

वार्षिक रिपोर्ट
ANNUAL REPORT

2007-2008



इंडियन रेलवे कंटेनिंग एण्ड टूरिज्म कॉर्पोरेशन लिमिटेड
(भारत सरकार का उद्यम-मिनी रत्न)

Indian Railway Catering and Tourism Corporation Ltd.
(A Govt. of India Enterprise—Mini Ratna)



इंडियन रेलवे कैंटरिंग एण्ड टूरिज्म कॉरपोरेशन लिमिटेड



मॉड्यूलर स्टाल, नई दिल्ली
Modular Stall, New Delhi

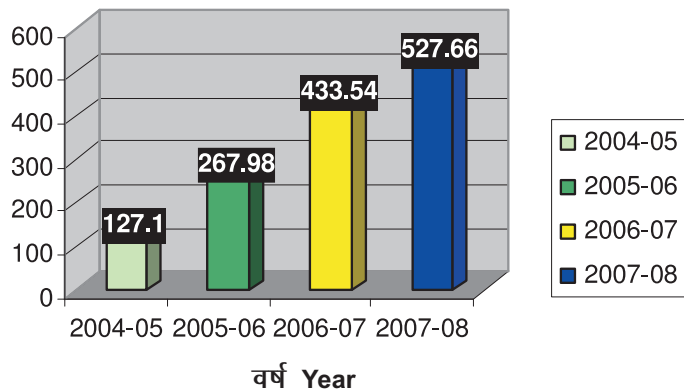


पैंट्री कार, राजेन्द्रनगर (पटना) बिहार, राजधानी
Pantry Car, RJPB Rajdhani



कुल आय TOTAL INCOME

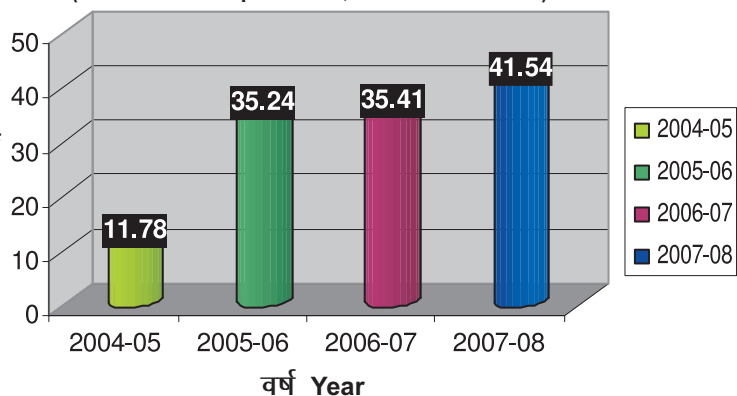
करोड़ रु. में
Rs. in crore



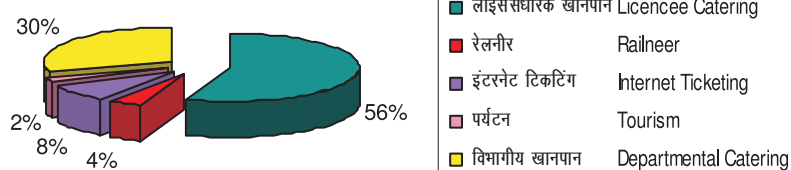
सकल मार्जिन Gross Margin

(मूल्यहास, ब्याज और करों से पूर्व लाभ)
(Profit Before Depreciation, Interest and Taxes)

करोड़ रु. में
Rs. in crore



व्यवसायिक खण्डों में कुल आय का वितरण Distribution of total income across business segments 2007-08





इंडियन रेलवे कैंटरिंग एण्ड टूरिज्म कॉरपोरेशन लिमिटेड

निदेशक मण्डल Board of Directors



श्री वी.एन. माथुर
अध्यक्ष
Shri V.N. Mathur
Chairman



डॉ. नलिन सिंघल
निदेशक (पर्यटन एवं विपणन)
एवं स्थानापन्न प्रबंध निदेशक
Dr. Nalin Shinghal
Director (Tourism & Marketing) &
Officiating Managing Director



श्री विनोद अस्थाना
निदेशक (खानपान सेवाएं)
Shri Vinod Asthana
Director (Catering Services)



श्री नरेश सलेचा
निदेशक
Shri Naresh Salecha
Director



श्री अशोक कुमार
निदेशक
Shri Ashok Kumar
Director



श्री एस.बी. माथुर
निदेशक
Shri S.B. Mathur
Director



श्री अरविंद शर्मा
निदेशक
Shri Arvind Sharma
Director



श्री जगदीप एस. छोकर
निदेशक
Shri Jagdeep S. Chhokar
Director



आलोक शिवपुरी
निदेशक
Shri Alok Shivapuri
Director

INDIAN RAILWAY CATERING AND TOURISM CORPORATION LIMITED

(A Government of India Enterprise-Mini Ratna)

Corporate office : 9th Floor, Bank of Baroda Building,
16 Parliament Street, New Delhi-110001.

Tel.: 011-23311263-64 (EPBX), Fax: 011-23311259



ANNUAL REPORT 2007-2008

INDIAN RAILWAY CATERING AND TOURISM CORPORATION LIMITED

(A Government of India Enterprise-Mini Ratna)

NINTH ANNUAL GENERAL MEETING

Day	:	Thursday
Date	:	18th September, 2008
Time	:	1200 hours
Venue	:	Committee Room (Room No. 238), 2nd Floor, Rail Bhawan, New Delhi-110001.

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Board of Directors:

Shri Vinoo Narain Mathur,
Chairman,

Dr. Nalin Shinghal,
Director (Tourism & Marketing), &
Officiating Managing Director

Shri Vinod Asthana,
Director (Catering Services)

Shri Naresh Salecha

Shri Ashok Kumar

Shri S.B. Mathur,

Shri Arvind Sharma,

Shri Jagdeep S. Chhokar

Shri Alok Shivapuri

Bankers:

1. HDFC Bank Limited
2. ICICI Bank Limited
3. Indian Bank
4. Bank of Baroda
5. State Bank of India & its subsidiaries
6. IDBI
7. Corporation Bank
8. Citi Bank
9. AXIS Bank Limited
10. PNB
11. American Express Bank
12. Oriental Bank of Commerce
13. Syndicate Bank
14. Bank of Rajasthan
15. Canara Bank
16. Bank of India
17. Union Bank of India
18. Andhra Bank
19. YES Bank

**Registered and
Corporate Office:**

9th Floor, Bank of Baroda Building,
16 Parliament Street, New Delhi-110 001.

Part portion of Corporate Office

2nd and 5th floor, STC Building,
Jawahar Vyapar Bhawan, 1 Tolstoy Marg,
New Delhi-110001

Internet Ticketing Office:

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

Railneer Plant, Nangloi:

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

Company Secretary:

Shri Rakesh Gogia

Railneer Plant, Danapur:

Loco Colony,
South of R.P.F. Barracks,
Khagul, Danapur(Bihar)-801105

Statutory Auditors:

M/S S.P. Marwaha & Co.,
Chartered Accountants, New Delhi.

ZONAL OFFICES:

West Zone Office:

2nd Floor, New Administrative Building, Central
Railway, CST, Mumbai-400 001.

South Zone Office:

6A, The Rain Tree Place,
9, Mc Nicolas Road, Chetpet,
Chennai-600 034.

East and East Central Zone Office:

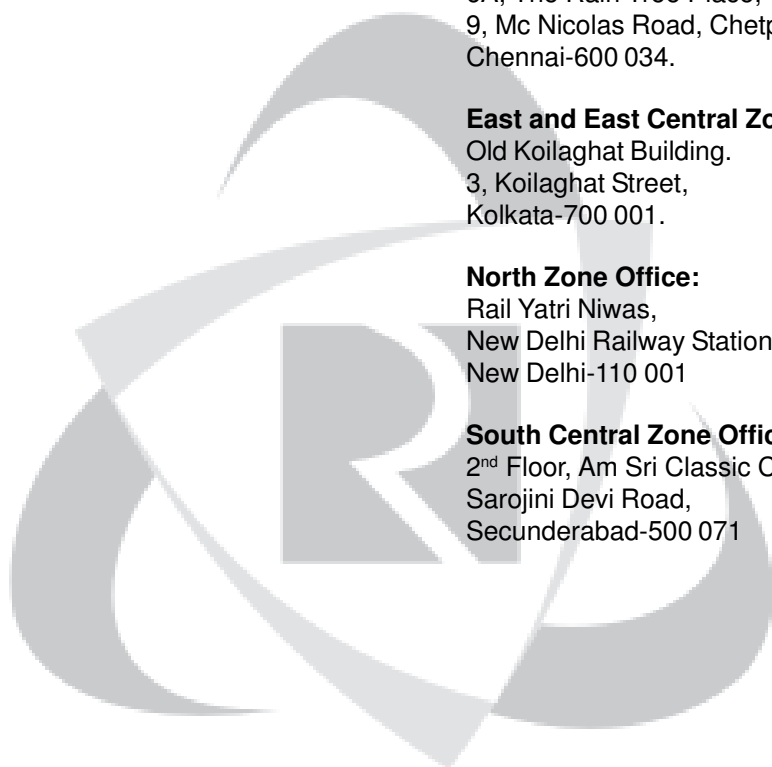
Old Koilaghat Building.
3, Koilaghat Street,
Kolkata-700 001.

North Zone Office:

Rail Yatri Niwas,
New Delhi Railway Station,
New Delhi-110 001

South Central Zone Office:

2nd Floor, Am Sri Classic Complex,
Sarojini Devi Road,
Secunderabad-500 071



INDIAN RAILWAY CATERING AND TOURISM CORPORATION LIMITED

Ninth Annual General Meeting

Chairman's Address

Dear Shareholders,

I have great pleasure in extending a very warm welcome to all of you at the Ninth Annual General Meeting of the Corporation.

We have gathered here today to receive, consider and adopt the Balance Sheet as at 31st March, 2008, Profit and Loss Account for the year ended on that date and the Report of the Board of Directors and Auditors thereon. These documents are already with you and I take it that all of you have read them.

During the year, the Corporation was managing catering services on 14 Rajdhani, 13 Shatabdi, 16 Janshatabdi and 196 Mail Express Trains (including trains awarded on temporary basis) as on the 31st March 2008.

During the year, 14 new food plazas became operational taking the total operational food plazas to 53 and licenses for 10 food plazas at various Railway Stations were awarded by the Corporation.

In addition, IRCTC has taken the following steps to ensure all round improvement in the quality of catering services,:

- To maintain quality of services on-board trains, IRCTC has set up control rooms at New Delhi, Mumbai, Kolkata, Chennai and Secunderabad. These offices are equipped with phone, fax & PC with broadband connectivity, and are operational round the clock, seven days a week. Central Control office at New Delhi regularly coordinates with all the five zonal offices for effective monitoring of the complaints. National Toll free number 1800-111139 for catering related complaints is being made operational for round the clock working.
- 58 Quality Control Professionals having Diploma/Degree in hospitality with 2 or more years of field experience were recruited in May, 2007 & posted in zonal & regional offices. Specific trains were allotted to them for achieving overall improvements in on board services.
- M/s TUV SUD South Asia, a multinational food audit & certification agency has been engaged for third party audit on food hygiene & safety audit.
- The leading market research firm M/s IMRB has been conducting customer surveys to measure the degree of satisfaction of travelers with various facets of on-board services provided to them.
- M/s RITES, a public sector undertaking, has been engaged for Certification for Food Safety Management System (FSMS) as per ISO 22000:2005 in Quality Management System (QMS) of Base Kitchens, Rajdhani Trains and stalls of IRCTC. 41 units have been accorded ISO Certification.

During the year, the Corporation undertook the following tourism business:

- Rail Tour Packages were directly operated by IRCTC from January 2007. For period April'07 to March '08, 7160 berths have been sold as against 1534 berths during the previous year
- 9 Full Train Charters were undertaken by the Corporation as against 124 full train Charters during the previous year.
- 64 Special Charter Coaches on various sectors were run as against 316 special train coaches during the previous year.



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- 36 Village on Wheels – Bharat Darshan Trains were operated during the year as against 22 trains operated during the previous year.
- 46 Charters were operated during on hill railways as against 40 Charters operated during the previous year.

Decline in the train/coach charter business occurred because of revised instructions issued by Ministry of Railways on chartering of trains and coaches by the IRCTC.

In order to tap the Buddhist travel market, IRCTC launched a Special Train for the Buddhist Circuit. One trial trip was operated in April-May 2007 and the inaugural trip was flagged off by the Hon'ble Minister of Railways & the Hon'ble Minister of Tourism on the 06th Oct. 2007. This 7 nights / 8 days all inclusive tour package covers important places of Buddhist interest such as Bodhgaya, Rajgir, Nalanda, Sarnath, Kushinagar, Lumbini, Sravasti and also takes travellers to Agra.

IRCTC has undertaken aggressive all round marketing efforts for the promotion of the train in various key markets such as Korea, Thailand, Singapore and Taiwan etc.

IRCTC's tourism portal www.railtourismindia.com, which was launched a year ago has been awarded the **National Tourism Award** for 2007-08. This portal is fast growing into a one stop travel shop which will meet all the travel & tourism needs of a customer.

During the year 2007-08, the number of tickets booked (both E and I tickets) through IRCTC website www.irctc.co.in has gone up to 1,89,09,502 tickets as against 68,23,481 tickets booked during the previous year. The value of tickets booked has gone upto Rs.1705 crore during the year as against Rs. 679 crore during the previous year. It touched a daily high of over 1-lac tickets and crossed 2 million ticket sales per month during several months this year.

IRCTC had taken up the project for launch of Integrated Train Enquiry System- Rail Sampark 139 with the objective of providing State of the Art enquiry services to Railway Passengers all over the country. This was a pioneering PPP project where the call centre was taken on a revenue model rather than on a cost model.

