconciles to the weighted average number of equity shares used in calculation of basic earning per share as follows:

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Weighted average number of shares for the purpose of basic earnings per share	1600.00	1600.00
Effect of Dilution :	-	-
Weighted average number of shares for the purpose of Diluted earnings per share	1600.00	1600.00

Note :- 37 - Provisions, Contingent Liabilities and Contingent Assets

Note :- 37.1 - Provisions

Pursuant to the Ind AS-37 "Provisions, Contingent Liabilities and Contingent Assets", the disclosure relating to provisions made in the accounts for the year ended 31st March 2020 is as follows:-

Particulars	Amount (₹ in Lakhs)									
	Allowance for Bad and Doubtful Debts		Allowance for Doubtful advances		Provision for Pension		Provision for Leave Encashment (Retirement Benefits)		Provision for Gratuity (Retirement Benefits)	
	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019
Opening Balance	8,450.63	3,851.97	75.98	62.48	102.53	812.45	194.21	246.88	959.44	684.91
Addition	109.00	4,598.66	-	13.50	58.87	54.45	1,198.45	390.93	1,173.40	434.53
Utilization/ Contribution	-	-	-	-	-	(764.37)	(412.66)	(443.60)	(250.00)	(160.00)
Adjustment/Reversal	(280.53)	-	-	-	-	-	-	-	-	-
Closing Balance	8,279.10	8,450.63	75.98	75.98	161.40	102.53	980.00	194.21	1,882.84	959.44

Particulars	Amount (₹ in Lakhs)							
	Provision for Pension for Optees		Provision for Post retirement medical Scheme		Provision for Half Pay leave		Provision for LTC	
	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019
Opening Balance	1,506.95	1,588.60	1,245.14	1044.16	1,840.99	1658.12	142.17	139.39
Addition	-	-	107.21	200.98	701.85	185.25	30.81	15.86
Utilization/ Contribution	-	-	-	-	-	-	-	-
Adjustment/Reversal	(453.68)	(81.65)	(124.85)	-	(12.85)	(2.38)	(8.70)	(13.08)
Closing Balance	1,053.27	1,506.95	1,227.50	1,245.14	2,529.99	1,840.99	164.28	142.17

- Provision for doubtful debts/advances is made on the basis of management's estimates.
- Provision for retirement benefits is made on the basis of independent actuary's valuation.
- Provision of Pension in respect of deemed deputationist Optees has been made to make 100% commutation of difference of pension (IRCTC- Railways) as full and final one time settlement of pensionary liabilities of IRCTC so as to avoid monthly recurring liability of pension. Provision of Leave Encashment includes ₹ 21.66 Lakhs for deemed deputationists Optees.

Note :- 37.2 - Contingent Liabilities (As ascertained, quantified and certified by the management)

Claim against the Corporation not acknowledge as debt.

S. Particulars No.	Amount (₹ in Lakhs)	
	For the year ended 31 st March 2020	For the year ended 31 st March 2019
a. Service Tax	8,190.09	8,470.66
b. VAT & Other Taxes	2,975.23	3,259.08
c. Others	3,256.70	4,949.36
Total	14,422.02	16,679.10

Note :- 37.3

By virtue of Joint venture agreement Dated 10.12.2008, Royale Indian Rail Tours Limited (RIRTL) was formed as a joint venture company with Cox and Kings Limited with IRCTC & Cox & King as Shareholders.

A Luxury train of 23 coaches was constructed, funded and created by IRCTC and was given to Royale Indian Rail Tours Limited (RIRTL) for operations on adhoc basis and it was christened as Maharaja's Express. The Train was operated from March 2010 to April 2011. In that intergenem, it was noticed that various agreements between the parties regarding the train operation were not being allowed to be finalized, including the lease agreement for train and MOU with Indian Railways. Further, haulage charges, etc. due were also not being paid. Ultimately IRCTC terminated the agreement with Cox and Kings Ltd on 12/08/2011, as well as also had withdrawn the train from RIRTL.

Cox and Kings Limited filed a petition in Honorable Delhi High Court and after the judgment of Division Bench of High Court in favour of IRCTC, Cox and Kings Ltd approached the Supreme Court. The matter has been decided in favour of IRCTC by Honorable Supreme Court of India with an observation that parties are at liberty to appoint an arbitral Tribunal to settle their disputes. The prayer of Cox & Kings Ltd. before the arbitral Tribunal is for specific performance of the joint venture agreement.

Based on legal opinion available with the Company and in view of the termination of the joint venture agreement, the IRCTC is of the view that Cox and Kings Ltd. cannot invoke the arbitration clause in relation to the reliefs sought. The order on IRCTC's plea has been reserved.

IRCTC does not feel the necessity to recognize the claim of the Cox and Kings Ltd which is for restoration of the Joint Venture Agreement and therefore consequential financial impact is not ascertainable at present. On the other hand, IRCTC has initiated proceedings under section 397 and 398 of the Companies Act, 1956 against Cox and Kings Ltd. and its officers which is sub judice.

Note :- 37.4 - VAT Case filed Before Hon'ble Supreme Court of India

The Corporation has been paying service tax towards on-board catering services in trains in which catering charges are included in railway fare. The commissioner of VAT vide order dated 23.03.2006 considered on-board catering service in trains as sale of goods within the meaning of section 2(zc)(vii) of the said Act.

IRCTC filed an appeal before the Appellate Tribunal Value Added Tax. The Tribunal, while partly allowing the appeal vide Order dated 07.09.2006, held that the observations pertaining to Central Act were beyond the Commissioner's jurisdiction as they pertained to taxability of the goods on sale or purchase taking place in the course of inter-state sale outside the State.

IRCTC assailed the said order by way of filing writ petitions in the Hon'ble High Court of Delhi at New Delhi praying that the services rendered by IRCTC are not liable to Value Added Tax under the Delhi Value Added Tax Act, 2004 and that on-board catering services of the Corporation are primarily services in which food and beverages are also provided and are liable to service tax only. The Hon'ble Delhi High Court upheld the decision of commissioner of VAT and dismissed the petition of IRCTC. The Hon'ble High Court had stated that corporation is liable to pay VAT. However, it may take refund of service tax already paid.

Aggrieved by the Judgement, the Corporation has moved to Hon'ble Supreme Court, filing Special leave petition against the judgment dated 19.7.2010 passed by the Hon'ble High Court of Delhi. SLP 25292-25319 of 2010 had been admitted and awaiting its turn. The Hon'ble Supreme Court has granted ad-interim direction in the nature of Status Quo on recovery of the demand raised by VAT authorities. Hence the matter is sub-judice and the corporation is not liable to pay VAT at present. However, the corporation has

**Note :- 37.4 - VAT Case filed Before Hon'ble Supreme Court of India (Contd..)**

provided VAT liability net of service tax of ₹ 8251.01 Lakhs up to FY 2017-18 (30th June, 2017) across India as a matter of prudent accounting policy and amount pertaining to current year is reduced from sales. Corresponding VAT input admissibility is shown as balance with Govt. authorities.

Note :- 37.5 - Contingent Assets

			Amount (₹ in Lakhs)
S. No.	Party Name	Particulars	Appellate Authority
1	A.K. Roy Vs IRCTC	2577-78, 5279-80, 2395-96, 9165/66/67-68, 2555-56, 2569-70, 2213-14, 2203-04, 2061-62, 2209-10, 1043-44	Pending in Patiala House Court
2	CKK Caterers	Suit for recovery	suit pending
3	Travel Khana	Service provider did not deposit the amount in respect of e-catering	Arbitration
4	Railways	Passenger Feedback System	NA
5	Duty Credit Entitlement	Duty Credit Entitlement as per Foreign Trade Policy 2015-2020	NA
			Awarded amount
			21.95
			102.00
			13.29
			2,067.44
			542.00

Note :- 38 - Payment Gateways

Company is handling Railway reservations through internet for which five payment gateways and more than thirty five Net Banking/Debit Card networks of almost all the banks are being used. The volume of transactions in all these accounts is very huge and increasing day by day with increase in Booking of tickets. Transaction wise reconciliation has been carried out for the financial year 2019-20 to smoothen the process. However, certain differences are still persisting for financial years prior to 2019-20 which are because of non-comparability of data cycle of IRCTC and the respective banks. Apart from above, there are some postings which are made after verification & reconciliation of the respective entries.

Note :- 39 - Trade Receivables**a. Railways Balances**

The railways balances in form of trade receivables, trade payables, advances paid and security deposits are subject to reconciliation and confirmation with the railways and includes old balances since the time of takeover of catering from the railways. The company is in the process of identifying and segregating the railway balances.

b. Third Party Balances.