This project has brought about a sea change in the quality of enquiry services available to Rail Passengers across the country. Work is on for launch of various value added & premium services.

During the year, production of Railneer Packaged Drinking Water increased from 3,51,12,636 bottles during the previous year to 4,06,44,576 bottles, indicating an increase of approximately 16 %. The Railneer Plant at Nangloi is operating at 89 % and Railneer Plant Danapur is operating at 83 % of installed capacity, based on three shift working.

I would now like to briefly mention the salient features of the Corporation's financial performance.

FINANCIAL PERFORMANCE 2007-08.

During the year under review, the Corporation earned a total Income of Rs.527.66 Crore as against Rs. 433.54 Crore earned during the previous year. Income from Licensee catering services increased from Rs.219.18 Crore during the previous year to Rs.289.20 Crore. The Corporation registered a marginal increase in the turnover of departmental catering business from Rs. 156.45 Crore during the previous year to Rs.159.40 Crore during the year, mainly due to Bedroll and Cleaning business of Rs.15.97 crore, which has now been transferred back to Railways. Income from Tourism activities decreased from Rs.11.36 Crore during the previous year to Rs.9.72 Crore during the year due to change in the Railway Board Policy with regard to Charter Trains and Charter Coaches. Income from Internet Ticketing registered a quantum improvement from Rs. 23.44 crore during the previous year to Rs.39.18 Crore during the year.

An interim dividend of Rs.2.00 Crore was paid during the year. A total dividend of Rs.4.15 Crore is recommended for the year 2007-08 as against Rs.4.00 Crore declared during the previous year. The interim dividend already paid has been adjusted against total dividend recommended for the year 2007-08.

CURRENT YEAR PLANS

Your company is working on a number of schemes, some of which are:-

- Setting up of a JV for launching of a Luxury Tourist Train with Pan India itineraries.
- Strategic tie-ups for promoting tourism & catering business
- Tie up for providing hotel content on the tourism portal
- Further development of rail tour package business
- Expansion of capacity of existing Railneer Plants
- Setting up new Railneer Plants near Mumbai and Chennai to meet the demands of Rail users of Western and Southern parts of the country,
- IRCTC has planned to replace existing old catering stalls with modular compact stalls of uniform design to ease congestion on Railway platforms.
- Modernization of existing base kitchens.

BOARD OF DIRECTORS:

I, on my and on behalf of the Board of Directors of the Corporation, place on record the valuable guidance and services rendered by the outgoing Managing Director, Dr. P.K. Goel and Director (Finance), Shri V.K. Jain; I would also like to welcome our newly appointed Directors, Shri Jagdeep Singh Chhokar and Shri Alok Shivapuri, on the Board of the Corporation.

ACKNOWLEDGEMENT:

Before I conclude, I would like to express my sincere gratitude to the Shareholders for the confidence reposed in the Corporation. I also wish to express my gratitude to the Government of India, Ministry of Railways and Zonal Railways for their valuable guidance and support.

Last but not the least, I would like to place on record my sincere appreciation for the commitment, involvement and dedication exhibited by the staff as well as our associated agencies in the overall development and growth of the Corporation.

I would further like to reiterate that with the commitment, dedication and the hard work of my colleagues at all levels the Corporation will be able to show even better results in the coming years.

Thank you,

NEW DELHI
18th September, 2008.

(Vinoor Narain Mathur)
CHAIRMAN



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NOTICE

Notice is hereby given that the Ninth Annual General Meeting of the Shareholders of the Corporation will be held as under: -

Day : Thursday,
Date : 18th September 2008
Time : 1200 Hours
Venue : Committee Room (Room No.238), 2nd Floor,
Rail Bhawan, Raisina Road, New Delhi-110 001

To transact, with or without modifications, as may be permissible, the following business

ORDINARY BUSINESS: -

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions:

1. To receive, consider and adopt the Balance Sheet as at 31st March 2008, Profit & Loss Account for the year ended on that date and the Reports of Board of Directors and Auditors thereon.
2. To declare dividend on equity shares for year ended on 31st March 2008.
3. To fix the remuneration of the Statutory Auditors:
"Resolved that the Board of Directors of the Corporation in consultation with the Comptroller and Auditor General of India be and is hereby authorised to determine the remuneration payable to Statutory Auditors for the year 2008-2009."

By order of the Board of

INDIAN RAILWAY CATERING AND TOURISM CORPORATION LIMITED.

Sd/-
RAKESH GOGIA
COMPANY SECRETARY

Date : 14.08.2008
Place: New Delhi

NOTE: A Member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and on poll to vote instead of himself/herself. A Proxy need not be a member of the Company.

To

1. All the shareholders of Indian Railway Catering and Tourism Corporation Limited.
2. Statutory Auditors M/s S.P. Marwaha & Co., Chartered Accountants.

PROXY FORM

Name of the Company: **Indian Railway Catering and Tourism Corporation Limited**

I _____ son of _____ resident of _____

being a shareholder of the above named company hereby appoint Shri _____

son of Shri _____ resident of _____

or failing him, Shri _____ son of Shri _____

resident of _____ as my proxy to vote on my behalf at

the Ninth Annual General Meeting of the Corporation to be held on 18th September 2008 at 1200 hours at
Committee Room(Room No.238), 2nd Floor, Railway Board, Raisina Road, New Delhi-110 001.

Affix one rupee
Revenue stamp.

Signature

Signed this _____ day of _____, 2008.



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DIRECTORS' REPORT

To

The Shareholders,

Your Directors take pleasure in presenting the Ninth Annual Report along with Audited Accounts of the Corporation for the year ended on 31st March 2008.

1. FINANCIAL PERFORMANCE

During the year under review, the Corporation earned a total Income of Rs.527.66 Crore as against Rs. 433.54 Crore earned during the previous year. Income from Licensee catering services increased from Rs.219.18 Crore during the previous year to Rs.289.20 Crore. The Corporation registered a marginal increase in the turnover of departmental catering business from Rs. 156.45 Crore during the previous year to Rs.159.40 Crore during the year, mainly due to Bedroll and Cleaning business of Rs.15.97 crore, which has now been transferred back to Railways. Income from Tourism Activities decreased from Rs.11.36 Crore during the previous year to Rs.9.72 Crore during the year due to change in the Railway Board Policy with regard to Charter Trains and Charter Coaches. Income from Internet Ticketing registered a quantum improvement from Rs. 23.44 crore during the previous year to Rs.39.18 Crore during the year.

During the year, sales (exclusive of Excise Duty) from the Railneer plants increased from Rs. 8.03 Crore during the previous year to Rs.11.00 Crore, mainly due to increased production of Railneer Plant at Danapur. Interest Income has substantially increased from Rs.5.25 Crore during the previous year to Rs. 10.60 Crore during the year, due to improvement in interest rates. Other Income marginally decreased from Rs.9.84 Crore during the previous year to Rs.8.55 Crore during the year, mainly on account of decline in Income from vending due to licensing out of AVMs etc.

A net profit of Rs.20.75 Crore was registered during the year as against Rs. 20.23 Crore during the previous year. The Net profit during the year could not be increased due to imposition of Haulage cost by the Ministry of Railways, Railway Board vide letter bearing no.2005/TG-III/675/14, dated 8/15th May, 2008 for the year 2007-08 and making of provision for arrears as per 6th Pay Commission Report, DA merger for PSU employees and 2nd Pay Revision Committee Report of PSUs .An amount of Rs.30.00 Crore has been provided as Haulage Charges and Rs.24.15 crore has been provided towards arrears of Pay Revision. As at 31st March 2008, the Reserves and Surplus of the Corporation stood at Rs.58.85 Crore. The Net Worth went up from Rs. 62.96 Crore during the previous year to Rs.78.85 Crore during the year under review.

Profit earned by the Corporation has been appropriated in the following manner:

(Rs. in Crore)

Particulars/Year ending	31 st March, 2008	31 st March, 2007
Profit Before Tax	33.26	30.00
Provision For Tax	11.00	10.60
Provision for fringe benefit tax	00.50	00.16
Income Tax paid for Previous Year	0	0
Prior Period Expenses/ Income (Net)	00.29	(00.48)
Deferred Tax	00.72	(00.51)
Profit after Tax	20.75	20.23
Profit brought forward	9.04	5.40
Tax adjustment for the prior years		
Deferred Tax for Previous year	Nil	Nil
Transfer to Reserves	16.00	12.00
Dividend (Including Dividend Tax)	4.86	4.59
Profit carried forward to Balance Sheet	8.93	9.04

2. CONTRIBUTION TO REVENUES OF RAILWAYS:

During the year the Corporation contributed a sum of Rs.62.76 crore to the revenues of Indian Railways as against a sum of Rs. 54.24 Crore during the previous year. Contribution to the Revenues of Railways comprises

Haulage Charges, Concession fee, License fee, User Charges and Dividend for the year 2007-08 etc. During the year, the sharing of revenues with the various Zonal Railways has been made in terms of Memorandum of Understanding dated **17th January, 2007**. In addition to the above, tickets net of refunds worth Rs.1411.70 Crore were booked during the year as against Rs.545.55 Crore during the previous year. The ticket booked comprised of booking of tickets through internet and booking of tickets for various tour packages operated by IRCTC as well as train/coach charters.

3. BUSINESS PERFORMANCE

Catering Activities on Indian Railways through Licensees:

During the year under review, the Corporation awarded 11 contracts for on Board Catering Services on Indian Railways Trains. During the year, the Corporation was managing these services on 14 Rajdhani, 13 Shatabdi, 16 Janshabdi and 196 Mail Express Trains (including train awarded on temporary basis) as on the 31st March 2008.

In addition to the above, 42 contracts for Train Side Vending were operational.

During the Year under review, the Corporation awarded 816 contracts for AVM Kiosks for sale of hot and cold beverages at various Railway Stations.

Food Plazas:

During the year, 14 new food plazas became operational taking the total operational food plazas to 53 and licenses for 10 food plazas at various Railway Stations were awarded by the Corporation.

Outdoor Catering (non-railway catering) by IRCTC: There has been various demands from Railway organizations and other high profile Central Government organizations such as Ministry of External Affairs, Ministry of Finance etc., for provision of special catering arrangements through the operation of Special cafeterias, canteens and hospitality functions to be managed by IRCTC for a particular occasion or on short term/long term basis. Initiative has been taken by IRCTC in this regard and canteen at MEA is being managed by IRCTC. IRCTC has received requests from various other premier institutions.

Moreover, IRCTC has provided professional consultancy to AIIMS for development of their existing cafeteria with state of art modern kitchen equipments and gadgets. Further, IRCTC has provided professional training to production and service staff of UPSC to enable them to serve better. IRCTC is also developing food courts at stations. IRCTC is in the process of developing multi cuisine food court with contemporary interior designs & technology such as using smart cards for transaction. These food courts will be operated in association with all major national & international brands. Two such sites are being developed at Mumbai Central & Charbagh-Lucknow.

Rail Based Tourism:

During the year, the Corporation undertook the following business:

- Rail Tour Packages were directly operated by IRCTC from January 2007. For period April'07 to March '08, 7160 berths have been sold as against 1534 berths during the previous year
- 9 Full Train Charters were undertaken by the Corporation as against 124 full train Charters during the previous year.
- 64 Special Charter Coaches on various sectors were run as against 316 special train coaches during the previous year.
- 36 Village on Wheels – Bharat Darshan Trains were operated during the year as against 22 trains operated during the previous year.
- 46 Charters were operated during on hill railways as against 40 Charters operated during the previous year.

Decline in the train/coach charter business occurred because of revised instructions issued by Ministry of Railways on chartering of trains and coaches by the IRCTC.

Marketing Plan has been drawn to promote Rail Tour Packages across India. This includes display of danglers at IRCTC stalls at various stations, advertisements on FM Radio, scrollers on Cable TV, Display of posters at



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Metro stations in New Delhi, Kolkata, News paper Advertisements direct marketing to corporate. Tour packages to Religious destinations are proposed to be promoted on religious TV channels such as Aastha etc

Mahaparinirvan Express, Buddhist Circuit Special Train

In order to tap the Buddhist travel market, IRCTC launched this Special Train for the Buddhist Circuit. One trial trip was operated in April-May 2007 and the inaugural trip was flagged off by the Hon'ble Minister of Railways & the Hon'ble Minister of Tourism on the 06th Oct. 2007. This 7 nights / 8 days all inclusive tour package covers important places of Buddhist interest such as Bodhgaya, Rajgir, Nalanda, Sarnath, Kushinagar, Lumbini, Sravasti and Agra.

IRCTC has undertaken aggressive all round marketing efforts for the promotion of the train in various key markets such as Korea, Thailand, Singapore etc.

Familiarization trips for key Media and Travel agents from Thailand, Singapore, Korea, Japan, India etc. were organized. **Extensive positive media coverage** has been received by Mahaparinirvan Express in leading national & international publications such as Straits Times Singapore, Chosun Ilbo & Chosun Bua Korea, The Nation, Bangkok Post & Look East-Thailand, Jetwings, Outlook Travelers, the Times of India etc. This was also promoted in collaboration with Ministry of Tourism at various domestic & international travel shows in Delhi, Tokyo, Mumbai, Bangkok. Road shows were held in Thailand, Singapore, Vietnam along with Sales visits to key tour operators in these countries.

Promotional efforts saw this tourist train getting established in various key markets. People from various countries such as **Thailand, Korea, India, Singapore, Sri Lanka, Malaysia, USA, Canada, Australia, Brazil, Costa-Rica, Myanmar & Netherlands** have traveled in the train so far. Excellent feedback has been received from the passengers who have travelled on this train.

Tourism Portal

IRCTC's tourism portal www.railtourismindia.com, which was launched a year ago has been awarded the **National Tourism Award** for 2007-08. This portal is fast growing into a one stop travel shop which will meet all the travel & tourism needs of a customer.

Budget Hotels:

The Budget Hotel projects by IRCTC on Railway stations has been partially cleared by Railway Board. The process of finalization of tenders, signing of agreements etc has been started again.

IRCTC has successfully renovated Rail Yatri Niwas at New Delhi, which is now operational under Ginger brand of Taj Hotels. Rail Yatri Niwas at Howrah and BNR Hotels at Ranchi & Puri have also been taken up for redevelopment.

IRCTC has acquired land from the Orissa Government for setting up a budget hotel at Bhubaneshwar and agreement for the same is to be signed shortly. Possibility of acquiring Govt. Land for the purpose of Budget Hotels in other places is being explored and various Government agencies have been approached for the same.

Internet Ticketing System:

During the year 2007-08, the number of tickets booked (both E and I tickets) through IRCTC website www.irctc.co.in has gone upto 1,89,09,502 tickets as against 68,23,481 tickets booked during the previous year. The value of tickets booked has gone upto Rs.1705. 03 crore during the year as against Rs. 678.64 crore during the previous year. Touched a daily high of over 1-lac tickets and crossed 2 million ticket sales per month during several months this year. Even average ticket sold through IRCTC's website in a day is more than 78,000 during March 08.

Under the scheme of frequent travellers (SOFT), a total number of approximately 52,491 customers were registered by IRCTC and SBI as on 31st March 2008.

As on 31st March, 2008 around 22,000 agents are enrolled for the E-ticketing facility and on an average 18,048 tickets per day were booked by such agents during March 2008.

In recognition of the excellent performance of this website, a number of awards have been conferred on it in the past year :-

Awarded the “**National Award for E-Governance, 2007-08**” jointly by Department of IT, Govt. of India and Govt. of Haryana.

Awarded the “**Best e-Governed Project G2C - Urban & Rural**” by Computer Society of India in November, 2007.

Awarded the “**Genius of the Web Award 2007**” for Best E-Gov PSU Site by CNBC.

Integrated Train Enquiry System (139-Rail Sampark Call Centre):

IRCTC had taken up the project for launch of Integrated Train Enquiry System- Rail Sampark 139 with the objective of providing State of the Art enquiry services to Railway Passengers all over the country. This was a pioneering PPP project where the call centre was taken on a revenue model rather than on a cost model. Services in North Zone were launched on 17th July 2007 within 10 months of the work being handed over to IRCTC. All India rollout has been completed in the financial year 2007-08 with services being made available from any phone anywhere in the country.

This project has brought about a sea change in the quality of enquiry services available to Rail Passengers across the country. Work is on for launch of various value added & premium services also.

Packaged Drinking Water (Railneer):

Two Plants of Railneer Packaged Drinking water are operating at Nangloi (Delhi) and Danapur (Bihar). During the year, production of Railneer Packaged Drinking Water increased from 3,51,12,636 bottles during the previous year to 4,06,44,576 bottles, indicating an increase of approximately 16 %. The Railneer Plant at Nangloi is operating at 89 % and Railneer Plant Danapur is operating at 83 % of installed capacity, based on three shift working.

The distribution of the Railneer at various Railway Stations in New Delhi, Haryana, and Punjab, Uttar Pradesh, Uttaranchal, Jammu, Himachal Pradesh, Rajasthan, Madhya Pradesh, Bihar, Jharkhand, West Bengal, Orissa, and Assam etc. and various trains originating from the New Delhi and Kolkata continued during the year, in addition to supplies to Parliament House, Railway Board and Ministry of External Affairs etc.

The results of the tests carried out by accredited laboratories on Railneer Packaged Drinking Water, indicate that the quality of Railneer, conforms to European Economic Community (EEC) norms for pesticides residue, a unique distinction indeed.

4. QUALITY CONTROL AND COMPLAINT REDRESSAL SYSTEM

- To maintain quality of services onboard trains, IRCTC has set up control rooms at New Delhi, Mumbai, Kolkata, Chennai and Secunderabad. These Zonal offices are equipped with phone, fax & PC with broadband connectivity, and are operational around the clock, seven days a week. Central Control office at New Delhi regularly coordinates with all the five zonal offices for effective monitoring of the complaints. National Toll free number 1800-111139 for catering related complaints is being made operational for round the clock working.
- 58 Quality Control Professionals having Diploma/Degree holders in hospitality with 2 or more years of field experience were recruited in May, 2007 & posted in zonal & regional offices. Specific trains were allotted to them for achieving overall improvements in on board services.
- M/s TUV SUD South Asia, the multinational food audit & certification agency has been enlisted for third party audit on food hygiene & safety audit. It has conducted food audit on a total of 282 units including 255 trains, 11 food plazas & 16 base kitchens. In the reports short term, medium term & long term recommendations with implementation period of 1 week, 3-4 weeks and 8 weeks respectively have been made for achieving improvement in food hygiene & safety.
- The leading market research firm M/S IMRB has been conducting comprehensive survey to measure the degree of satisfaction of travelers with various facets of the on board services provided to them.

In the first & second round of survey, they have completed 142 & 115 trains respectively, reports of the customer satisfaction survey have been received and it has been found that 145 trains have overall ratings above 60% and for balance 112 trains having rating below 60%, suitable steps have been taken for bringing improvement in overall rating.



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- M/s RITES, a public sector undertaking has been engaged for Certification for Food Safety Management System (FSMS) as per ISO 22000:2005 in Quality Management System (QMS) of Base Kitchens, Rajdhani Trains and stalls of IRCTC. The final audit by certification agency has already been conducted in the Base Kitchens at New Delhi, Mumbai Central & Howrah in the last week of March, 2008. All the three Base Kitchens found to be in accordance with the ISO 22000:2005 specifications including infrastructure & procedures. They have been duly recommended by Certifying Agency for issue of ISO certificate.

Licenseses were also advised from time to time on ISO certification of their catering units, 26 Catering Units have already been covered under ISO certification. In all total 41 catering units covering departmental as well as licensee owned are covered under ISO 9001:2000 or ISO 22000 : 2005.

5. FUTURE PLANS:

- Launching of a Luxury Tourist Train with pan India itineraries.
- Strategic tie-ups for promoting tourism & catering business
- Tie up for providing hotel content on the tourism portal
- Further development of rail tour package business
- For static catering units, IRCTC has planned focused inputs for manpower deployment, procurement processes and for standardization of services.
- Expansion of capacity of existing Railneer Plants
- Setting up new Railneer Plants near Mumbai and Chennai to meet the demands of Rail users of Western and Southern parts of the country,
- IRCTC has planned to replace existing old catering stalls with modular compact stalls of uniform design to ease congestion on Railway platforms.
- Modernization of existing base kitchens,
- Setting up of mini base kitchens.
- Modernization of Pantry cars.

6. HUMAN RESOURCE DEVELOPMENT AND TRAINING INITIATIVES:

During the year, the Corporation incurred an expenditure of Rs.18.11 Lac on training of staff as against Rs.14.63 Lac incurred during the previous year. The Corporation organized training programmes for staff with reputed food craft training Regional and Government institutes.

The Corporation has organized the training programmes for all the staff categories viz., Officers, QCPs, Inspectors, Supervisors, Cooks, Bearers, etc in the skills up-gradation and personal hygiene. These training programmes have benefited large number of catering staff. In addition to this, specific trainings were imparted at best national and regional food institutes to upgrade skills of departmental cooks.

7. DIVIDEND

Keeping in view the financial results, the Board of Directors recommended interim dividend of Rs.2.00 Crore. The Board of Director have now recommended a Total Dividend of Rs.4.15 Crore including interim dividend (Approximately, 20 % of the Net Profit) for the year 2007-08. The interim dividend of Rs.2.00 Crore has been adjusted against the Final Dividend.

8. CAPITAL STRUCTURE

As on 31st March 2008, paid-up share capital of the Corporation stood at Rs.20.00 Crore. The Government of India holds the entire paid up share capital of the Corporation. During the year, there was no change in the paid-up share capital.

9. INDUSTRIAL RELATIONS

Cordial industrial relations were maintained during the year.

10. PRESIDENTIAL DIRECTIVES / GOVERNMENTAL DIRECTIVES

No Presidential Directive was received from the Government during the financial year 2007-2008.

11. VIGILANCE

The Corporation has a full fledged Vigilance department headed by a Joint Secretary rank CVO, Smt. Sundari Subramaniam Pujari

12. RAJBHASHA

The Corporation has taken necessary steps for ensuring compliance of the provisions of Section 3(3) of the Official Language Act. A Rajbhasha Committee is set up by the Corporation to review the progress made in the implementation of the Hindi in day-to-day work.

The Corporation is following the guidelines of the Official Languages Act. The Annual Report is concurrently published in Hindi. The Company would progressively increase the use of Hindi of accordance with official language policy of the Government. The Officers and staff possess working knowledge of Hindi in day to day work.

During the year, an inspection of the Corporation was carried out on 30th January, 2008 by sub-committee of the Parliament Committee on official Languages.

13. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO ETC:

Details as per the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 regarding Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo is placed as per Annexure-I.

14. PARTICULARS OF EMPLOYEES

As required under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, none of the employees were drawing salaries and allowance beyond the limit stipulated therein.

15. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibilities Statement; it is hereby confirmed:

- (i) That in the preparation of annual accounts for the financial year ended 31st March 2008; the applicable accounting standards have been followed.
- (ii) That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Corporation at the end of the financial year and profit and loss of the Corporation for the period under review.
- (iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Corporation and for preventing and detecting fraud and other irregularities.
- (iv) That the directors have prepared the annual accounts for the financial year ended 31st March 2008, on a 'going concern' basis.

16. CORPORATE GOVERNANCE AND MOU SIGNING

The Corporation is seized of the concept of Corporate Governance and principles underlying the same. As a part of the good corporate governance practices, the Corporation has been taking steps to implement such concepts. It has already constituted/re-constituted Audit Committee of the Board of Directors.

The Corporation has also signed a MOU with the Government of India, Ministry of Railways thereby laying inter alia the physical and financial targets for the year 2007-08.

17. AUDITORS

M/s S.P. Marwaha & Co., Chartered Accountants, New Delhi were appointed as Corporation's Statutory Auditors for the year 2007-2008 by Comptroller and Auditor General of India, New Delhi.



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18. COMMENTS OF C&AG

The Comments of the C&AG on the accounts of the Company for the year ended 31st March, 2008 shall form part of this report.

19. BOARD OF DIRECTORS

At present, the Board of the Corporation consists of a part-time Chairman, Managing Director, three Functional Directors, two Government Nominee Official Directors and Four part time non-official Directors.

The Board met four (4) times during the year for transacting business and following Directors held office up to the date of the Report: -

Shri Vinoo Narain Mathur, Chairman,
Shri Nalin Shinghal, Officiating MD and Director (Tourism & Marketing),
Shri Vinod Asthana, Director (Catering Services)
Shri Naresh Salecha,
Shri Ashok Kumar,
Shri S.B. Mathur,
Shri Arvind Sharma,
Shri Jagdeep S. Chhokar,
Shri Alok Shivapuri

Dr. P.K. Goel, Managing Director left the services of the Corporation on 13th January, 2008, consequent upon his appointment as Director, IRITM, Lucknow.

Shri V.K. Jain, Director (Finance) left the services of the Corporation on 3rd December, 2007.

The Board placed on record its appreciation of the services rendered and guidance provided by the outgoing Managing Director and Director (Finance).

20. AUDIT COMMITTEE

An Audit Committee of the Board of Directors was earlier constituted by the Corporation. The Audit Committee of Board of Directors met two (2) times during the year for transacting business and following Audit Committee Members held office up to the date of the Report: -

Shri S.B. Mathur,
Shri Arvind Sharma,
Shri Vinod Asthana, Director(Catering Services)
Shri Jagdeep S. Chhokar,
Shri Alok Shivapuri

Shri S.B. Mathur has been elected as Chairman of the Audit Committee.

21. ACKNOWLEDGEMENT & APPRECIATION

The Board of Directors thanks the Ministry of Railways for their guidance and continued support throughout the year. The Board of Directors is also extremely grateful to its valued customers and licensees. The Board of Directors further place on record their appreciation of the commitment, involvement and dedication exhibited by the staff in the overall development and growth of the Corporation.