The third party balances are subject to reconciliations and confirmations from the various parties. The management has started the process of obtaining balance confirmation from third parties during the financial year and shall ensure practice of formalizing the reconciliation procedure and confirmations on frequent basis. Pending confirmation and reconciliation of Trade Receivables, the Corporation has decided to create a provision of ₹ Nil (31 March'19 ₹ 4051.30 Lakhs) against receivables which is in view of the management are doubtful of recovery.

Note :- 40 - Capital Commitments

Estimated amount of Contracts remaining to be executed on capital account and not provided for amounts to ₹ 9170.32 Lakhs as at 31, March 2020 as against ₹ 5722.17 Lakhs as at 31 March 2019.

Note :- 41

In the opinion of Management, value of Current Asset, Loans and advances, if realized in the ordinary course of business, shall not be less than the amount at which the same are stated in the Balance Sheet. However, the balance of Trade Receivables including Railway Trade Receivables and Trade Payables as stated in the Balance Sheet are subject to confirmation.

Note :- 42 - Employee Benefits

General description of the defined benefit schemes/defined contribution scheme:

- (i) **Gratuity:** Payable on separation @ 15 days pay for each completed year of service to eligible employees who render continuous service of 5 years or more. The gratuity ceiling of ₹20 Lakhs has been considered for actuarial valuation. Actuarial valuation though was made for all employees irrespective of the completion of 5 years of service.
- (ii) **Leave Encashment:** Payable on separation to eligible employees who have accumulated earned leave. Leave salary is provided for based on valuations, as at the balance sheet date, made by independent actuary.
- (iii) **Half Pay Leave:** to eligible employees who have accumulated half pay leaves. Half pay leave is provided for based on actuarial valuations, as at the balance sheet date.
- (iv) **Leave Travel Concession(LTC) :** to eligible employees is provided for based on actuarial valuations, as at the balance sheet date.
- (v) **Provident Fund:** 12% of the Basic Pay plus Dearness Allowance of Employees and equivalent Contribution of the Corporation is contributed to the Provident Fund maintained with the Regional Provident Fund Commissioner, New Delhi. Corporation's contribution to provident fund is charged to revenue.
- (vi) **Foreign Service Contribution:** Foreign service contribution payable for leave salary and pension in respect of deputationists including deemed deputationists (employees who have joined the corporation on deputation for a fixed period from Indian Railways or other government organizations) in terms of Government rules and regulations, is charged to revenue on accrual basis.
- (vii) **National Pension Scheme:** Retirement benefit in the form of NPS is a defined contribution scheme. The company has no obligation, other than the contribution @10% of Basic pay plus dearness allowance payable under such scheme. The company recognizes contribution payable to such scheme as an expense, when an employee renders the related service.
- (viii) **Post Retirement Medical Benefit (PRMB):** To eligible retired employees, provided for based on actuarial valuation as at the Balance sheet date.

Other disclosures, as required under Ind AS-19 "Employee Benefits" in respect of defined obligations are:

(a) Actuarial Assumptions

S. Particulars No.	Amount (₹ in Lakhs)	
	As at 31 st March, 2020	As at 31 st March, 2019
(i) Discount rate(per annum)	7.65%	7.80%
(ii) Mortality rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08) (Modified Ultimate)
(iii) Expected Return on assets	8.30%	8.30%
(iv) Salary Escalation	10%	10%
(v) Attrition Rate	2%	2%
(vi) The estimate of future liability increases considered in actuarial valuation, takes into account inflation rate, seniority, promotion and other relevant factors		



Note :- 42 - Employee Benefits (Contd..)

(b) Actuarial Method

Projected unit credit (PUC) actuarial method is used to assess the plan's liabilities of exit employees for retirement, death-in-service and withdrawal and also compensated absence while in service.

(c) Components of Employer Expense

Components of Employer Expense

		Amount (₹ in Lakhs)								
Sr. No.	Particulars	Gratuity		Leave Encashment		Half Pay Leave		LTC		PRMB*
		As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020
(i)	Current Service Cost	486.82	410.11	439.79	379.42	228.44	192.01	16.56	15.97	107.21
(ii)	Past Service Cost	-	-							
(iii)	Curtailement Cost									
(iv)	Settlement Cost									
(v)	Total Service Cost	486.82	410.11	439.79	379.42	228.44	192.01	16.56	15.97	107.21
	Net interest Cost									
(vi)	Interest Expense on DBO	308.12	266.28	271.49	253.25	140.84	129.33	10.88	10.87	
(vii)	Interest (Income on Plan Assets)	(234.72)	(212.86)	(258.29)	(239.12)					
(viii)	Total Net Interest	73.40	53.42	13.20	14.13	140.84	129.33	10.88	10.87	
(ix)	Immediate Recognition of Gain/Losses Other Long Term benefits			745.46	(2.60)	332.58	(136.10)			
(xi)	Defined Benefits cost included in P&L	560.22	463.53	1,198.45	390.95	701.85	185.24	27.44	26.84	107.21

(d) Net Asset/Liability Recognised in Balance Sheet

Amount (₹ in Lakhs)										
Sr. No.	Particulars	Gratuity		Leave Encashment		Half Pay Leave		LTC		PRMB*
		As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	
(i)	Actuarial (Gain)/Losses due to Demographic Assumption changes in DBO	2.69		3.23	-	1.65	-	0.08		
(ii)	Actuarial (Gain)/Losses due to Financial Assumption changes in DBO	663.88	95.22	621.38	84.97	318.39	42.42	15.64	4.10	
(iii)	Actuarial (Gain)/Losses due to Experience on DBO	(58.00)	(124.02)	98.73		12.54	(178.53)	(12.34)	(15.08)	(123.20)
(iv)	Return on Plan Assets (Greater)/Less than Discount Rate	4.60	(0.20)	22.11	28.97					
(v)	Total Actuarial (gain)/loss included in OCI	613.18	(29.00)					3.38	(10.98)	(123.20)
(vi)	Total Cost Recognised in P&L and OCI (Defined Benefit Cost)									

Note :- 42 - Employee Benefits (Contd..)**(d) Net Asset/Liability Recognised in Balance Sheet (Contd..)**

Amount (₹ in Lakhs)

Sr. No.	Particulars	Gratuity		Leave Encashment		Half Pay Leave		LTC		PRMB*
		As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020
(vii)	Cost Recognised in P&L	560.22	463.53	1,198.45	390.95	701.85	185.24	27.44	26.84	107.21
(viii)	Remeasurement Effect Recognised in OCI	613.18	(29.00)					3.38	(10.98)	(123.20)
(ix)	Total Defined Benefit Cost	1,173.40	434.53	1,198.45	390.95	701.85	185.24	30.82	15.86	(15.99)

(e) Net Asset/Liability Recognised in Balance Sheet

Amount (₹ in Lakhs)

Sr. No.	Particulars	Gratuity*		Leave Encashment*		Half Pay Leave		LTC		PRMB*
		As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020
(i)	Present Value of Benefit Obligation	5,387.12	4,027.70	4,770.33	3,548.83	2,529.99	1,840.99	164.29	142.17	1,227.50
(ii)	Fair Value of Plan Assets	3,504.28	3,068.26	3,812.00	3,376.29					
(iii)	Funded Status (Surplus/(Deficit))	(1,882.84)	(959.44)	(958.32)	(172.54)	(2,529.99)	(1,840.99)	(164.29)	(142.17)	(1,227.50)
(iv)	Unrecognised Past Service Costs									
(v)	Net Assets/(Liability) Recognised in balance sheet	(1,882.84)	(959.44)	(958.32)	(172.54)	(2,529.99)	(1,840.99)	(164.29)	(142.17)	(1,227.50)
(vi)	Present Value of Encashment Obligation									
(vii)	Present Value of Availment Obligation									
	Current Liability	1,882.84	959.44	958.32	172.54	102.11	101.19	164.29	142.17	3.58
	Non-Current Liability	-	-	-	-	2,427.88	1,739.80	-	-	1,223.92

* Funded by Company



Note :- 42 - Employee Benefits (Contd..)