For and on behalf of the Board of Directors

Place: New Delhi
Dated: 14th August, 2008

(Vinoo Narain Mathur)
Chairman

ANNEXURE-I.
Annexure to Directors' Report
FORM A
Disclosure of particulars with respect to Conservation of Energy:
A. Power and Fuel consumption:

Particulars	2007-08	2006-2007
1. Electricity:		
a) Purchased:		
Units ('000 KWH)	2019.50	1385
Total Amount (Rs. In Lac)	106.18	65.96
Rate/Unit (Rs.)	5.26	4.76
b) Own Generation:		
Through Diesel Generator-		
Units ('000 KWH)	324	693
Units per ltr. Of diesel oil	3.39	3.39
Cost/unit (Rs.)	9.45	10.27
2. Coal	Nil	Nil
3. Furnace Oil	Nil	Nil
4. Natural Gas	Nil	Nil

B. Consumption per unit of production:

Particulars	Electricity (KWH/per Bottle)		Furnace oil		Natural gas		Coal	
	07-08	06-07	07-08	06-07	07-08	06-07	07-08	06-07
Railneer – Packaged Drinking Water	0.05	0.06	Nil	Nil	Nil	Nil	Nil	Nil



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FORM B

Disclosure of Particulars with respect to Technology Absorption:

Research and Development(R&D)

1. Specific areas in which R&D is carried out by the Company:

Not applicable

2. Benefits derived as a result of the above R&D:

Not applicable

3. Future plan of action:

Not applicable

4. Expenditure on R & D during the year is as follows:

(In Rs.Lac)

Sr. No.	Particulars	2007-08	2006-07
A	Capital	Not applicable	Not applicable
B	Recurring	Not applicable	Not applicable
	Total	Not applicable	Not applicable
	Total R&D Expenditure as a percentage (%) of turnover	Not applicable	Not applicable

5. Technology absorption, adaptation and innovation:

Imported Technology :

Technology	Year of Import	Status of absorption
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NOT APPLICABLE

6. Foreign exchange earnings and outgo:

(Rs. In Lac)

Particulars	2007-08	2006-2007
Foreign Exchange Earnings	45.00	Nil
Foreign Exchange Outgo:-		
Foreign Travelling Expenses	11.82	8.06

For and on behalf of the Board

Place: New Delhi
Dated: 14th August, 2008

(Vinoor Narain Mathur)
Chairman

ADDENDUM TO DIRECTORS' REPORT 2007-08

Reply to the comments / qualification in the Auditors' Report for the financial year 2007-08

Point No. of Auditors' Repot	Auditors' Qualification	Reply of the Management
4 (iv)	<p>The tools and plants placed at the departmental catering units ,Rail Yatri Niwas and Railway Hotels taken over by the Corporation during earlier years, were taken on 'as is where is' basis. Due to non-availability of information of the value of such assets such assets have been entered in, the book of the accounts of the Corporation at Nominal Value of Rs.1/- to each such asset to ensure physical control over such assets. Further no new assets were taken over from Railways during the year. Therefore the assets as well as depreciation are understated to that extent.</p>	<p>Pursuant to the directive of the Ministry of Railways, Railway Board, the Corporation took over the entire departmental Catering business including Rail Yatri Niwas and Railway Hotels of Indian Railways, except at few locations. The tools and plants placed at such catering units are taken on, as is where is basis.</p> <p>Since these tools and plants were in use for decades prior to the take over date, the present value of such assets needs to be ascertained to work out the liability of the Corporation, if any.</p> <p>Due to non-availability of information such tools and plants are accounted for in the books of accounts of Catering Units, Rail Yatri Niwases and Railway Hotels of the Corporation at nominal value of Rs.1/- to each such asset to ensure physical control over such assets. No depreciation is provided on such tools and plants.</p> <p>Moreover, many of the items, which have been transferred to the Corporation, are in bad shape and are needed to be returned to the respective Zonal Railways.</p> <p>The necessary entries/adjustments shall be made in the books of accounts of the Corporation, on the ascertainment of present value of such tools and plants.</p>



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S.P. MARWAHA & CO. CHARTERED ACCOUNTANTS

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New Delhi - 110 005; Phone : 25746813, 9313702220
E-mail : mljotwani@gmail.com
mljotwani@hotmail.com

AUDITOR'S REPORT

To,
The Members of
Indian Railway Catering and Tourism Corporation Limited

1. We have audited the attached Balance Sheet of INDIAN RAILWAY CATERING AND TOURISM CORPORATION LIMITED, as at 31st March 2008, Profit & Loss Account for the year ended on that date and Cash Flow Statement for the year ended on that date annexed thereto incorporating therein the accounts of Corporate Office, Internet Ticketing Office, Zonal Offices located at Mumbai, New Delhi, Chennai, Secunderabad and Kolkata, and Railneer Plants located at Nangloi (Delhi) and Danapur (Bihar) audited by us. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order to the extent applicable.
4. Further to our comments in the Annexure referred to in paragraph 3 above and subject to Para (iv) below read with note no. 13 of notes to the accounts (Schedule XXVI), we state that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (ii) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
 - (iii) The Balance Sheet, Profit & Loss Account and Cash Flow referred to in this report are in agreement with the books of account.
 - (iv) *The tools & plants placed at the departmental catering units, Rail Yatri Niwas and Railway Hotels taken over by the Corporation during the earlier years, were taken on 'as is where is' basis. Due to non-availability of information of the value of such assets such assets have been entered in the book of the accounts of the Corporation at Nominal Value of Rs.1/- to each such asset to ensure physical control over such assets. Further no new assets were taken over from Railways during the year. Therefore the assets as well as depreciation are understated to that extent.*
 - (v) Balances with Railways are subject to confirmation.

- (vi) The Company has informed that, in terms of Notification No. GSR 829 (E) dated 21/10/2003 issued by the Department of Company Affairs, the provisions of Section 274 (1)(g) of Companies Act, 1956 are not applicable to Government Companies.
- (vii) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Sub-section 3(C) of Section 211 of the Companies Act, 1956;
- (viii) In our opinion and as per the information and according to the explanation given to us, the said Balance Sheet, Profit and Loss Account and Cash Flow Statement read together with notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principals generally accepted in India:
- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2008,
- (b) in the case of Profit & Loss Account, of the Profit of the Company for the year ended on that date, and
- (c) in the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Place : New Delhi
Dated : 20th August, 2008

For S.P. Marwaha & Co.
Chartered Accountants

(M.L. Jotwani)
Partner
Membership No.9604



ANNEXURE REFERRED TO IN PARAGRAPH 3 OF THE AUDITORS' REPORT TO THE MEMBERS OF INDIAN RAILWAY CATERING AND TOURISM CORPORATION LIMITED FOR THE YEAR ENDED 31ST MARCH 2008.

1. (a) The Company has maintained proper records showing full particulars including quantitative details and location of fixed assets.
(b) There is a system of physical verification, once a year by the Management having regard to the size of the Company and the nature of fixed assets. No material discrepancies have been noticed in respect of the assets physically verified during the year by the management.
(c) The company has not disposed off any substantial part of its fixed assets during the year.
2. (a) Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
(b) The procedures of physical verification of inventories followed by the management are adequate in relation to the size and the nature of its business.
(c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of account.
3. (a) The Company has not accepted any loans during the year from the parties covered in the register maintained under Section 301 of the Companies Act, 1956.
(b) The Company has not granted any loans during the year to the parties covered in the register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of stores, raw materials including components, packing materials, plant and machinery, equipment and other assets and with regard to sale of goods and services. There is no major weakness found during the year in the internal control procedures.
5. As explained to us, there were no transactions exceeding Rs. 5,00,000 or more with parties covered under Section 301 of the Companies Act, 1956, required to be entered in the register maintained under Section 301 of the act, 1956.
6. In our opinion and according to the information and explanation given to us, the Company has not accepted public deposits governed under the provisions of Section 58A and 58AA or any other relevant provision of the Companies Act, 1956 and the rules framed thereunder.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business. Internal Audit System needs to be revamped in view of diverse nature of staff employed viz. from Railways, outsourced, temporary staff, who are not well versed in commercial accounting. Further various units are located in far flung areas which are not easily accessible, thus possibility of errors/frauds is more. In our opinion, Internal Audit Cell be located in various Zonal offices with proper guidelines regarding scope of work, to start with major revenue areas be covered. This can reduce the possibility of errors etc.
8. In our opinion and according to explanation given, Government of India has not prescribed the appointment of Cost Auditor.
9. According to information and explanations given to us, the Company is regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Excise Duty, Cess, Service Tax and other applicable statutory dues with the appropriate authorities and there were no outstanding undisputed dues of statutory liability as at 31st March, 2008 for a period of more than 6 months from the date they become payable except :-
 - (i) An Income Tax demand of Rs.30.69 lakhs against the Corporation for the assessment year 2004-05. The Company has preferred an appeal under Section 246 A (1)(a) of Income Tax Act, 1961 against the order of the assessing officer.

- (ii) An amount of Rs.11.01 lac has been wrongly disallowed on account of provision for bad and doubtful debts for the assessment year 2005-06. Accordingly, an appeal under section 246 (1)(a) of the Income Tax Act, 1961 has been filed against order of the assessing officer.
- (iii) A demand notice for the year 2004-05 of Sales Tax of Rs.2.06 lac was received from West Bengal Sales Tax Authorities, of which Rs.0.88 lac has been paid and an appeal has been filed for the balance amount of Rs.1.17 lac.
- (iv) The Sales/VAT department, Delhi has raised a demand of Rs. 1175.63 lac on account of tax, interest and penalty for the period April'07 to October'07.

IRCTC has taken legal advice and has advised that providing of service of catering in trains amounts to services rendered like an outdoor caterer and is liable to pay service tax. The services does not amount to sale of goods and therefore no sales tax/VAT could be imposed upon the said services. In view of the same, IRCTC has challenged the levy of VAT , by Sales Tax Authorities under Delhi Value Added Tax Act, 2004 on the catering services rendered in Rajdhani and Shatabdi Express Trains, upon which, Service Tax has already been paid, by way of Writ in Hon'ble High Court of Delhi on 28th July 2008.

- 10. The company has not incurred cash loss in the current year and in the immediate preceding financial year and there are no accumulated losses in the balance sheet as on 31st March 2008.
- 11. The Company has not raised any loan from any financial institutions, banks or debenture holders; as such the question of default does not arise.
- 12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13. As the Company is not a chit fund, nidhi, mutual benefit fund or society the provisions of clause 4 (xiii) of the Companies (Auditor's Report Order, 2003) is not applicable to the Company.
- 14. As the Company is not dealing or trading in shares, securities, debentures and other investments, the provision of clause 4(xiv) of the Companies (Auditor's Report Order, 2003) is not applicable to the Company.
- 15. The Company has not given guarantees on behalf of its dealers and subsidiaries.
- 16. The Company has not taken any term loans during the year.
- 17. According to the information and explanations given, the Company has not borrowed any short-term borrowings for long-term use.
- 18. The Company has not made any preferential allotment of shares during the year.
- 19. The Company has not issued any debentures during the year.
- 20. The Company has not raised any money by way of public issue during the year.
- 21. As per the information and explanations given to us, certain cases of frauds on the Corporation have been noticed during the year on account of railway tickets booked by the parties through the website of the Corporation. The amounts involved in such cases were Rs. 12.57 lacs (previous year Rs. 18.09 lacs) , which have been provided as bad debt and bad & doubtful debts in the books of the Corporation during the year under audit. The criminal cases have been initiated by the Corporation against the defaulters. There were no other cases of fraud noticed during the year.

For S.P. Marwaha & Co.
Chartered Accountants

Place : New Delhi
Dated : 20th August, 2008

(M.L. Jotwani)
Partner
Membership No.9604



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INDIAN RAILWAY CATERING AND TOURISM CORPORATION LTD.

Balance Sheet as at 31st March 2008

		As at 31 st March 2008		As at 31 st March 2007	
	Schedule	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Sources of Funds					
Shareholders' Funds					
Share Capital	I		200,000,000.00		200,000,000.00
Reserves and Surplus	II		588,492,816.88		429,554,387.45
Deferred Tax Liability (net)			25,896,566.00		18,635,819.00
<i>(Refer Note 18 in Schedule XXVI)</i>					
TOTAL			814,389,382.88		648,190,206.45
Application of Funds					
Fixed Assets					
	III				
Gross Block		613,796,588.93		416,143,127.81	
Less: Depreciation		<u>243,802,427.82</u>		<u>160,986,523.53</u>	
Net Block		369,994,161.11		255,156,604.28	
Add : Capital Work in Progress		<u>9,058,394.00</u>	379,052,555.11	<u>16,267,479.00</u>	271,424,083.28
	IV		20,000.00		20,000.00
Investments					
Current Assets, Loans and advances					
Interest accrued on Investments	V	9,645.00		7,411.00	
Inventories	VI	57,319,249.84		59,716,818.00	
Sundry Debtors	VII	1,920,669,509.43		1,215,900,641.07	
Cash and Bank Balances	VIII	1,167,732,442.53		1,229,694,150.37	
Other Current Assets	IX	65,152,293.44		6,341,660.17	
Loans & Advances	X	855,419,587.17		779,215,570.58	
		4,066,302,727.41		3,290,876,251.19	
Less: Current Liabilities and provisions					
	XI				
Current Liabilities		3,238,968,639.64		2,654,054,005.02	
Provisions		392,017,260.00		260,076,123.00	
		<u>3,630,985,899.64</u>		<u>2,914,130,128.02</u>	
Net Current Assets			435,316,827.77		376,746,123.17
Miscellaneous Expenditure to the extent not written off or adjusted					
	XII		-		-
TOTAL			814,389,382.88		648,190,206.45

Significant Accounting Policies and
Notes to the Accounts XXVI
Schedules I to XXVI form an integral part of accounts

As per our report of even date attached

For S P Marwaha & Co.
Chartered Accountants

for and on behalf of Board of Directors

M L Jotwani
Partner

Nalin Shinghal
Managing Director

Vinod Asthana
Director (CS)

M P Mall
GGM (Finance)

Rakesh Gogia
Company Secretary

Place : New Delhi
Dated : 20 August, 2008

INDIAN RAILWAY CATERING AND TOURISM CORPORATION LTD.