(f) Change in Obligation over the period ending on

Amount (₹ in Lakhs)

Sr. No.	Particulars	Gratuity		Leave Encashment		Half Pay Leave		LTC		PRMB*
		As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020
(i)	Present Value of Defined Benefits Obligation at Beginning	4,027.70	3,413.84	3,548.83	3,246.81	1,840.99	1,658.12	142.17	139.39	1,245.14
(ii)	Current Service Cost	486.82	410.11	439.79	379.42	228.44	192.01	16.56	15.97	107.21
(iii)	Interest Cost	308.12	266.28	271.49	253.25	140.84	129.33	10.88	10.87	
(iv)	Plan Amendments									
(v)	Prior Service Costs									
(vi)	Curtailments	-	-							
(vii)	Settlements									
(viii)	Actuarial (Gains)/ Loss	608.58	(28.79)	723.34	(31.57)	332.58	(136.10)	3.38	(10.98)	(123.20)
(ix)	Benefits Paid	(44.10)	(33.73)	(213.12)	(299.07)	(12.85)	(2.37)	(8.70)	(13.08)	(1.65)
(x)	Present Value of Defined Benefits(Closing)	5,387.12	4,027.70	4,770.33	3,548.83	2,530.00	1,840.99	164.29	142.17	1,227.50

(g) Reconciliation of Opening & Closing Values of Plan Assets

Amount (₹ in Lakhs)

Sr. No.	Description	Gratuity		Leave Encashment		Half Pay Leave		LTC		PRMB*
		As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020
(i)	Fair value of plan assets at the beginning of the period	3,068.26	2,728.93	3,376.29	3,065.60	-	-			-
(ii)	Acquisition adjustment					-	-			
(iii)	Expected return on plan assets	234.72	212.86			-	-			
(iv)	Contributions	250.00	160.00	199.54	106.14			-	-	
(v)	Benefits paid	(44.10)	(33.73)	-	(5.59)					
(vi)	Actuarial gain/(loss) on plan assets	(4.60)	0.20	236.17	210.14			-	-	
(vii)	Fair value of plan assets at the end of the period	3,504.28	3,068.26	3,812.00	3,376.29	-	-			-

Note :- 42 - Employee Benefits (Contd..)**(h) Amounts Recognized in Other Comprehensive Income**

Amount (₹ in Lakhs)

Sr. No.	Description	Gratuity		Leave Encashment		Half Pay Leave		LTC		PRMB*
		As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020
(i)	Opening OC(Cumulative Unrecognised Losses/(Gains)									
(ii)	Actuarial (gain)/loss on DBO	608.58	(28.79)	723.34	(31.58)	332.58	(136.10)	3.38	(10.98)	(123.20)
(iii)	Actuarial (gain)/loss on Assets	4.60	(0.21)	22.11	28.98					
(iv)	Amortization Actuarial (Loss)/ Gain									
(v)	Net increasing in OCI	613.18	(29.00)	745.46	(2.60)	332.58	(136.10)	3.38	(10.98)	(123.20)
(vi)	Amortization of Prior Service Cost									
(vii)	Total Recognised in Other Comprehensive Income	613.18	(29.00)					3.38	(10.98)	(123.20)

(i) Net Asset /Liability Recognised in Balance Sheet

Amount (₹ in Lakhs)

Sr. No.	Description	Gratuity		Leave Encashment		Half Pay Leave		LTC		PRMB*
		As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020
(i)	Net Balance Sheet Asset/(Liability) Recognised at beginning	(959.44)	(684.91)	(172.54)	(181.21)	(1,840.99)	(1,658.12)	(142.17)	(139.39)	(1,245.14)
(ii)	Amount Recognised in Accumulated OCI/ loss at the beginning of the period	-	(205.20)							
(iii)	(Accrued)/Prepaid benefit Cost (Before adjustment at the beginning of the period)	(959.44)	(890.11)	(172.54)	(181.21)	(1,840.99)	(1,658.12)	(142.17)	(139.39)	(1,245.14)
(iv)	Net Periodic Benefit(Cost)/Income for the period	(560.21)	(463.52)	(1,198.45)	(390.95)	(701.85)	(185.24)	(30.81)	(15.86)	(107.21)
(v)	Employer Contribution	250.00	160.00	412.66	399.61	12.85	2.38	8.70	13.08	1.65



Note :- 42 - Employee Benefits (Contd..)

(i) Net Asset /Liability Recognised in Balance Sheet

		Amount (₹ in Lakhs)								
Sr. No.	Description	Gratuity		Leave Encashment		Half Pay Leave		LTC		PRMB*
		As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020
(vi)	(Accrued)/Prepaid benefit Cost (Before adjustment at the end of the period)	(1,269.65)	(1,193.63)	(958.32)	(172.55)	(2,529.99)	(1,840.99)			(1,350.70)
(vii)	Amount Recognised in Accumulated Other Comprehensive Income/Loss at the end of the period	613.18	(234.19)							(123.20)
(viii)	Net Balance SheetAsset/(Liability) Recognised at the end of the period	(1,882.84)	(959.44)	(958.32)	(172.55)	2,529.99	(1,840.99)	(164.28)	(142.17)	(1,227.50)

* Company has started actuarial valuation of the PRBM from the F.Y 19-20 , therefore comparatives are not available.

- (j) The Employees' Gratuity Fund Scheme managed by a Trust (SBI Life Insurance Co. Ltd) is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. The Company has taken Group Leave Encashment Scheme from LIC for payment towards leave encashment.

(k) Sensitivity Analysis

For the year ended March 31st 2020

		Amount (₹ in Lakhs)				
Particulars	Change in assumptions	Effect on Gratuity obligation	Effect on Leave Encashment	Effect on Half Pay Leave	Effect on LTC	Effect on PRMB
Discount Rate	Increase of 0.50%	-405.05	-374.15	-191.61	-2.71	-163.14
	Decrease of 0.50%	451.35	428.14	218.85	2.73	170.42
Salary Growth Rate	Increase of 0.50%	137.46	406.83	207.99	-	172.35
	Decrease of 0.50%	-166.59	-369.25	-189.09	-	-167.52

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognized within the statement of financial position.

Note :- 42 - Employee Benefits (Contd..)**(I) Maturity Profile of Defined Benefit Obligation**

Amount (₹ in Lakhs)

Sr. No.	Year	Gratuity	Leave Encashment	Half Pay Leave	LTC	PRMB
a	0 to 1 Year	184.46	154.44	102.11	164.29	3.58
b	1 to 2 Year	170.90	144.86	80.17	-	8.83
c	2 to 3 Year	180.63	151.58	98.51	-	13.12
d	3 to 4 Year	179.71	151.52	73.68	-	17.15
e	4 to 5 Year	158.61	135.74	79.38	-	20.43
f	5 to 6 Year	238.90	213.76	135.15	-	29.22
g	6 Year onwards	4,273.92	3818.12	1,960.99	-	1,135.17

Note :- 43

During the year 2019-20, the sharing with various Zonal Railways has been made in terms of Memorandum of Understanding , executed with the Ministry of Railways.

Note :- 44 - Related Party Disclosures

As per Ind AS - 24 'Related Party Disclosures', the names of the related parties are given below :-

Particulars	Name of the Related Party
Joint Venture	Royale Indian Rail Tours Limited
	(i) Shri M.P. Mall, CMD
	(ii) Shri V.Sriram, Director (CS) (ceased from 01.07.2019)
	(iii) Smt. Rajni Hasija , Director (T&M)
	(iv) Shri Neeraj Sharma (Nominee Director)
	(v) Smt. Smita Rawat (Nominee Director) (ceased from 11.10.2019)
	(vi) Shri Narendra (Nominee Director) (ceased from 16.01.2020)
	(vii) Shri Sanjeeb Kumar (Additional Director) (appointed w.e.f. 13.02.2020 and ceased from 05.05.2020)
Key Managerial Personnel	(viii) Shri Vinay Srivastava (Additional Director) (appointed w.e.f 20.03.2020)
	(ix) Dr. Rabi Narayan Bohidar (Independent Director) (ceased from 31.01.2020)
	(x) Dr. Dheeraj Sharma (Independent Director) (ceased from 31.01.2020)
	(xi) Smt. Kanak Aggarwal (Independent Director) (ceased from 31.01.2020)
	(xii) Prof Sachin Chaturvedi (Independent Director)
	(xiii) Shri Comal Ramchandran Sundaramurti (Independent Director)
	(xiv) Ms. Sarita Deshpande (Independent Director)
	(xv) Shri Ajai Srivastava (CFO)
	(xvi) Smt. Suman Kalra (Company Secretary)

Details of transactions between the Corporation and the related parties, as defined in the Ind AS, during the year, are given below -

Note :- 44.1 Transactions with Joint Venture

Amount (₹ in Lakhs)

S. No.	Particulars	31-03-2020	31-03-2019
(i)	Investments	250.00	250.00
(ii)	Impairment in value of investment	250.00	250.00
(iii)	Advance Lease Rent	1,741.50	1,741.50
(iv)	Lease Rent Receivable	269.08	269.08
(v)	Trade Payables	(1,471.71)	(1,471.71)

**Note :- 44 - Related Party Disclosures (Contd..)****Note :- 44.1 Transactions with Joint Venture (Contd..)**

Impairment in value of investment has been made for IRCTC share of investment i.e. ₹250.00 Lakhs as the cumulative losses of RIRTL has wiped out its net worth. Further, the -Balance Sheet of RIRTL for 2011-12 to 2019-20 have not been finalized pending dispute with M/s Cox and Kings (India) Ltd.

Note :- 44.2 Transactions with Key Managerial Personnel

The remuneration of directors and other members of key management personnel during the year was as follows:

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Short term benefits	230.99	275.34
Post-employment benefits	18.72	23.16
	249.71	298.50
	10.95	14.85

Note :- 44.3 - Sitting Fees to Independent Directors**Note :- 44.4 - Transactions with the Government Related entities**

Apart from transactions reported above, the company has transactions with other Government related entities, which includes but not limited to the following:-

Name of Government:	Government of India, through Ministry of Railway (Significant Influence over company)
	Rail Vikas Nigam Limited (Controlled through Ministry of Railways)
	National Informatics Centre Services Inc. (Controlled through Ministry of Railways)
	CRIS (Controlled through Ministry of Railways)
	Indian Railway Station Development Corporation
	Central Reserve Police Force

Certain significant Transactions:-

Sr. No.	PARTY	NATURE OF TRANSACTION	Amount (₹ in Lakhs)
			2019-20
1	CRIS	EXPENDITURE ON MAINTENANCE AND DEVELOPMENT AND LEASED LINE	1,315.00
2	CRIS	EXPENSES FOR INTERNET TICKETING	
3	RAILWAYS	Income-Integrated 139 and Rail Madad	217.83
4	RAILWAYS	Income from Catering & Comprehensive Services provided	51,159.84
5	RAILWAYS	Income from On Board Catering & Other Services- Rajdhani/Shatabdi/Premium Trains	
6	RAILWAYS	RAILWAY SHARE ON LICENSEE CATERING SERVICES	20,012.47
7	RAILWAYS	RAILWAY SHARE ON INTERNET TICKETING SERVICE CHARGES & ADVERTISEMENT, OFFICE RENT AND WATER & ELECTRICITY	99.49
		HAULAGE CHARGES ON MAHARAJA EXPRESS, TEJAS AND OTHER TRAINS	3,582.80
		Reimbursement against Service Charges for Internet Ticketing from Railway	3,226.67

Other Disclosures:

*Capital Advance of ₹ 780 Lakhs to RVNL for Construction of Flats & Land.

*Capital Advance of ₹ 211.43 Lakhs to MOR for Construction of Flats & Land

*Capital Advance of ₹ 653 Lakhs to AIR INDIA LTD for purchase of 06 Flats.

*Capital Advance of ₹ 450 Lakhs to Delhi Development Authority for purchase of 08 Flats.

*In relation to the Internet Ticketing ₹ 48330.89 Lakhs deposited with Min. of Railways (MOR).

These transactions are conducted in the ordinary course of the Company's business.

Note :- 45 - Financial Reporting of Interest in Joint Ventures

Company had formed a joint venture company with Cox & Kings Limited with 50-50 equal partnership in the name of Royal Indian Rail Tours India Limited (RIRTL), by virtue of joint venture agreement dated 10th December 2008. However due to issues between the equity partners, IRCTC terminated the agreement with Cox & Kings Limited as on 12th August 2011, and also withdrawn the train from RIRTL.

The Corporation's share of ownership interest, assets, liabilities, income, expenses, contingent liabilities and capital commitments in the joint venture company as at 31st March, 2020 are not available in view of non-finalization of its accounts because of dispute between the parties, due to which the consolidation of Financial Statements as required under Ind AS 110 could not be done. These Financial Statements are the separate financial statements as per Ind AS.

Sr. No.	Name of the Joint Venture Company	% of Corporation's ownership interest	Assets	Liabilities	Income	Expenditure	Contingent Liabilities	Capital Commitments
1	RIRTL	50%	Not available	Not available	Not available	Not available	Not available	Not available

Note :- 46 - Impairment of Assets

Corporation has made an assessment on 31st March, 2019 for any indication of impairment in the carrying amount of Corporation's Property Plant & Equipment's and Intangibles. On the basis of such assessment, in the opinion of the management no provision for the impairment of Property Plant & Equipment's of the Corporation is required to be made during the year. The management is of the opinion that the growing popularity of Maharaja Express shall enable the company to generate sufficient cash flows in the future years that fully substantiate the value in use of the train capitalized as fixed asset and hence no provision for impairment is required.

Note :- 47 - Value of Imports calculated on CIF basis by the Company for year 2019-20 in respect of

Particulars	Amount (₹ in Lakhs)	
	2019-20	2018-19
Capital goods	NIL	NIL

Note :- 48 - Expenditure in Foreign Currency

Nature of Expenses	Amount (₹ in Lakhs)	
	2019-20	2018-19
Foreign Travelling Expenses Directors	8.01	19.27
Foreign Travelling Expenses-others	38.73	47.6
Total	46.74	66.87

Note :- 49 - Earnings in Foreign Exchange

Particulars	Amount (₹ in Lakhs)	
	2019-20	2018-19
Other Income	4331.61	3354.32

**Note :- 50 - Duty Credit License**

During F.Y. 2019-20, the duty credit license has been utilized / redeemed for an amount of ₹ 147.04 Lakhs (previous year ₹ 98.84 Lakhs) under "Service Exports from India Scheme (SEIS)".

Note :- 51 - CSR Expenditure

(a) Gross amount required to be spent by the Company during the year is ₹ 767.00 Lakhs.

(b) Details of amount spent during the year :-

			Amount (₹ in Lakhs)
Sr. No.	Particulars	In cash	Yet to be paid in cash
(i)	Expenditure on Swacch Bharat Kosh & Ganga Rejuvenation Kosh	253.11	-
(ii)	Expenditure on Education and Health Care	484.14	-
(iii)	Expenditure on Sanitation, Social Empowerment & Environment	24.74	-
(iv)	Others	5.00	-
	Total	767.00	

Note :- 52 - Prior Period Items**52.1 Prior Period Transactions are as follows:**

		Amount (₹ in Lakhs)
Particulars		2019-20
Income from Advertisement/SBI CO-Branded Cards & Loyalty Cards		55.64
Miscellaneous Income		6.51
Maintenance & Other Charges-Internet Ticketing		(24.56)
Travel & Tour revenue		155.26
Repair & Maintenance - Plant & Machinery		(2.40)
Sale of Food & Beverages		12.65
Communication Expenses		(0.95)
Duties, Rates & Taxes		(0.44)
Electricity & Water		(12.93)
Freight Outward & CFA Charges		(1.81)
Income from Concession Fee		13.60
Income from License Fee		(59.87)
Income from License Fee-Food Plaza		98.81
Interest Income on FDR's & TDR's (Gross)		9.53
Legal & Professional Fees		13.18
License Fee - Food Plaza		(82.03)
License Fee-Catering		49.79
Maintenance & Other Charges		(5.44)
Miscellaneous income		60.75
Office Rent		(16.36)
On Board Catering & Other Charges - Rajdhani & Shatabdi/Premium Trains		(45.11)
Travel & Tour Expenses		176.30
Travelling Expenses		(0.09)
Total		400.05

Note :- 52 - Prior Period Items (Contd..)**52.2 Correction of Prior Period transactions with impact on profit.****52.2.1 Impact on Balance Sheet Items is as follows:**

Particulars	Impact on 2018-19	Prior to 1st April 2018	Amount (₹ in Lakhs)
			Total
Current Trade Recievable	472.52	99.44	571.96
Other Current Financial assets	9.53	-	9.53
Total Assets	482.05	99.44	581.49
Current Trade Payable	197.10	23.55	220.64
Other Financial Liabilities	21.55	(60.75)	-39.20
Total Liability	218.65	-37.20	181.45
Net Assets (Equity)	263.40	136.64	400.05

52.2.2 Impact on Statement of Profit and Loss

Particulars	2018-19	Amount (₹ in Lakhs)
Income from Advertisement/SBI CO-Branded Cards & Loyalty Cards		(22.69)
Miscellaneous Income		6.51
- Maintenance & Other Charges-Internet Ticketing		(24.56)
Travel & Tour revenue		153.50
- Repair & Maintenance - Plant & Machinery		(2.40)
- Sale of Food & Beverages		12.65
Communication Expenses		(0.95)
Duties, Rates & Taxes		(0.44)
Electricity & Water		(12.93)
Freight Outward & CFA Charges		(1.81)
Income from Concession Fee		13.60
Income from License Fee		(76.97)
Income from License Fee-Food Plaza		96.57
Interest Income on FDR's & TDR's (Gross)		9.53
Legal & Professional Fees		13.18
License Fee - Food Plaza		(82.03)
License Fee-Catering		67.59
Maintenance & Other Charges		(5.44)
Miscellaneous income		-
Office Rent		(16.36)
On Board Catering & Other Charges - Rajdhani & Shatabdi/Premium Trains		(45.11)
Travel & Tour Expenses		182.05
Travelling Expenses		(0.09)
Net impact		263.40
Profit before Tax		263.40

**Note :- 52 - Prior Period Items (Contd..)****52.2.3 Impact of Prior Period Errors in Earning Per Share (Basic & Diluted):**

Particulars	Amount (₹ in Lakhs)	
	2019-20	2018-19
Impact on Profit attributable to Equity Share Holders (₹ in Lakhs)	-400.05	263.40
Weighted average nos. of Equity Shares (In Lakhs)	1,600.00	1,600.00
Impact on Earnings Per Share (Basic & Diluted)	-0.25	0.16

Note :- 53 - Cash & Cash Equivalents

IRCTC has availed overdraft facility for ₹ 10,000 Lakhs (previous year ₹ 10,000) from State Bank of India against fixed deposit of ₹ 11,200 Lakhs (previous year ₹ 11,200 Lakhs). The OD facility shall be availed @ 0.25% higher than the interest rate on fixed deposit for the period for which OD is being availed. Fixed deposits to that extent are under lien.