Profit and Loss Account For the year ended 31st March 2008

	Schedule	For the Year ended 31 st March 2008 Amount (Rs.)	For the Year ended 31 st March 2007 Amount (Rs.)
Income			
Sales	XIII	1,703,985,145.11	1,644,736,686.08
Income from Internet Ticketing & Call Centre	XIV	391,831,871.00	234,422,443.00
Income from Licencee Catering Services	XV	2,892,029,638.98	2,191,752,466.43
Income from Tourism	XVI	97,237,936.25	113,647,577.00
Interest Income on FDRs and TDRs (Gross)		106,047,843.92	52,469,302.70
(TDS Rs.159,14,077/- (Previous Year Rs. 116,43,299/-)			
Other Income	XVII	85,506,089.99	98,364,593.41
A		5,276,638,525.25	4,335,393,068.62
Expenditure			
Materials Consumed	XVIII	981,775,554.97	1,015,687,889.58
(Increase) / Decrease in Finished Goods	XIX	3,900,175.11	2,329,221.38
Expenses of Licencee Catering Services	XX	1,995,725,161.25	1,573,449,091.04
Expenses of Tourism	XXI	91,694,508.50	107,572,126.00
Manufacturing & Direct Expenses	XXII	268,738,710.61	181,457,140.01
Human Resource Cost	XXIII	1,151,336,100.73	772,914,284.45
Administrative, Selling & Distribution Expenses	XXIV	368,031,193.36	327,800,035.74
Miscellaneous Expenses Written off	XII	-	939,880.00
Depreciation	III	82,815,904.29	53,243,400.42
B		4,944,017,308.82	4,035,393,068.62
(A - B)		332,621,216.43	300,000,000.00
Profit for the Year			
Less :			
Net Prior period adjustments	XXV	2,869,115.00	(4,829,630.26)
Provision for Income Tax		110,000,000.00	106,000,000.00
Provision for Fringe Benefit Tax		5,000,000.00	1,600,000.00
Deferred Tax (Refer Note 18 in Schedule XXVI)		7,260,747.00	(5,035,485.00)
Profit for the year after taxation		207,491,354.43	202,265,115.26
Profit brought forward		90,384,149.45	54,026,034.19
Profit Available for appropriation		297,875,503.88	256,291,149.45
APPROPRIATIONS			
Dividend - Interim		20,000,000.00	30,000,000.00
- Final		21,500,000.00	10,000,000.00
Tax on Dividend		7,052,925.00	5,907,000.00
Transfer to General Reserve		160,000,000.00	120,000,000.00
Profit Carried to Reserve & Surplus (Balance Sheet)		89,322,578.88	90,384,149.45
Earning per share (Face Value of Rs. 10 per share)			
Basic (in Rs.)		10.37	10.11
Diluted (in Rs.)		10.37	10.11
Significant Accounting Policies and Notes to the Accounts	XXVI		
Schedules I to XXVI form an integral part of accounts			

As per our report of even date attached

For S P Marwaha & Co.
Chartered Accountants

for and on behalf of Board of Directors

M L Jotwani
Partner

Nalin Shinghal
Managing Director

Vinod Asthana
Director (CS)

M P Mall
GGM (Finance)

Rakesh Gogia
Company Secretary

Place : New Delhi
Dated : 20 August, 2008



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INDIAN RAILWAY CATERING AND TOURISM CORPORATION LTD.

Schedules annexed to and forming part of the Balance Sheet

	As at 31.03.2008 Amount (Rs.)	As at 31.03.2007 Amount (Rs.)
Schedule— I		
SHARE CAPITAL		
Authorised Capital		
5,00,00,000 Equity Shares of Rs.10 each	500,000,000.00	500,000,000.00
(Previous year 5,00,00,000 Equity Shares of Rs. 10 each)		
Issued,Subscribed & Paid-up Capital		
20,00,00,000 Equity Shares of Rs10 each fully paid-up	200,000,000.00	200,000,000.00
(Previous year 20,00,00,000 Equity Shares of Rs. 10 each fully paid up)		
	200,000,000.00	200,000,000.00
Schedule— II		
RESERVE & SURPLUS		
A. General Reserve		
Opening Balance	339,170,238.00	219,170,238.00
Add : transferred from Profit & Loss Account	160,000,000.00	120,000,000.00
	499,170,238.00	339,170,238.00
B. Profit & Loss a/c		
Opening Balance	90,384,149.45	54,026,034.19
Add : transferred from Profit & Loss Account	(1,061,570.57)	36,358,115.26
	89,322,578.88	90,384,149.45
Reserve & Surplus (A + B)	588,492,816.88	429,554,387.45

Schedule— III

(i) Fixed Assets

Amount in Rs.

PARTICULARS	Gross Block				Depreciation				Net Block	
	Original Cost As at 01.04.2007	Additions during the year	Deletions/ Sales During the year	Original Cost As at 31.03.2008	Upto 01.04.2007	For the year 2007-08	Depreciation on deletions/ Sales	Upto 31.03.2008	As at 31.03.2008	At at 31.03.2007
Land leasehold*	6,128,293.00	-	-	6,128,293.00	-	-	-	-	6,128,293.00	6,128,293.00
Lease hold - Office Development	11,619,676.52	37,711,619.35	-	49,331,295.87	2,977,479.70	2,912,721.00	-	5,890,200.70	43,441,095.17	8,642,196.82
Building - Factory - Leasehold	32,116,468.20	-	-	32,116,468.20	3,670,884.00	1,072,691.00	-	4,743,575.00	27,372,893.20	28,445,584.20
Building - Office - Leasehold	6,977,463.53	-	-	6,977,463.53	391,493.00	113,732.00	-	505,225.00	6,472,238.53	6,585,970.53
Plant & Machinery	93,278,053.53	-	-	93,278,053.53	24,848,378.30	9,032,496.79	-	33,880,875.09	59,397,178.44	68,429,675.23
Tools & Plants	-	190,203.00	-	190,203.00	-	-	-	-	190,203.00	-
Computers	186,048,047.63	122,991,348.00	-	309,039,395.63	104,747,010.08	54,450,262.00	-	159,197,272.08	149,842,123.55	81,301,037.55
Furniture & Fixtures	38,430,704.10	8,043,604.74	-	46,474,308.84	13,716,417.62	5,610,493.47	-	19,326,911.09	27,147,397.75	24,714,286.48
Office Equipments	31,107,957.00	20,256,970.03	-	51,364,927.03	8,574,047.00	7,603,363.03	-	16,177,410.03	35,187,517.00	22,533,910.00
Air Conditioners	10,436,464.30	8,459,716.00	-	18,896,180.30	2,060,813.83	2,020,145.00	-	4,080,958.83	14,815,221.47	8,375,650.47
Total	416,143,127.81	197,653,461.12	-	613,796,588.93	160,986,523.53	82,815,904.29	-	243,802,427.82	369,994,161.11	255,156,604.28
Previous Year	310,147,652.12	106,857,865.28	862,389.59	416,143,127.81	108,243,980.04	53,243,400.42	500,856.93	160,986,523.53	255,156,604.28	201,903,672.08

(ii) Capital Work in Progress

Particulars	As at 31st March 2008	As at 31st March 2007
Budget Hotel Project	2,576,566.00	2,565,526.00
Internet Ticketing Office	3,350,000.00	8,253,465.00
Rail Neer Plant - Nangloi	218,669.00	218,669.00
Rail Neer Plant - Chennai	2,913,159.00	-
Chennai Office	-	5,229,819.00
Total (ii)	9,058,394.00	16,267,479.00
Previous Year	16,267,479.00	6,746,335.52
Total of Fixed Assets (i) + (ii)	379,052,555.11	271,424,083.28

Notes : * IRCTC has taken leasehold land from Govt. of Orrisa for setting up of Budget Hotel near Bhubneshwar Railway Station for a period of 99 years.



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Schedules annexed to and forming part of the Balance Sheet

	As at 31.03.2008 Amount (Rs.)	As at 31.03.2007 Amount (Rs.)
Schedule - IV		
INVESTMENTS		
Long Term Investments		
- Non Trade, At Cost		
NSC VIIIth issue 6 Years	20,000.00	20,000.00
(Pledged with Sales Tax Office as Security)	20,000.00	20,000.00
CURRENT ASSETS, LOANS AND ADVANCES		
Schedule - V		
Interest Accrued on Investments		
Interest Accrued but not due on NSCs	9,645.00	7,411.00
	9,645.00	7,411.00
Schedule - VI		
INVENTORIES		
(AS TAKEN, VALUED AND CERTIFIED BY MANAGEMENT)		
Raw Material	16,993,148.57	15,490,541.62
Finished Goods	21,722,451.00	21,908,533.15
Trading Goods-PD Items	18,603,650.27	22,317,743.23
	57,319,249.84	59,716,818.00
Schedule - VII		
SUNDRY DEBTORS		
(Unsecured considered good for recovery by the management)		
- Debts outstanding for a period exceeding six months		
Considered Good	1,003,983,311.91	647,932,547.67
Considered Doubtful	790,266.00	797,831.00
(a)	1,004,773,577.91	648,730,378.67
- Other Debts		
Considered Good	916,686,197.52	567,968,093.40
Considered Doubtful	-	-
(b)	916,686,197.52	567,968,093.40
Total	(a)+(b) 1,921,459,775.43	1,216,698,472.07
Less : Provision for Doubtful Debts	790,266.00	797,831.00
	1,920,669,509.43	1,215,900,641.07
	1,920,669,509.43	1,215,900,641.07
Schedule - VIII		
CASH & BANK BALANCES		
(i) Cash in Hand	12,468,021.41	21,869,699.35
(ii) Remittance in Transit	3,797,430.16	2,296,064.77
(iii) Balance with Scheduled Banks in Current Accounts	274,961,198.96	294,433,392.25
(iv) Balance with Scheduled Banks in Fixed & Term Deposits	876,505,792.00	911,094,994.00
(Rs. 6,98,185/- has been kept as margin money against bank guarantee, Previous Year 6,69,506/-)		
	1,167,732,442.53	1,229,694,150.37
Schedule - IX		
OTHER CURRENT ASSETS		
Interest Accrued but not due on Fixed & Term	65,152,293.44	6,341,660.17
Deposits with Scheduled Banks	65,152,293.44	6,341,660.17

Schedules annexed to and forming part of the Balance Sheet

	As at 31.03.2008 Amount (Rs.)		As at 31.03.2007 Amount (Rs.)	
Schedule - X				
LOANS & ADVANCES				
(Unsecured considered good for recovery by the management) Advances Recoverable in Cash or in kind or for value to be received				
Considered Good	180,370,538.34		184,975,938.13	
Considered Doubtful	—		—	
	180,370,538.34	180,370,538.34	184,975,938.13	184,975,938.13
Capital Advance to Indian Railways for Construction of Flats & Land		57,468,810.00		56,289,062.00
Security & Other Deposits :				
- with Government / Statutory Bodies	146,378,558.37		258,781,855.80	
- with Others	544,979.80	146,923,538.17	342,989.80	259,124,845.60
Advance Tax including TDS		450,855,835.66		264,229,159.85
Advance Fringe Benefit tax		6,207,526.00		3,357,526.00
Prepaid Expenses		13,593,339.00		11,239,039.00
		855,419,587.17		779,215,570.58
Schedule - XI				
CURRENT LIABILITIES AND PROVISIONS				
A. Current Liabilities				
(i) Sundry Creditors				
For Goods	299,540,347.11		134,303,511.43	
For Expenses	678,240,412.04		735,194,441.71	
(Amount due to SSI Nil)				
(ii) Deposits from suppliers & Licencee				
Security Deposits	441,121,635.36		354,964,389.16	
Earnest Money Deposit	166,681,091.00		102,906,329.00	
(iii) Unexpired Concession Fee, Licence Fee & User Charges				
Unexpired Concession Fee	714,410,910.09		829,865,374.57	
Unexpired Licence Fee	386,543,645.00		381,060,131.23	
Unexpired User Charges	1,918,423.00		-	
(iv) Advances Received from Customers				
	20,003,216.00		-	
(v) Other Current Liabilities				
Other Liabilities	500,305,481.86		101,671,155.09	
Taxes Payables	30,203,478.18	3,238,968,639.64	14,088,672.83	2,654,054,005.02
B. Provisions				
Proposed Dividend	21,500,000.00		10,000,000.00	
Provision for Dividend Tax	3,653,925.00		1,699,500.00	
Provision for Income Tax	352,987,636.00		242,987,636.00	
Provision for Fringe Benefit Tax	7,772,526.00		2,772,526.00	
Provision for Retirement Benefits	6,103,173.00	392,017,260.00	2,616,461.00	260,076,123.00
Total A + B		3,630,985,899.64		2,914,130,128.02
Schedule - XII				
MISCELLANEOUS EXPENDITURE TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED				
Deferred Revenue Expenditure				
Opening Balance		—	939,880.00	—
Addition during the year	—	—	—	—
Less : Written off during the year	—	—	939,880.00	—
Total		—		—



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Schedules annexed to and forming part of the Profit & Loss Account

	For the Year Ended 31.03.2008 Amount (Rs.)		For the Year Ended 31.03.2007 Amount (Rs.)	
INCOME				
Schedule - XIII				
SALES				
1) Rail Neer (Packaged Drinking Water)				
Sales (Gross including Excise Duty but excluding Sales Tax)	143,210,438.96		109,123,275.51	
Less : Excise Duty	33,241,703.00	109,968,735.96	28,847,520.21	80,275,755.30
2) Departmental Catering -				
Sales of Food & Beverages		1,425,639,209.61		1,542,290,497.63
Room Rent-Rail Yatri Niwas/ Railway Hotels		8,640,703.54		19,488,958.15
Income from Bedroll & Cleaning		159,736,496.00		2,681,475.00
Total (1 +2)		1,703,985,145.11		1,644,736,686.08
Schedule - XIV				
INCOME FROM INTERNET TICKETING & CALL CENTRE				
Service Charges Earned - IR Tickets		389,331,871.00		234,331,052.00
Income from Licence Fee- Call Centre		2,500,000.00		-
Service Charges Earned - MSST		-		91,391.00
		391,831,871.00		234,422,443.00
Schedule - XV				
INCOME FROM LICENCEE SERVICES				
A. INCOME FROM CATERING & COMPREHENSIVE SERVICES PROVIDED				
Income from On Board Catering Services- Rajdhani & Shatabdi Trains		1,148,384,711.00		1,033,374,682.00
Income from Bedroll & Cleaning		261,345,367.00		38,487,417.00
		1,409,730,078.00		1,071,862,099.00
B. INCOME FROM CONCESSION FEE, LICENCEE FEE ETC.				
Income from Concession Fee		185,452,541.10		182,433,273.43
Income from Licence Fee		1,198,644,190.17		861,841,768.95
Income from User Charges-Food Plaza		34,080,986.00		30,488,745.00
Income from Licence Fee-Food Plaza		64,121,843.71		45,126,580.05
		1,482,299,560.98		1,119,890,367.43
Total (A+B)		2,892,029,638.98		2,191,752,466.43
Schedule - XVI				
INCOME FROM TOURISM				
Travel & Tour Income		90,824,250.25		113,647,577.00
Income from User Charges-Budget Hotel		4,513,975.00		-
Income from Licence Fee-Budget Hotel		1,899,711.00		-
		97,237,936.25		113,647,577.00
Schedule - XVII				
OTHER INCOME				
Interest on Investments		2,234.00		2,066.00
Interest Income Others		4,829,558.00		6,118,889.00
Income from Advertisement/SBI Cobranded Cards & Loyalty Cards		29,183,454.00		22,619,650.55
Income from fees from IATA/RTSA/Internet Café etc.		14,490,000.00		2,995,100.00
Income from Vending		2,133,129.00		52,970,844.07
Excess Provision Written Back		679,591.00		1,261,627.25
Countermanding Charges & Security Deposit forfeited		426,198.00		-
Income Accrued on Forfeiture of contracts		19,134,833.00		-
Sale of Tender Forms		1,698,987.00		6,473,838.00
Miscellaneous Income		12,928,105.99		5,922,578.54
		85,506,089.99		98,364,593.41