Note :- 54 - Railway Share

License fees/service charges are shown at gross value and corresponding share paid/payable to Indian Railways have been shown as expense under note no. 27, 28 & 29.

Note :- 55 - Capital Advances For Flats & Land

The following amounts were paid for allotment of flats which are still pending as on date:-

- ₹ 211.43 Lakhs paid to Indian Railways in the year 2002-03/2006-07.
- ₹ 342.00 Lakhs to RVNL in the F.Y. 2010-11.
- ₹ 438 Lakhs to RVNL for type V/type VI Flats near Safdarjung Railway station new delhi in the f y 2018-19.
- ₹ 653 Lakhs to AIR INDIA LTD for 06 Flats purchase from AIR INDIA LTD
- ₹ 450 Lakhs to Delhi Development Authority for purchase of 08 Flats.

Note :- 56 -**A. Reimbursement against Service Charges for Internet Ticketing from Railway**

W.e.f. 22nd November, 2016, the Government of India through Ministry of Railways, in the public interest had waived off the service charges charged by IRCTC from passengers for booking of online train tickets. Therefore, the IRCTC is not charging any amount towards the service charges from the passengers. The IRCTC is incurring operating expenses such as up gradation and maintenance cost of server, manpower deputed to maintain the server and other incidental cost. IRCTC has received a sum of 32.27 Crores (previous year - ₹ 88 Crores) from Ministry of Railways towards the operating cost incurred by IRCTC for providing e-ticketing facilities to the passengers.

However, W.e.f. 01st September, 2019, as against the erstwhile "Service Charges", IRCTC has again started charging a "Convenience Fee" from the passengers on booking of Rail Tickets through website of IRCTC as approved by the Board of Directors in accordance with the guidelines from the Ministry of Railways during the year. No Railway share is payable on such convenience fee.

B. Reimbursement against Travel Insurance from Railway

The Government of India through Ministry of Railways, in the public interest had waived off the insurance charges charged by IRCTC from passengers for insurance service up to 31st August, 2018. For this period Railways has reimbursed amount of ₹47 Crores towards the operating cost incurred by IRCTC for providing insurance facilities to the passengers during 2018-19. This year, the travel insurance is optional to passengers on payment of insurance premium.

Note :- 57

Company had received ₹ 12 Crores from Ministry of Tourism for Manufacturing of 3 Class Coaches on cost to cost basis out of which balance of ₹ 1.21 Crores is refundable to MOT.

Note :- 58 - Segment Reporting

The CODM & Manager for corporate planning examines the business performance on the basis of the nature of the services rendered by the company, organization structure & internal reporting system and has identified five reportable segments of its business as follows.

- Catering
- Railneer
- Tour & Train Operation
- State Teertha
- Internet Ticketing.

The corporation caters mainly to the needs of the domestic market. As such there are no reportable geographical segments.

The accounting principles used in the preparation of the financial statements is consistently applied to record revenue & expenditure in individual segments, as set out in the note of significant accounting policies.

Revenue and direct expenses in relation to segment are allocated based on items that are individually identifiable to the respective segment while the remainder of the costs are categorized as unallocated expenses. The management believes that it is not practical to provide segment disclosure to these expenses and accordingly these expenses are separately disclosed as unallocated and adjusted only against the total income of the Corporation. The overall percentage of such unallocable expenses to total revenue is not material.

Assets and Liabilities used in the company's business are not identified to any of the reportable segments as these are used interchangeably between segments. The company believes that it is currently not practicable to provide segmental disclosure relating to total assets and liabilities since a meaningful segregation of the available data could be onerous.

Details of Segment Reporting are placed at Page 236.

Note No-59 Disclosure under Ind AS-115 on Revenue from contracts with Customers**(a) Disaggregation of revenue**

- (i) Below is the disaggregation of the Company's revenue from contracts with customers: Type of Products and Service Wise

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Sale of Products	24,992.52	20,733.39
Sale of Service-		
i) Internet Ticketing	61,980.45	23,127.19
ii) Income From Catering Services	51,159.84	51,613.15
iii) Income from Concession Fee, License Fee etc.	50,095.49	47,282.14
iv) Tour & Train Operation	38,946.71	44,084.85
v) Railneer License Fee	342.70	105.17
vi) Other Operating Income	30.68	54.34
Total	2,27,548.39	1,87,000.22

**Note No-59 Disclosure under Ind AS-115 on Revenue from contracts with Customers (Contd..)****(a) Disaggregation of revenue(Contd..)**

(ii) Below is the disaggregation of the Company's revenue from contracts with customers: Segment Wise

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Catering	1,05,998.60	1,04,540.95
Railneer	22,585.37	17,625.57
Internet Ticketing	62,234.37	23,410.00
Tour & Train Operation	29,720.05	25,124.95
State Teerath	9,493.71	19,457.49
Total	2,30,032.10	1,90,158.97

(b) Revenue from segment reporting is ₹ 2,31,258.05 Lakhs (₹ 1,90,158.97 Lakhs in F.Y 18-19).

(c) The Company has applied modified restrospective approach for the application of Ind AS 115 "Revenue from contracts with customers" and the effect is 514.24/- Lakhs on retained earnings as at April 1, 2018.

Particulars	Amount (₹ in Lakhs)	
	Amount	
Retained Earnings As on 01-04-2018	74,774.41	
Less: Impact due to Ind AS-115	-514.24	
Restated Retained Earnings as on 01-04-2018	74,260.17	

Integration Charges payable by the Principal Service Provider to IRCTC for registration and integration with IRCTC for reserved rail e-ticketing service has been recognized over the contractual period in which the parties to the contract have present enforceable rights and obligations.

(d) Contract balances

Particulars	Amount (₹ in Lakhs)	
	31 st March 2020	31 st March 2019
Trade receivables (Note 10.1)	78,941.26	58,745.40
Contract assets	-	-
Contract liabilities (Note 19)	20,385.98	19,150.60

(i) Trade receivables are non-interest bearing and the customer profile include Ministry of Railways, public sector enterprises etc . The Company's average project execution cycle is upto 12 months.

(ii) Contract assets is recognised over the period in which services are performed to represent the Company's right to consideration in exchange for goods or services transferred to the customer. Any amount previously recognised as a contract asset is reclassified to trade receivables on satisfaction of the condition attached i.e. future service which is necessary to achieve the billing milestone.

Particulars	Amount (₹ in Lakhs)	
	31 st March 2020	31 st March 2019
Contract Asset at the beginning of the year	-	-
Transfer from Contract Asset to Trade Receivable and increase as a result of changes in measure of progress	0.00	0.00
Contract Asset at the end of the year	-	-

Note No-59 Disclosure under Ind AS-115 on Revenue from contracts with Customers (Contd..)**(d) Contract balances (Contd..)**

- (iii) Contract liabilities represents the amount received as advance from Customers related to Unexpired concession fee, Unexpired License fee, Unexpired User Charges, Unexpired Integration Charges & advances against the package tours.

Particulars	Amount (₹ in Lakhs)	
	31 st March 2020	31 st March 2019
Contract Liabilities at the beginning of the year	19,150.60	21,566.63
Contract Liabilities at the end of the year*	20,385.98	19,150.60

* Increase in Contract Liability is due to Advance received from Customers related to Unexpired concession fee, Unexpired License fee, Unexpired User Charges, Unexpired Integration Charges & advances against the package tours.

Notes :- 60 - Capital management

The company objective to manage its capital in a manner to ensure and safeguard their ability to continue as a going concern so that company can continue to provide maximum returns to share holders and benefit to other stake holders. Company does not have any borrowings as at 31st March 2020.

Further, company manages its capital structure to make adjustments in light of changes in economic conditions and the requirements of the financial covenants. No changes were made in the objectives, policies or processes of managing capital during the year ended 31st March 2020.