Schedules annexed to and forming part of the Profit & Loss Account

	For the Year Ended 31.03.2008 Amount (Rs.)		For the Year Ended 31.03.2007 Amount (Rs.)	
EXPENDITURE				
Schedule - XVIII				
MATERIALS CONSUMED				
1) Rail Neer (Packaged Drinking Water)				
Opening Stock	4,560,135.84		5,204,246.50	
Add : Purchases and Expenses	115,405,248.89		109,943,610.76	
	119,965,384.73		115,147,857.26	
Less : Closing Stock	2,855,938.95	117,109,445.78	4,560,135.84	110,587,721.42
2) Departmental Catering				
a) Raw Material Consumed				
Opening Stock	10,930,405.78		20,259,957.55	
Add : Purchases	403,832,091.99		468,739,166.56	
	414,762,497.77		488,999,124.11	
Less : Closing Stock	14,137,209.62	400,625,288.15	10,930,405.78	478,068,718.33
b) Purchases of PD items for resale		464,040,821.04		427,031,449.83
Total (1+2)		981,775,554.97		1,015,687,889.58
Schedule - XIX				
(INCREASE) / DECREASE IN FINISHED GOODS				
Rail Neer - Packaged Drinking Water				
Opening Stock -				
- Work in Process	-		1,347,287.00	
- Finished Goods	21,893,588.00		20,136,572.00	
	21,893,588.00		21,483,859.00	
Closing Stock -				
Work in Process	-		-	
Finished Goods	21,636,284.00	257,304.00	21,893,588.00	(409,729.00)
Departmental Catering				
Opening Stock				
- Finished Goods	14,945.15		531,326.29	
- PD Items	22,317,743.23		24,540,312.47	
	22,332,688.38		25,071,638.76	
Closing Stock				
- Finished Goods	86,167.00		14,945.15	
- PD Items	18,603,650.27		22,317,743.23	
	18,689,817.27	3,642,871.11	22,332,688.38	2,738,950.38
		3,900,175.11		2,329,221.38
Schedule - XX				
EXPENSES OF LICENCEE CATERING SERVICES				
A. EXPENSES OF CATERING & COMPREHENSIVE SERVICES PROVIDED				
On Board Catering Charges- Rajdhani & Shatabdi Trains	1,148,384,711.00		1,033,540,851.00	
Service Charges - Bedroll & Cleaning	261,234,367.00		37,442,181.00	
	1,409,619,078.00		1,070,983,032.00	
B. EXPENSES OF CONCESSION FEE, LICENCEE FEE, HAULAGE, ETC.				
Concession Fee	29,215,809.00		27,898,462.00	
Licence Fee	217,505,846.08		142,178,136.29	
User Charges -Food Plaza	13,638,718.00		12,195,497.00	
Licence Fee -Food Plaza	25,699,540.00		18,050,649.00	
Haulage Charges	300,000,000.00		302,102,248.75	
Licence Fee Paid Railway Land - Food Plaza	46,170.17		41,066.00	
	586,106,083.25		502,466,059.04	
Total (A+B)	1,995,725,161.25		1,573,449,091.04	



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Schedules annexed to and forming part of the Profit & Loss Account

	For the Year Ended 31.03.2008 Amount (Rs.)	For the Year Ended 31.03.2007 Amount (Rs.)
Schedule - XXI		
EXPENSES OF TOURISM		
Travel & Tour Expenses	90,077,086.50	107,572,126.00
Licence Fee - Budget Hotel	474,931.00	-
User Charges - Budget Hotel	1,128,491.00	-
Licence Fee Paid Railway Land - Budget Hotel	14,000.00	-
	91,694,508.50	107,572,126.00
Schedule - XXII		
MANUFACTURING AND DIRECT EXPENSES		
a) Rail Neer (Packaged Drinking Water)		
Operation & Maintenance Chgs	23,083,184.00	19,249,710.00
License fee Railway Land	3,127,456.00	1,455,806.00
Power & Fuel	13,679,259.00	13,862,406.00
Repair & Maintenance - Plant & Machinery	468,517.18	638,107.00
Repair & Maintenance - Others	565,818.00	215,130.00
Other Direct Expenses	3,255,811.78	5,463,538.77
	44,180,045.96	40,884,697.77
b) Departmental Catering		
Packing Material, Grinding, Repair & Other Expenses	912,365.55	5,657,383.37
Freight Inward Loading & Unloading-Catering	885,781.66	2,430,412.00
Food Inspection Expenses	1,018,233.00	300,109.00
Fuel	62,146,796.78	75,161,868.80
Bedroll & Cleaning Service Charges	83,890,002.66	1,165,858.00
	148,853,179.65	84,715,631.17
c) Internet Ticketing		
Maintenance & Other Charges	53,427,967.00	39,061,421.07
Loyalty Card Issue Expenses	2,641,885.00	2,309,950.00
Internet Usage Charges	19,635,633.00	14,485,440.00
	75,705,485.00	55,856,811.07
Total (a+b+c)	268,738,710.61	181,457,140.01
Schedule - XXIII		
HUMAN RESOURCE COST		
A Directors :		
Director's Salaries, Allowances, Performance Award, Provision for Accrued Leave and Pension	2,704,610.17	2,214,122.00
	2,704,610.17	2,214,122.00
B Others :		
Salaries, Allowances, Performance Award, Reimbursements, Provision for Bonus and Accrued Leave Salary :		
- Departmental Catering Employees	839,377,951.04	585,714,599.76
- Others	170,425,822.00	69,943,015.65
Contribution to Provident Fund, Gratuity and Pension Funds :		
- Departmental Catering Employees	63,374,029.65	70,584,695.45
- Others	3,960,951.00	6,881,321.00
HRD & Training Expenses	1,811,407.00	1,462,751.00
Recruitment Exp.	936,011.00	2,859,763.00
Staff Welfare Expenses	2,449,125.15	1,392,685.98
Payment to Consultants	15,734,733.00	7,786,267.00
Manpower Support Charges	47,581,336.72	22,992,454.61
Stipend to Trainees	2,980,124.00	1,082,609.00
	1,148,631,490.56	770,700,162.45
Total (A+B)	1,151,336,100.73	772,914,284.45

Schedules annexed to and forming part of the Profit & Loss Account

	For the Year Ended 31.03.2008 Amount (Rs.)	For the Year Ended 31.03.2007 Amount (Rs.)
Schedule - XXIV		
ADMINISTRATIVE, SELLING & DISTRIBUTION EXPENSES		
A ADMINISTRATIVE EXPENSES		
Security Charges	5,103,413.88	3,472,821.00
Local Conveyance Expenses	15,609,815.90	9,148,139.00
Travelling Expenses:		
Directors - Inland	335,985.71	1,186,521.30
Others - Inland	22,171,244.44	7,260,423.70
Directors - Foreign	-	230,425.00
Others - Foreign	1,181,651.00	575,860.89
Office and Repair Expenses	21,690,431.47	17,000,130.73
Rent Rates & Taxes:		
Office Rent	49,819,256.00	30,953,170.30
Duty, Rates & Taxes	416,977.00	846,111.00
Electricity & Water Charges	18,325,953.49	18,715,378.00
Bank Charges	2,460,431.03	3,270,927.44
Books & Periodicals	377,722.93	131,670.00
Insurance Expenses	1,470,466.00	1,159,017.00
Postage & Courier Charges	3,819,193.00	1,528,486.52
Printing & Stationery	13,348,938.88	12,285,040.92
Telephone Expenses	18,602,546.56	8,838,103.52
Internet & Leased Line Expenses	1,638,521.00	1,712,037.00
Miscellaneous Expenses	2,927,265.37	1,769,526.77
Subscription & Membership Fee	352,422.96	204,157.99
Donation to National Foundation for Communal Harmony	100,000.00	-
Meeting & Seminar Expenses	2,835,735.29	1,185,228.25
Auditors' Remuneration	420,334.00	385,397.00
Internal Audit Expenses	390,743.25	387,647.00
Interest paid - others	50,739.00	134,202.00
Legal & Professional Expenses	13,901,663.75	14,432,193.00
ERP Maintenance Charges	11,263,453.00	13,478,224.00
Loss on Sale/Discard of Fixed Assets	-	180,000.66
Total - A	208,614,904.91	150,470,839.99
B SELLING & DISTRIBUTION EXPENSES		
Advertisement Expenses	25,318,949.46	51,558,523.87
Business Development Expenses	6,129,886.03	5,200,363.32
Commission paid to Vendors	51,052,516.46	61,424,601.48
Customer Satisfaction Survey Expenses	4,563,420.00	-
Freight Outward & CFA Charges	37,435,831.50	28,401,876.08
Postage & Courier Charges	33,659,159.00	28,933,731.00
Bad Debt Written Off	466,260.00	1,012,269.00
Provision for Doubtful Debts	790,266.00	797,831.00
Total - B	159,416,288.45	177,329,195.75
Total (A+B)	368,031,193.36	327,800,035.74
Schedule - XXV		
ADJUSTMENT OF PRIOR PERIOD INCOME / EXPENDITURE (NET)		
Prior-period Income	400,354.00	5,734,292.26
Prior-period Expenses	3,269,469.00	904,662.00
	2,869,115.00	(4,829,630.26)



SCHEDULE NO. XXVI

SIGNIFICANT ACCOUNTING POLICIES

BASIS FOR PREPARATION OF FINANCIAL STATEMENTS :

The financial statements are prepared in accordance with the generally accepted accounting principles in India and comply with Accounting Standards specified to be mandatory by the Institute of Chartered Accountants of India under Section 211(3C) of the Companies Act, 1956.

METHOD OF ACCOUNTING :

The Corporation is following accrual basis of accounting except for insurance claim and recording of License Fee income on GDP basis as from 1.11.2006 from the Licensees of static catering stalls, to whom the contract was awarded by Railways, on the basis of receipt, under historical cost convention.

REVENUE RECOGNITION :

The Corporation is in the business of managing catering services (both mobile and static units), Bedroll and Cleaning services in mobile units, operating Departmental Catering Units, Managing Rail Yatri Niwas and Railway Hotels on Public Private Partnership basis, awarding licenses for operating Food Plazas, Static Catering stalls, AVMS, booking of Rail Tickets through Internet, Managing Rail Sampark-139 Call Centre on Public Private Partnership basis, booking of tickets for reputed tour operators, managing Complete Tour Packages, manufacturing and distribution of Railneer-Packaged Drinking Water.

1 Sales:

Sales of Railneer-packaged drinking water, scrap, food and beverage items, Rail Yatri Niwas and Railway Hotels are recognized when the goods are sold and services rendered and are recorded net of excise duties, wherever applicable and sales tax etc. It does not include inter-depot and inter-unit transfers.

2 Income from Internet Ticketing

Income from Internet ticketing is recognised 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). Service charges earned on the sales of such tickets on accrual basis have been booked as income of the Corporation.

3 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.

(a) Income from Onboard Catering Services:

The corporation is providing catering services on Rajdhani and Shatabdi Express Trains on Indian Railways network. The income is accounted on the basis of bills raised on Indian Railways for catering services provided to the passengers of Indian Railways on accrual basis.

(b) Income from Concession Fees, User Charges and License Fee :

The Corporation is receiving the income from the following: -

Sr. No.	Nature of business activity	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.

Sr. No.	Nature of business activity	Nature of Fee received from licensees
2.	Award of license for arranging catering services on Mail/ Jan Shatabdi /Express Trains.	(i) One Time Concession Fee for the contract period (including renewal period, if any), and Fixed Annual License Fee for trains awarded prior to Catering policy, 2005. (ii) Fixed Annual License fee as per Catering Policy, 2005 and revised Catering Policy, 2005 of Ministry of Railways.
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 in case of new contracts awarded as per Catering Policy, 2005 and revised catering policy, 2005 of Ministry of Railways.
4	Award of License for Automatic Vending Machines at Railway Stations.	(i) One time Concession fee for the contract period (including renewal period, if any), and Variable prescribed License Fee in case of contracts awarded under earlier IRCTC Policy. (ii) Fixed Annual License fee in case of new contracts awarded as per Ministry of Railways Policy for AVMs.
5	Award of License for static units at Railway Stations.	(i) One time concession fee for the contract period (including renewal period, if any), and fixed licence fee in case of contracts awarded under earlier IRCTC Policy. (ii) Fixed Annual License fee in case of contracts awarded as per Catering Policy, 2005 and Revised catering policy, 2005 of Ministry of Railways
6.	Award of license for Re-developing, Operation, Management and Transfer of Rail Yatri Nivas and Railway Hotels on Indian Railway premises	Fixed Annual User Charges and License Fee as per the agreement signed with the awardees.

The Income under these heads have been recognized / accounted as under: -

- (i) **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 contract period as per proportionate completion method contained in Accounting Standard (AS-9) relating to revenue recognition. One time concession fee (Unexpired Concession Fee) received by the Corporation has been treated as income received in advance and is accounted on accrual basis. 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.
- (ii) **User charges:** User Charges payable by the Food Plazas and Budget Hotels Licensees are accounted on accrual basis.