Note :- 61 - Fair Value measurements

- (i) Financial Instruments by Category

Particulars	As at 31 st March, 2020			As at 31 st March, 2019		
	FVTPL*	FVTOCI**	Amortized Cost	FVTPL*	FVTOCI**	Amortized Cost
Financial Assets						
(i) Investment	-	-	0.32	-	-	0.32
(ii) Security Deposits	-	-	1,207.05	-	-	1,074.32
(iii) Trade Receivables	-	-	78,941.26	-	-	58,745.40
(iv) Cash and Cash Equivalents	-	-	59,739.41	-	-	46,006.95
(v) Bank Balances other than Cash & Cash Equivalents	-	-	69,903.38	-	-	67,996.60
(vi) Others	-	-	14,806.89	-	-	3,490.59
Total Financial Assets	-	-	2,24,598.31	-	-	1,77,314.18
Financial Liabilities						
(i) Security Deposits	-	-	13,543.41	-	-	12,480.86
(ii) Earnest Money Deposit	-	-	4,272.24	-	-	2,469.49
(ii) Trade payables	-	-	16,953.81	-	-	19,305.14
(iii) Lease Liabilities	-	-	7,759.92	-	-	-
(iv) Others	-	-	55,154.15	-	-	47,225.61
Total Financial Liabilities	-	-	97,683.52	-	-	81,481.11

*Fair Value through Profit & Loss

**Fair value through Other Comprehensive Income

**Note :- 61 - Fair Value measurements (Contd..)**

(ii) Assets and liabilities which are measured at amortized cost for which fair values are disclosed.

Amount (₹ in Lakhs)

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	Carrying Value	Fair value	Carrying Value	Fair value
Financial Assets				
Security Deposit	1,207.05	1,165.61	1,074.32	1,109.13
Total Financial Assets	1,207.05	1,165.61	1,074.32	1,109.13
Financial Liabilities				
Security Deposit	13,543.41	13,118.18	12,480.86	15,030.61
Lease Liabilities	7,759.92	7,759.92	-	-
Total Financial Liabilities	21,303.33	20,878.10	12,480.86	15,030.61

- a. The carrying amounts of trade receivables, trade payables, Short term Security Deposit, cash and cash equivalents and other short term receivables and other payables are considered to be same as their fair values, due to short term nature.
- b. The fair value of long term security deposits were calculated on the cash flows discounted using current market rate of fixed deposits. They are classified as level-3 of fair values hierarchy due to inclusion of unobservable inputs.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis and at amortised cost

Quantitative disclosures fair value measurement hierarchy for financial assets as on 31st March 2020:

Amount (₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial assets measured at Amortised Cost for which fair value are disclosed:				
Security Deposit	-	-	1,165.61	1,165.61
	-	-	1,165.61	1,165.61

Quantitative disclosures fair value measurement hierarchy for financial liabilities as on 31st March 2020:-

Amount (₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial liabilities measured at Amortised Cost for which fair value are disclosed:				
Security Deposit	-	-	13,118.18	13,118.18
Lease Liabilities	-	-	7,759.92	7,759.92
	-	-	20,878.10	20,878.10

Quantitative disclosures fair value measurement hierarchy for financial assets as on 31st March 2019 :-

Amount (₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial assets measured at Amortised Cost for which fair value are disclosed:				
Security Deposit	-	-	1,109.13	1,109.13
	-	-	1,109.13	1,109.13

Note :- 61 - Fair Value measurements (Contd..)**Quantitative disclosures fair value measurement hierarchy for financial liabilities as on 31March 2019:-**

Amount (₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial liabilities measured at Amortised Cost for which fair value are disclosed:				
Security Deposit	-	-	15,030.61	15,030.61
	-	-	15,030.61	15,030.61

Note :- 62 - Financial Risk Management

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the company's operations and to provide guarantees to support its operation. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations. The Company is expose to market risk, credit risk and liquidity risk. The company financial risk activities are governed by appropriated policies and procedures and that financial risk are identified, measured and managed in accordance with the companies policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risk, which are summarized below:-

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises Interest rate risk and foreign currency risk. Financial instruments affected by market risk includes loans and borrowing, deposits and other non derivative financial instruments.

i) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate. The company manages its interest risk in accordance with the companies policies and risk objective. Financial instruments affected by interest rate risk includes deposits with banks. Interest rate risk on these financial instruments are very low as interest rate is for the period of financial instruments.

ii) Foreign Currency Risk

The company operated internationally and is exposed to foreign currency risk arising form foreign currency transactions. Company does not hedge any foreign currency risk.

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The company is exposed to credit risk from its financial activities including trade receivable, deposits with banks, financial institutions and other financial instruments. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

c) Financial Instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed in accordance with the companies policy. Investment of surplus are made only with approved with counterparty on the basis of the financial quotes received from the counterparty.

d) Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they become due. The company manages its liquidity risk by ensuring , as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the company's reputation.

**Note :- 62 - Financial Risk Management (Contd..)**

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has no bank borrowings. The company believes that the working capital is sufficient to meet its current operational requirements. Any short term- surplus cash generated, over and above the amount required for working capital management and other operational requirements, are retained as cash and investment in short term deposits with banks. The said investments are made in instruments with appropriate maturities and sufficient liquidity.

Note:- 63 - Allowances for Expected Credit Loss

		Amount (₹ in Lakhs)			
Particulars		Upto 3 year	More than 3 less than 5	More than 5 years	Defaulted
Govt.	Gross carrying amount	62,559.47	724.74	3,021.91	3,215.13
	Expected credit rate	0%	0%	50%	100%
	Expected credit losses (Loss provision Allowance)	-	-	1,510.96	3,215.13
	Gross carrying amount of trade receivables	62,559.47	724.74	1,510.96	-
Non-Govt.	Gross carrying amount	12,378.35	196.20	1,725.28	3,399.29
	Expected credit rate	0%	25%	50%	100%
	Expected credit losses (Loss provision Allowance)		49.05	862.64	2,641.33
	Gross carrying amount of trade receivables	12,378.35	147.15	862.64	757.96

That Disputed Receivables upto 3 years, includes outstanding claims from Licensee's pertaining to increased license fee on sales assessment, on Tea and Coffee serving and hike in meal tariff rate. That in the event of non realization of claim from the licensee at the time of dispute settlement, liability to pay corresponding 40% Railways share shall also lapse. Hence the Provision has been made on 60% of the amount receivable to the company.

Note :- 64 Estimates and assumptions

The followings are the key assumptions concerning the future, and the key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities with next financial year.

a) Fair valuation measurement and valuation process

The fair values of financial assets and financial liabilities are measured using the valuation techniques including DCF model. The inputs to these methods are taken from observable markets where possible, but where this it is not feasible, a degree of judgement is required in arriving at fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

b) Taxes

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which losses can be utilized significant management judgement is required to determine the amount of deferred tax asset that can be recognized, based upon the likely timing and level of future taxable profit together with future tax planning strategies.

c) Defined benefit Obligations

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Note :- 64 Estimates and assumptions (Contd..)**d) Useful lives of property, plant and equipment**

The estimated useful lives of property, plant and equipment is as given in the note no 2(n). Estimated useful lives of property, plant and equipment are based on number of factors including the effects of obsolescence, demand, competition, and other economic factors. The Company reviews the useful life of property, plant and equipment at the end of each reporting date.

The company was charging the depreciation on its Plant and Machinery of Railneer plants considering the useful life of Plant and Machinery as 25 years as per Schedule II of the Companies Act 2013 treating those as continuous process plant. The company reviewed the useful life of these fixed assets and carried out a technical valuation for the same. Considering the outcome of technical valuation, the company has changed the useful life of these assets and accordingly changed the depreciation for financial year 2018-19 & onwards as per the new useful life of the plant and machinery.

e) Leases

Company uses its judgement in determining whether or not contract contains a lease, extension option of the lease agreement and termination option of the lease agreement will exercised or not. Further company uses estimation in calculating the appropriate discount rate to use and lease term of the leases. The land on lease from the railways have no defined lease term period and are likely to continue. In the absence of any defined term, a period of 10 Years have been taken as future lease term effective as on date of transition of IND-AS 116

Note :- 65 - Train Operations

Corporation is engaged in the operations of the trains received from the Zonal railways on haulage charge principle basis. The income from the operations of the special train includes the basis fare collected from the passengers, catering charges and other charges as fixed by the Company. The income from operations of trains is recognized over the period of time of the operations of the train as per the requirement of the Ind AS-115

Note :- 66 - Ticket Deposit Receipt Refund (TDR) Cases

The TDR refund is made by the Company to the passengers after receipt of the same from Indian Railway. As on 31st March 2020, number of cases pending were 49480 with value of ₹ 482.07 Lakhs.