(iii) 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).
- (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 Nivas and Railway Hotels operated by the licensees under re-develop, operate, manage and transfer basis.

(iv) 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: -

- (a) Up to 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 prorata basis.
- (b) **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.

4. Income from Tourism:-

The Corporation is engaged in arranging booking Special Trains, Special Coach Charter and berths under value added tours for promoting the rail-based tourism. 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. Whereas in the case of the 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 the income includes the total amount net of service tax collected from the customer.

In case of Buddhist Circuit Special Train, the income includes the total amount net of service tax collected from the customer.

In case of Bharat Darshan Trains, the Licence fee collected from the Tour operator and is accounted on accrual basis.

5. Interest Income from Fixed Deposits including TDRs:-

Income received as Interest from fixed deposit & TDRs is recognized on accrual basis.

6. Interest Income on Investment from NSC VIII Issue:-

Interest on NSCs has been provided in the books on accrual basis as per the prescribed rates of interest.

EXPENDITURE:

Items of expenditure are recognised on accrual basis however certain expense/claims, which are not ascertainable are accounted for on their being ascertained.

1. 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

2. Expenditure on Internet ticketing:-

Expenses are accounted on accrual basis and provision is made for all known losses and Liabilities

3. Catering Charges Paid:-
(a) Onboard Catering Charges:-

Catering Charges paid to the Contractor are accounted for on the basis of bills raised on Corporation for catering services provided to the passengers of Indian Railways.

(b) Concession Fees, User Charges, License Fee and Haulage Charges Paid:-

Sr. No.	Nature of business activity	Types of Fee Paid to Indian Railways as per the Revenue Sharing MOU
1.	Awarding of license for providing Catering services/ Comprehensive 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.	(i) Award of License for arranging catering services on Mail/ Jan Shatabdi/Express Trains	(i) One Time Concession Fee for the contract period (including renewal period, if any), and Fixed License Fee in case of contracts awarded under IRCTC Policy. (ii) Fixed Annual License fee in case of new contracts awarded as per Catering Policy, 2005 and revised catering policy, 2005 of Ministry of Railways.
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 IRCTC Policy. (ii) Fixed Annual License fee in case of new contracts awarded as per Catering Policy, 2005 and revised catering policy, 2005 of Ministry of Railways.
4.	Award of License for Automatic Vending Machines at Railway Stations.	(i) One time Concession fee for the contract period (including renewal period, if any), and Variable prescribed License Fee in case of contracts awarded as per IRCTC Policy. (ii) Fixed Annual License fee in case of contracts awarded as per Ministry of Railways Policy for AVMs.
5.	Award of License for static units at Railway Stations	(i) One time concession fee for the contract period (including renewal period, if any), and fixed licence fee in case of contracts awarded under IRCTC Policy. (ii) Fixed Annual License fee in case of new contracts awarded as per Catering Policy, 2005 and revised catering policy, 2005 of Ministry of Railways.
6.	Award of license for Re-developing, Operation, Management and Transfer of Rail Yatri Nivas and Railway Hotels on Indian Railway premises.	Fixed Annual User Charges and License Fee.



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The Expenditure under this head has been recognized/ accounted for as per the following:

- i) **Concession Fee Paid:** Concession Fee paid to Indian Railways in respect of on board catering contract, AVMs, Static Units etc. 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.
- ii) **User charges Paid:** User Charges Paid to Indian Railways in respect of Food Plazas and Budget Hotels are accounted for on accrual basis.
- iii) **Licence Fee Paid:-**
 - (a) Fixed yearly license fees paid 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).
 - (b) Variable Licence fee paid to Indian Railways is accounted on accrual basis as a fixed percentage of the catering services provided /sales made.
- iv) **Haulage Cost:-**

Haulage Cost amounting to Rs.30 crore levied by Ministry of Railways for Pantry cars has been accounted on basis of Railway Board letter bearing No. 2005/TG-III/675/14 dated 8/15th May, 2008.
- v) **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 meals charges etc are accounted on accrual basis.

FIXED ASSETS:-

- (i) Fixed assets are stated at cost of acquisition including installation charges and other related expenses. In case of the Computers the cost of Software's procured along with Computer except regular upgrades and Annual Maintenance of software etc., which has been treated as revenue expenditure, Software Development charges, Web Portal, Tourism Portal and computer networking expenditures has been capitalized with computers. Expenditure on the leased buildings, have been capitalized as Leasehold Improvements, as per system adopted in the previous year.
- (ii) The tools and plants placed at such catering units are taken on, as is where is basis. Due to non-availability of value of such assets, Such assets are accounted at Nominal Value of Rs.1/-per item in the books of Zonal Offices of the Corporation for the purpose of ensuring physical verification.

CAPITAL WORK IN PROGRESS:-

The Expenditure on Budget Hotels, Internet Ticketing Operations Centre, pending works at Railneer Plant at Nangloi, Zonal Office at Chennai office for Railneer plant, works under implementation are classified under capital work in progress and will be allocated to respective heads after completion of the work.

DEPRECIATION:-

- (i) The Corporation is following the straight-line method of depreciation in respect of buildings and plant and machinery of Railneer Plants located at Nangloi and Danapur and written down value method in respect of other assets. Depreciation is provided at the rates as specified under schedule XIV of the Companies Act, 1956. Depreciation is calculated on a pro-rata basis from the date of put to use. Depreciation is provided up to the date of sale, discard and loss of the assets during the year.

- (ii) Individual assets whose actual cost of acquisition during the year does not exceed Rs. 5000/- (Rupees five thousand only) have been depreciated @ 100 % in terms of schedule XIV of the Companies Act, 1956.
- (iii) Leasehold Improvements have been depreciated over the lease period.
- (iv) No Depreciation has been charged on Tools & Plants.

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 CENVAT, 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 on FIFO basis.

INVESTMENTS:-

Investments are classified into long term and are stated at cost.

RETIREMENT BENEFITS:-

- (i) Corporation's contribution to provident fund is charged to revenue.
- (ii) Foreign service contribution payable for leave encashment and pension in respect of deputationists (employees who have joined the corporation on deputation for a fixed period from Indian Railways) for the year 2007-2008 in terms of Government rules and regulations is charged to revenue on accrual basis.
- (iii) Gratuity and Leave salary is provided for based on valuations assuming an average rate of return of 8% p.a., as at the balance sheet date, made by independent actuaries.

TAXATION:-

- (i) The corporation has provided for current income tax at the rates specified under the Income Tax Act, 1961.
- (ii) The corporation has accounted for deferred taxation in line with accounting standard (AS) 22 on "accounting for taxes on income" issued by the Institute of Chartered Accountants of India as per the following details:
 - (a) Deferred tax is recognized, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.
 - (b) Deferred tax assets / liabilities are reviewed as at each Balance Sheet date based on developments during the year, to reassess realization / liabilities.

PROPOSED DIVIDEND:-

Final Dividend as proposed by the Board of Directors is subject to the approval of shareholders in Annual General Meeting. However, the provision for dividend tax has been made in the annual accounts.

Interim dividend paid during the year would be adjusted against the final dividend proposed by the Board of Directors.

SUNDRY DEBTORS/ADVANCES:-

Sundry debtors/advances are stated after writing off debts considered as bad. Adequate provision is made for debts/advances considered doubtful.



NOTES TO ACCOUNTS

1. CONTINGENT LIABILITIES:-

- (i) Estimated remaining amount of Contracts to be executed on capital account and not provided for amounts to Rs.154.20 Lac as against Rs.396.73 Lac in the previous year.
- (ii) Income tax demand of Rs.30.69 Lac for the Assessment year 2004-05 was raised against the Corporation. Accordingly, an appeal under section 246A (1)(a) of the Income Tax Act, 1961 has been filed against order of the assessing officer.
- (iii) An amount of Rs.11.01 lac has been wrongly disallowed on account of provision for bad and doubtful debts for the assessment year 2005-06. Accordingly, an appeal under section 246 (1)(a) of the Income Tax Act, 1961 has been filed against order of the assessing officer.
- (iv) A demand notice for the year 2004-05 of Sales Tax of Rs.2.06 lac was received from West Bengal Sales Tax Authorities, of which Rs.0.88 lac has been paid and an appeal has been filed for the balance amount of Rs.1.17 lac.
- (v) Catering services provided by IRCTC in Rajdhani/Shatabdi Express Trains are charged to service tax as per the Finance Act, 2004. Now, Sales/VAT department, Delhi has treated the service rendered along with food & beverage as sales of goods liable to sales tax/VAT in Delhi. Huge demand has been raised amounting to Rs. 1175.63 lac on account of tax, interest and penalty for the period April'07 to October'07. Both service tax and sales tax/VAT has been levied on the same transaction. VAT officer has levied VAT on such services, contrary to VAT Law/Constitution of India. Service Tax & VAT cannot be imposed on the same activity simultaneously.

IRCTC has taken legal advice and has been advised that providing of service of catering in trains amounts to services rendered like an outdoor caterer and is liable to pay service tax. The services does not amount to sale of goods and therefore no sales tax/VAT could be imposed upon the said services.

In view of the same, IRCTC has challenged the levy of VAT , by Sales Tax Authorities under Delhi Value Added Tax Act, 2004 on the catering services rendered in Rajdhani and Shatabdi Express Trains, upon which, Service Tax has already been paid, by way of Writ in Hon'ble High Court of Delhi on 28th July 2008.

2. DEFERRED REVENUE EXPENSES:-

Balance lying under Deferred Revenue Expenditure is Rs. Nil (Previous year Rs.9.40 lac).

3. DETAILS OF EXPENDITURE INCURRED ON /BY DIRECTORS ARE:-

During the year 2007-2008, the corporation has provided or made the following payments to Managing Director and Functional Directors: (Rs. in lac)

Particulars	Managing Director		Functional Directors	
	Year ended 31.03.2008	Year ended 31.03.2007	Year ended 31.03.2008	Year ended 31.03.2007
Salary, allowances and perquisites	5.76	6.05	20.05	12.16
Travelling Expense-Domestic	0.56	2.85	2.80	9.01
Travelling Expense-Foreign Travel	Nil	Nil	Nil	2.30
FSC paid to Railways	1.23	0.98	Nil	2.95
Total	7.55	9.88	22.85	26.42

4. AUDITORS REMUNERATION (including Service tax, wherever applicable)

(Rs. in lac)

Description	Year ended 31.03.2008	Year ended 31.03.2007
Statutory audit fee	1.65	1.57
Tax Audit Fee	0.65	0.52
For other work	Nil	Nil
Internal Audit Expenses	3.91	2.30
Out of Pocket Expenses	1.90	3.34
Total	8.11	7.73

5. PRODUCTION :
(i) Railneer- Packaged Drinking Water

Item Description	Unit	Location	Installed Capacity* (Nos.)		Production (Nos.)	
			2007-08	2006-07	2007-08	2006-07
Railneer Packaged Drinking Water	Bottles of 1000 ml	Nangloi	23760000	23760000	21042576	20739792
		Danapur	23760000	23760000	19602000	14372844
Total			47520000	47520000	40644576	35112636

* The installed capacity is assumed on three-shift basis.

(ii) Departmental Catering: -

The departmental catering units are engaged in preparing various cooked items as per the menu prescribed by Indian Railways. The said menu varies from one Zonal Railway to another Zonal Railway. Items are prepared as per menu. Installed capacity for a particular prepared item is not ascertainable. Moreover, the items prepared are heterogeneous in nature, it is not possible to give break-up of each class of items prepared.

6. STOCKS AND TURNOVER :
(i) Railneer-Packaged Drinking Water :-

Year	Unit	Opening Stock		Closing Stock		Turnover	
		Qty (In Nos)	Value (Rs in Lac)	Qty (In Nos)	Value (Rs. In Lac)	Qty (In Nos)	Value* (Rs. in Lac)
2007-08	Boottles of 1000 ml	33,19,495	218.93	34,58,552	216.36	4,04,79,239	1099.69
2006-07		33,25,190	201.36	33,19,495	218.93	3,50,86,555	802.76

* Sales exclusive of excise and sales tax.

(ii) Departmental Catering including Rail Yatri Niwas:-

Year	Unit	Opening Stock		Closing Stock		Turnover*	
		Qty (In Nos)	Value (Rs in Lac)	Qty (In Nos)	Value (Rs. In Lac)	Qty (In Nos)	Value (Rs. in Lac)
2007-08	NA	NA	223.33	NA	186.90	NA	14342.80
2006-07	NA	NA	250.72	NA	223.33	NA	15617.79

*included PD items purchased for resale and room rent charges for Rail Yatri Niwas and Railway Hotels upto the date of management by IRCTC, whereafter, Yatri Niwas and Railway Hotels have



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been handed over on PPP basis. PD items are Proprietary Distribution items purchased, in the packed form, from the market and sold at Railway Stations such as Namkeen, Biscuits and Mineral Water etc.

Departmental catering units are engaged in supply of food and beverage to Railway Passengers at various stations, where the catering business is taken over by the Corporation, which are heterogeneous in nature. Hence it is not practicable to give quantitative breakup of each class of goods indicating quantities thereof for purchases, sales, opening and closing stocks.

(iii) Departmental Catering-Bedroll & Cleaning Services

Year	Unit	Opening Stock		Closing Stock		Turnover	
		Qty (In Nos)	Value (Rs in Lac)	Qty (In Nos)	Value (Rs. In Lac)	Qty (In Nos)	Value (Rs. in Lac)
2007-08	NA	NA	NA	NA	NA	NA	1597.36
2006-07	NA	NA	NA	NA	NA	NA	26.81

7. Raw Material Consumed :-

(i) Railneer

	Unit	2007-08		2006-07	
		Qty (In Nos)	Value (Rs. In Lac)	Qty (In Nos)	Value (Rs. in Lac)
Perform	Nos.	41348951	771.26	35781672	825.32
Caps	Nos.	41274362	142.06	35742824	88.18
Label	Nos.	40713285	48.81	32835101	39.83
Cartons	Nos.	3473285	200.97	2996254	145.29
Bopp Tapes	Rolls	4759	7.99	34856	7.25
Total			1171.09		1105.87

(ii) Departmental Catering :-

	2007-08		2006-07	
	Qty (In Nos)	Value (Rs. In Lac)	Qty (In Nos)	Value (Rs. in Lac)
Raw Material consumed	N.A.	4006.25	N.A.	4780.69

The departmental units engaged in catering activities are consuming innumerable numbers of raw material items required for manufacturing of the cooked items prescribed in the menu by Indian Railways. The said menu varies from one Zonal Railway to another Zonal Railway. Similarly, the number of raw materials required will also vary. The items used as raw materials are heterogeneous in nature, it is not possible to give quantitative break-up of each class of items consumed.

8. Expenditure in Foreign Currency :-

(Rs. in lac)

Nature of Expenses	2007-08	2006-07
Foreign Travelling Expenses Directors	Nil	2.30
Foreign Travelling Expenses-others	11.82	5.76
Total	11.82	8.06

9. In the opinion of the Board of Directors, value of Current Assets, 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 Debtors and Creditors/Advances as stated in the Balance Sheet are subject to confirmation.

10. Adjustments Relating to Previous Year 2006-07 :

(Rs. in lac)

Description	Year ended 31 st March, 2008	Year ended 31 st March, 2007
Income	4.00	57.34
Expenses	32.69	9.04
Net Prior Period Adjustments	28.69	(48.30)

Prior period income includes bedroll and other misc. income pertaining to the previous year.

Prior period expenses includes bedroll expenses. Service tax paid on outdoor catering services amounting to Rs. 19.71 lac was not realized from the passengers due to delay in revision of catering charges by Ministry of Railways.

11. Sundry creditors include amount due to small-scale industries of Rs. Nil (previous year Rs. Nil).

12. Provision for Bad and Doubtful Debts: -

The Corporation has made provision for Bad and Doubtful Debts as under:

- Rs.7.90 lac (Previous year Rs. 7.98 lac) being 100% of the total outstanding in respect of charge back/reversal cases reported by the payment gateways for rail tickets booked through Internet during the year 2007-08 is provided for Bad and Doubtful Debts.
- In addition Rs. 4.66 lac (Previous year Rs. 10.12 lac) was admitted for charge back and is fully charged as bad debt.

13. Pursuant to the directive of the Ministry of Railways, Railway Board, the Corporation took over the entire departmental Catering business including Rail Yatri Niwas and Railway Hotels of Indian Railways, from Railways. The tools and plants placed at such catering units are taken on, as is where is basis. Due to non-availability of value of such assets, Such assets are accounted at Nominal Value of Rs.1/-per item amounting to Rs. 1.90 lac (Previous Year Rs. Nil) in the books of Zonal Offices of the Corporation for the purpose of ensuring physical verification. No depreciation has been charged during the year on these assets. Further no new assets were taken over from Railways during the year. However, the Corporation is maintaining such assets and revenue share, if any, is being made with the Railways as per the MOU entered with Ministry of Railways on dated 17.01.2007.

14. During the year 2007-08, the sharing with various Zonal Railways has been made in terms of Memorandum of Understanding dated 17.01.2007, executed with the Ministry of Railways.

15. The details of related party with whom transactions have taken place during the year and the nature of relationship is as under:

S. No.	Name of related Parties	Designation	Nature of relationship
1.	Dr. P. K. Goel,	Managing Director	Key Management person
2.	Dr. Nalin Shinghal	Director (T&M)	Key Management person
3.	Shri V. K. Jain	Director (Finance)	Key Management person
4.	Shri Vinod Asthana	Director (Catering Services)	Key Management person



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Details of related transaction during the year were as under :-

(Rs. in lac)

Nature of transaction	2007-08	2006-07
Managerial remuneration (Key Management person)	30.40	36.30

16. Pursuant to Accounting Standard (AS 28) impairment of Assets issued by the institute of Chartered Accountants of India, the Corporation made an assessment on 31st March, 2008 for any indication of impairment in the carrying amount of Corporation's Fixed Assets. On the basis of such assessment, in the opinion of the management no provision for the impairment of Fixed Assets of the Corporation is required to be made during the year.
17. Pursuant to the Accounting Standard (AS 29) relating to Provisions, Contingent Liabilities and Contingent Assets, the disclosure relating to provisions made in the accounts for the year ended 31st March 2008 is as follows:-

(Rs. in lac)

Particulars	Provisions for Bad Doubtful Debts		Provision for Leave Encashment (Retirement Benefits)		Provision for Gratuity (Retirement Benefits)	
	2007 - 08	2006 - 07	2007 - 08	2006 - 07	2007 - 08	2006 - 07
Op. Bal	7.98	13.07	18.09	6.31	8.08	2.97
Addition	7.90	7.98	23.42	11.78	11.43	5.10
Utilization	7.98	13.07	0	0	0	0
Reversal	0	0	0	0	0	0
Cl. Bal.	7.90	7.98	41.51	18.09	19.51	8.08

Note: 1. Provision for doubtful debts/advances is made on the basis of management's estimates.

2. Provision for retirement benefits is made on the basis of independent actuaries valuation.

18. The Corporation has recognized deferred tax arising on account of timing differences, being the difference between taxable income and accounting income, that originates in one period and is capable of reversal in one or more period(s) in compliance with Accounting Standard (AS22) - Accounting for Taxes on Income issued by Institute of Chartered Accountants of India. The major components of the deferred tax liability and asset arising on account of timing difference as at 31.3.2008 are as follows:

(Rs. in lac)

Deferred tax liability on account of	As at 31 st March, 2008	As at 31 st March, 2007
Difference between the written down value of assets as per books of accounts and Income tax Act, 1961	273.50	201.17
Amount admissible u/s 40 (a) (ia)	Nil	Nil
Total	273.50	201.17
Deferred tax Asset on account of	As at 31 st March, 2008	As at 31 st March, 2007
Provision for Doubtful Debts	2.69	2.71
Provision for Retirement Benefits	11.85	5.74
Amount not deductible under Section 40 (a) (ia)	Nil	6.36
Total	14.54	14.81
Net deferred tax liability	258.96	186.36

19. Licensee managed static catering stalls, which were awarded by Railways, were transferred through assignment deed by various zonal railways to IRCTC. As per directive of Ministry of Railways, IRCTC has advised licensees of static catering stalls for payment of license fee on GDP basis w.e.f. 1st November 2006.

It has been noticed that many of the licensees are not paying license fee fixed on GDP basis and many of the licensees have gone to court challenging the fixation of license fee on GDP basis and have obtained stay order from the Hon'ble Supreme Court. There are uncertainties regarding the determination of the amount to be realized from the licensees. The Corporation has recognized income as per Accounting Standard (AS-9) in respect of such licensee catering stalls in the following manner:-

- The revenue for static catering stalls which were taken over from Indian Railways and for which tenders have not yet been finalized on earlier basis on which the income was accrued during previous year.
- Wherever the payment has been realized on GDP basis, the same has been accrued on GDP basis.
- Efforts would be made to realize the licence fee of static catering stalls on GDP basis and the same would be recognized as income in the year of receipt.

20. Expenditure incurred on civil work on lease hold premises has been accounted as lease hold improvement and depreciation has been calculated on the basis of lease period as per the agreement of lease.

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.

21. IRCTC has taken land from Railways on lease basis for setting up of Railneer Plant at Nangloi and Danapur 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 and Danapur 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.

22. Ministry of Railways vide letter no.2005/TG-III/675/14, dated 8/15th May, 2008 has directed that haulage charges of Rs. 30 crore (Previous Year Rs. 30.21 crore) for pantry cars are to be paid by IRCTC for the financial year 2007-08, which has been provided as haulage charge for the year 2007-08.

23. Ministry of Railways vide letter no. 2006/LMB/09/03, dated 22.11.06 has directed that water charges for catering and vending units are required to be paid by IRCTC. No demand for water charges has been received from Ministry of Railways or Zonal Railways. Provision for Water charges for the departmental catering units is made on assumed basis as was the practice followed by the Zonal Railways @ 0.1 % of the sales turnover.

Provision for Electricity for the departmental catering units where the bills have not been received from respective Railways is made on assumed basis as was the practice followed by the Zonal Railways @ 0.3 % of the sales turnover.

24. IRCTC is providing catering services on Mail Express trains and on other locations as per mandate given by Ministry of Railways. Wherever, the business is handled departmentally run units, the sales and expenditure is booked as per accrual basis. In other cases, where the business is managed through licensees, only Concession fee/ licence fee/user charges, quoted by the successful bidder are taken as revenue as per Accounting Standard (AS 9).

25. Segment Reporting:

The corporation has disclosed business segment as the primary segment. The segment has been identified taking into account the nature of services rendered, organization structure and internal reporting system.

For the Year ended 31.03.2008
Segment Reporting

Indian Railway Catering & Tourism Corporation Ltd.

Rs. in Lac

	Licencee Catering		Railneer		Internet Ticketing		Tourism		Departmental Catering		Total	
	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07
Revenue												
Income	26,409.31	22,318.73	2.85	0.81	4,355.25	2,602.53	908.24	1,136.48		407.59	31,675.65	26,466.14
Sales (Excluding Excise Duty and Sales Tax)			1,099.69	802.75					14,342.80	15,617.76	15,442.49	16,420.51
Inter-Segment Sales			1,110.39	1,146.81							1,110.39	1,146.81
Budget Hotel							64.14				64.14	
Sales/Income (Bedroll & cleaning)	2,926.27								1,597.36		4,523.63	-
Total Revenue	29,335.58	22,318.73	1,102.54	803.56	4,355.25	2,602.53	972.38	1,136.48	15,940.16	16,025.35	51,705.91	42,886.65
Segment Result	5,889.01	5,027.75	47.27	(29.69)	1,851.83	916.70	(323.82)	(126.68)	(3,310.76)	(1,915.99)	4,153.53	3,872.09
Unallocated Corporate Income	-	-	-	-	-	-	-	-	-	-	-	-
Unallocated Corporate Expenses	-	-	-	-	-	-	-	-	-	-	1,875.23	1,367.99
Operating Profit	5,889.01	5,027.75	47.27	(29.69)	1,851.83	916.70	(323.82)	(126.68)	(3,310.76)	(1,915.99)	2,278.30	2,504.10
Interest Income	-	-	-	-	-	-	-	-	-	-	1,060.48	524.69
Income Taxes (includes deferred Tax/FBT)	-	-	-	-	-	-	-	-	-	-	1,222.61	977.35
Profit from ordinary activities	5,889.01	5,027.75	47.27	(29.69)	1,851.83	916.70	(323.82)	(126.68)	(3,310.76)	(1,915.99)	2,116.17	2,051.44
Prior Period Expenses		9.05	-	-	-	-	-	-	28.69		28.69	9.05
Bad & Doubtful Debts written off or provided	-	-	-	-	12.57	17.94	-	-	-	-	12.57	17.94
Loss on Asset Sold	-	1.80	-	-	-	-	-	-	-	-	-	1.80
Income Tax paid for prior period	-	-	-	-	-	-	-	-	-	-	-	-
Net Profit	5,889.01	5,016.90	47.27	(29.69)	1,839.26	898.76	(323.82)	(126.68)	(3,339.45)	(1,915.99)	2,074.91	2,022.65
Other Information												
Segment Assets	17,921.75	14,389.33	1,845.04	2,085.97	5,552.23	5,165.89	350.20	287.79	860.76	891.28	26,529.99	22,820.26
Unallocated Corporate Assets	-	-									17,923.56	12,802.94
Total Assets	17,921.75	14,389.33	1,845.04	2,085.97	5,552.23	5,165.89	350.20	287.79	860.76	891.28	44,453.55	35,623.20
Segment Liabilities	31,606.21	24,999.40	348.13	292.26	1,046.08	484.79	295.00	259.98	1,344.13	1,532.05	34,639.55	27,568.48
Unallocated Corporate Liabilities	-	-									1,670.30	1,572.82
Total Liabilities	31,606.21	24,999.40	348.13	292.26	1,046.08	484.79	295.00	259.98	1,344.13	1,532.05	36,309.85	29,141.30
Capital Expenditure	459.82	285.11	3.33	27.11	1,309.69	491.64	45.00	-	167.90	256.07	1,985.74	1,059.93
Unallocated Corporate Capital Expenditure											-	-
Total Capital Expenditure											1,985.74	1,059.93
Depreciation	258.36	90.31	105.38	92.73	439.74	237.30	3.00	-	21.68	107.06	828.16	527.40
Unallocated Corporate Depreciation												
Total Depreciation											828.16	527.40

Note: 1. Departmental catering includes Room Rent of Yatri Niwas and Railway Hotels
2. Inter segment sales are not taken into total revenue.



इंडियन रेलवे कॅटरिंग एण्ड टूरिज्म कॉरपोरेशन लिमिटेड

The corporation's operations predominantly relate to arranging:

- On board catering services, Comprehensive Onboard services and awarding licenses for static units, station vending, mail express trains and food plazas.
 - Booking of Rail Tickets through Internet.
 - Arranging tours.
 - Manufacturing and Distributing Railneer-Packaged Drinking Water,
 - Operating catering services, Rail Yatri Niwases and Railway Hotels under departmental catering activity taken over by the Corporation, till they were handed over to private licencees. Thereafter they have been included under Income from tourism.
- a) The corporation caters mainly to the needs of the domestic market. As such there are no reportable geographical segments.
- b) Segment revenue includes Sales of Railneer-Packaged Drinking Water, Food & Beverages through Departmental Catering activity, Railway Tickets through Internet and Income from