Note :- 67 - Railneer Plants on PPP Model

The company had decided to set up 12 nos. Of Railneer Plants at various locations at PPP model. Out of 12, nine plants are in operation and other 3 Railneer plants will start in coming years. For these plants, a capital support will be provided by the Corporation to the contractors as per the contract agreement with the respective plant operators.

Note :- 68

The company has incurred Total Capital Expenditure of ₹ 3978.84 Lakhs including CWIP and Capital Advance (Refer Note No 3,4,5A and 8) .(previous year ₹ 6554.77 Lakhs).

Note :- 69

The company does not foresee any financial liability with regards to the CBI Enquiry against the Ex-Railway Minister involving the Ex-Senior Official of IRCTC as per reports in the media.

Note:- 70

Pending Reconciliation the GST Payable and Credit of GST have been shown separately under Note-19 and Note-12 respectively.

**Note :- 71**

The employee advances are paid to avoid genuine employee hardships to meet official expenses. The expenses are reimbursed to the employees separately subsequently. Accordingly although the advance are non-refundable until employment the same have not be discounted and deemed as current in nature.

Note:-72

IRCTC has entered into in agreement with private parties “the operator” wherein operator is responsible for Set Up (Building & Plant Machinery), Operation and Maintenance of water treatment Plant on the land owned by IRCTC against consideration for procurement of Rail Neer, CFA and Transportation services by IRCTC. Terms of agreement provides that at the end of contract period the commissioned assets at plant along with building shall be transferred to IRCTC. That since the contract for such O & M Contractor is tendered and selection is made based on commercial bids, in absence of sufficient information to ascertain the additional consideration towards cost of building and plant and conservative approach assets has not been recognized. Accordingly such assets shall be accounted for in the books of accounts based on technical assessment at the time of takeover .

Note:-73

That Licensee Fee as per Note No 27, includes contingent provision of 25 % Railway Share (15% as per Circular 36/2015) against license fee received on Water Vending Machines, pending clarification from the railway board under the Catering Policy 2017.

Notes :- 74 - Leases**Disclosure as required by Ind AS 1 “Presentation of Financial Statements”****Changes in significant accounting policies:**

Policy of ‘Leases’ has been modified in the significant accounting policies due to the applicability of Ind AS 116 “Leases”.

Ind AS 116 was notified with effect from April 1, 2019 which replaces Ind AS 17. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of April 1, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. **The Company elected to use the transition practical expedient not to reassess whether contract is or contains lease at April 01, 2019.** Instead, the Company applied the standards only to contracts that were previously identified as leases applying Ind AS 17.

The effect of adoption Ind AS 116 as at April 01 2019 (increase/(decrease)) is as follows:

Particulars	Amount (₹ in Lakhs)
	Amount
Right-of-use assets	10786.23
Property, plant and equipment	(2,342.96)
Total assets	8443.27
Liabilities	
Financial liabilities - Lease liabilities	8443.27
Total liabilities	8443.27

Notes :- 74 - Leases (Contd..)

Disclosure as required by Ind AS 1 “Presentation of Financial Statements”(Contd..)

Changes in significant accounting policies: (Contd..)

The Company has lease contracts for land, Building, and vehicles . Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases except for short-term leases. The standard provides specific transition requirements and practical expedients, which have been applied by the Company.

Leases previously classified as finance leases

The Company did not change the initial carrying amounts of recognised assets at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets equal the lease assets recognised under IAS 17). The requirements of Ind AS 116 were applied to these leases from April 01, 2019

Leases previously accounted for as operating leases

The Company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases. The lessee recognizes a lease liability measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate at the date of initial application and correspondingly measured the right-of-use asset at an amount equal to the lease liability, adjusted for previously recognized prepaid or accrued lease payments.

The Company also applied the available practical expedients wherein it:

- (i) Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- (ii) Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application and the total lease term is less than 12 months
- (iii) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- (iv) Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

The difference between the lease obligation under the Ind AS-17 and value of the lease liability as on the date of transition is primarily is on account of extension and termination option reasonably certain to exercised in measuring the lease liability in accordance to the Ind AS-116 and discounting of the lease liabilities to the present value under the Ind AS-116.

That in the absence of any borrowing made by company the weighted average incremental borrowings rate applied to lease liabilities as at 1st April, 2019 is taken at 8.15% p.a.

Notes :- 75 - Leases

a) Company as a Lessee

The Company as a lessee has entered into various lease contracts, which includes lease of land, office space, and vehicles. Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

The Company also has certain leases of offices and guest house with lease terms of 12 months or less. The Company applies the ‘short-term lease’ recognition exemptions for these leases.”

Right of Use Assets

The carrying amounts of right-of-use assets recognised and the movements during the year are disclosed in Note 5B.

**Notes :- 75 - Leases (Contd..)****a) Company as a Lessee (Contd..)****Lease Liabilities**

Set out below are the carrying amounts of lease liabilities recognised and the movements during the year:

Particulars	As at 31st March, 2020
Balance at April 1, 2019	0.00
Addition	8,443.27
Accredition of interest	527.65
Payments	1,211.00
Balance at March 31, 2020	7759.92
Current	2,240.28
Non-current	5,519.64

The maturity analysis of the lease liability on an undiscounted basis as on 31st March 2020 are as follows :-

Particulars	Amount (₹ in Lakhs)		
	Less than 1 year	1-2 years	2 year and above
Lease liabilities	2,240.28	2,118.76	6,409.70
	2,240.28	2,118.76	6,409.70

Amounts recognised in Statement of Profit and Loss

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31st March 2020	
Depreciation expense of right-of-use assets (Refer Note 32)	1,209.63	
Interest expense on lease liabilities (Refer Note 31)	527.65	
Expense relating to short-term leases (Refer Note 33)	598.41	
	2335.69	

The Company has several lease contracts that include extension and termination options. These options are negotiated by management and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Gain/loss from sale and leaseback transactions is not applicable to the Company.

b) Company as a Lessor

The Company has given its Assets on the leases, details of the same are given under the Note No-5 Investment Property.

Lease Rental recognized as income during the year is ₹ 76.13 Lakhs (Previous year ₹ Nil)

Details of the maturity of lease payment receivables are as follows:-

Particulars	Amount (₹ in Lakhs)	
	As at 31st March 2020	As at 31st March 2019
Not later than one year	277.27	-
Later than one year and not later than five years	478.41	-
Later than five years	-	-

Note :- 76

The World Health Organisation (WHO) declared outbreak of novel Coronavirus (COVID -19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared nationwide lockdown on March 24, 2020 and ordered temporarily closure of non-essential businesses, imposed restrictions on the movement of goods and services, travel etc.

As the nature of business performed by the Company, falls under the non-essential category, further the government has suspended the operation of the train services, which results in the significant impact on the operations of the company

The Central and State Government have initiated the steps to lift the lockdown and the Company is adhering to the same as it has resumed its activities based on the resources available. The Company has been able to resume some of its operations from the beginning of May in a gradual manner. The Company has taken necessary precautions to ensure the health, safety and wellness of all employees and also put in place all the guidelines as per the Central and State Governments to prevent the spread of COVID-19. The Company expects its operations to reach optimum levels once situation normalises post lifting of lockdown.

Financial performance

The Company believes that for the year 2019-20, there has been no significant impact of Covid 19 pandemic on the financial performance of the Company in terms of revenue and profitability of the Company.

Liquidity

The Company has access to sufficient liquidity for its operation.

The Company expects to recover the carrying amount of its assets comprising property, trade receivables, deferred taxes, other financial and non-financial assets etc. in the ordinary course of business based on information available on current economic conditions.

Steps taken for smooth functioning

During the lockdown period, the Company has taken various steps towards rethinking the new normal for the business post COVID-19 lockdown. The working at non-critical locations of the Company was streamlined with work from home norms and roster for the employees as per the guidelines issued by the government authorities was finalised. Further, the Company has put in place stringent monitoring processes for COVID-19 ensuring the following:

- Thermal Screening of all employees and visitors
- Sanitizing the premises and vehicles on regular basis
- Maintenance of social distancing at all work places
- Enforcing wearing of masks and regular cleaning of hands
- Regular health updates of all the employees and their families
- Conducting awareness programs regularly for all its employees

Estimation of the future impact of CoVID-19

Management expects to have reduction in Revenue and Profitability in the FY 2020-21 due to lockdown, the impact of the lockdown disruption will have to be assessed from time to time and communicated as we progress during the current financial year. A lot depends on the success of the various pandemic containment efforts being undertaken by the State and Central Governments and Health authorities. It is therefore premature to forecast the future impact with credibility at this stage.

The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID 19 situation evolves in India and globally. However, the Company will continue to closely monitor any material changes to future economic conditions.

Note :- 77 - Approval of financial statement

The financial statements were approved for issue by the Board of Directors on 10th July, 2020.



Segment Reporting

Amount (₹ in Lakhs)

Particulars	Catering		Railneer		Internet Ticketing		Tourism & Train Operations		State Teertha		Elimination		Total	
	Year ended March 2020	Year ended March 2019	Year ended March 2020	Year ended March 2019	Year ended March 2020	Year ended March 2019	Year ended March 2020	Year ended March 2019	Year ended March 2020	Year ended March 2019	Year ended March 2020	Year ended March 2019	Year ended March 2020	Year ended March 2019
Revenue														
Sale of products	3158.35	3,531.11	21834.47	17202.28	-	-	-	-	-	-	-	-	24,992.52	20733.39
Sale of services	1,01,255.33	98,895.29	342.70	105.17	61,980.45	23,127.19	29,487.33	24,627.36	9,459.38	19,457.49			2,02,525.19	1,66,212.49
Other Operating Income	0.92	13.72	2976	40.62	-	-	-	-	-	-			30.68	54.34
Inter-Segment Sales			1592.68	1,556.00							(1,592.68)	(1,556.00)	-	-
Other Income	1,584.00	2,100.84	378.74	277.50	253.92	282.81	232.72	497.60	34.33	-			2,483.71	3,158.75
Interest and Dividend Income			-	-									5,321.61	5,734.99
Total Revenue	1,05,998.60	1,04,540.95	22,585.37	17,625.57	62,234.37	23,410.00	29,720.05	25,124.95	9,493.71	19,457.49	-	-	2,35,353.70	1,95,893.96
Segment Results														
Unallocated Corporate Income	11,947.73	12,676.79	5,203.44	2,927.90	49,464.67	15,590.83	966.47	2,273.49	1,519.70	4,912.93	-	-	74,423.62	44,116.93
Unallocated Corporate Expenses														
Operating Profit	11,947.73	12,676.79	5,203.44	2,927.90	49,464.67	15,590.83	966.47	2,273.49	1,519.70	4,912.93			74,423.62	44,116.93
Exceptional Items	(34.68)	(2,020.64)	(3.90)	(403.47)	(9.00)	(480.47)	(62.45)	(834.53)	(1.37)	-			(111.40)	(3,739.11)
Profit Before Tax	11,982.41	14,697.42	5,207.35	3,331.37	49,473.66	16,071.30	1,028.92	3,108.03	1,521.07	4,912.93			74,535.02	47,856.04
Income Taxes													21,677.88	16,999.65
Net Profit	11,982.41	14,697.42	5,207.35	3,331.37	49,473.66	16,071.30	1,028.92	3,108.03	1,521.07	4,912.93			52,857.13	30,856.39
Other Dislosures														
Interest Expenses	335.18	129.05	71.42	21.77	196.79	30.85	93.98	28.95	30.02	24.24			727.38	234.86
Depreciation	613.98	247.80	1,039.18	1,037.16	1,278.44	1,185.72	1,017.62	366.47	44.62	26.82			3,993.83	2,863.96
Unallocable Corporate Depreciation														
Total Depreciation	613.98	247.80	1,039.18	1,037.16	1,278.44	1,185.72	1,017.62	366.47	44.62	26.82			3,993.83	2,863.96

Note:

- IRCTC is mandated to carry out unbundling by creating a distinction primarily between food preparation and food distribution, thus Departmental and Licensee Segments has been combined.(Catering includes Departmental ,Non-Railway Catering & Licensee Catering)
- Inter-segment sales are not taken into total revenue.
- Assets and Liabilities used in the company's business are not identified to any of the reportable segments as these are used interchangeably between segments. The company believes that it is currently not practicable to provide segmental disclosure relating to total assets and liabilities since a meaningful segregation of the available data could be onerous.
- Previous year figures have been re-arranged /regrouped and re-casted, where ever necessary to make them comparable with the current year figures.



भारतीय लेखापरीक्षा एवं लेखा विभाग
कार्यालय प्रधान निदेशक लेखापरीक्षा

रेलवे वाणिज्यक, नई दिल्ली

**INDIAN AUDIT AND ACCOUNTS DEPARTMENT
OFFICE OF THE PRINCIPAL DIRECTOR OF
AUDIT RAILWAY-COMMERCIAL, NEW DELHI**



संख्या : पी.डी.ए./आर. सी/.65-07/AA-IRCTC/ 2020-21/166

दिनांक : 21.09.2020

सेवा में,

अध्यक्ष एवं प्रबंध निदेशक,
इंडियन रेलवे कैटरिंग एंड टूरिज्म कारपोरेशन लिमिटेड,
ग्यारवा- बारवा माला, स्टेट्समैन हाउस, बाराखम्बा रोड,
नई दिल्ली- 110 001.

विषय : 31 मार्च 2020 को समाप्त वर्ष के लिए इंडियन रेलवे कैटरिंग एंड टूरिज्म कारपोरेशन लिमिटेड के वित्तीय विवरणों पर कंपनी अधिनियम 2013 कीधारा 143 (6) (b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ ।

महोदय,

मैं, इंडियन रेलवे कैटरिंग एंड टूरिज्म कारपोरेशन लिमिटेड के 31 मार्च 2020 को समाप्त वर्ष के वित्तीय विवरणों पर कंपनी अधिनियम 2013 कीधारा 143 (6) (b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रहा हूँ ।

कृप्या इस पत्र की संलग्नको सहित प्राप्ति की पावती भेजी जाए ।

भवदीय,

संलग्न : यथोपरी

के. एस. रामुवालिया
प्रधान निदेशक (रेलवे वाणिज्यक)

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL
STATEMENTS OF INDIAN RAILWAY CATERING & TOURISM CORPORATION
LIMITED FOR THE YEAR ENDED 31 MARCH 2020**

The preparation of financial statements of INDIAN RAILWAY CATERING & TOURISM CORPORATION LIMITED for the period ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 10.07.2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of INDIAN RAILWAY CATERING & TOURISM CORPORATION LIMITED for the period ended 31 March 2020 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

COMMENTS ON DISCLOSURE

Basis of Preparation (Note No. 2)

p) Revenue Recognition


(ii) Income from Internet Ticketing

As per the above accounting policy of the Corporation, gross Service Charges have been booked as Income of the Corporation and corresponding railway share is shown as expenses.

Board of Directors of the Corporation decided (August 2019) that Service Charges will be called as Convenience Fee w.e.f 1 September 2019.

However, the change of name of Service Charge to Convenience Fee from September 2019 and the fact that no Railway Share is payable on such Convenience Fee had not been appropriately incorporated in the Accounting Policy p (ii) on 'Income from Internet Ticketing'.

For and on the behalf of the
Comptroller & Auditor General of India



Place: New Delhi
Dated: 21 September, 2020

(K.S. Ramuwalia)
Principal Director of Audit
Railway Commercial, New Delhi



MANAGEMENT REPLY TO COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 31st MARCH, 2020

Comments	Management Reply
<p>Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:</p> <p>Comments on Disclosure Basis of Preparation (Note no.2) p) Revenue Recognition (ii) Income from Internet Ticketing</p> <p>As per the above accounting policy of the Corporation, gross Service Charges have been booked as Income of the Corporation and corresponding railway share is shown as expenses. Board of Directors of the Corporation decided (August 2019) that Service Charges will be called as Convenience Fee w.e.f 1 September 2019.</p> <p>However, the change of name of Service Charge to Convenience Fee from September 2019 and the fact that no Railway Share is payable on such Convenience Fee had not been appropriately incorporated in the Accounting Policy p (ii) on 'Income from Internet Ticketing'.</p>	<p>This is to mention that the said disclosure in regard to Convenience Fee is already there in note no. 56 to the financial statements of the Company. In the said note, it is clearly mentioned that no Railway Share is payable on such convenience fee. The auditor has also disclosed these facts in point 2 (c) of their audit report.</p> <p>The audit comment has no financial impact on the financials of the Company. As per the remarks from C&AG audit, the comment is on the disclosure in the financial statements for enabling a better understanding of the financial statements of the Company and the same will be complied in next annual financial statements of the Company.</p> <p>However, as per the suggestion of audit, the Company will incorporate the above said note no. 56 in accounting policy itself for better presentation and understanding of financial statements.</p>

For and on behalf of the Board of Directors

Date: 24th September, 2020
Place: New Delhi

(M.P.Mall)
Chairman & Managing Director
DIN: 02316235

Disclaimer

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forwardlooking statement, whether as a result of new information, future events, or otherwise.



Indian Railway Catering and Tourism Corporation Limited

(A Govt. of India Enterprise-Mini Ratna Category-I)

Registered & Corporate Office

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CIN L74899DL1999GOI101707

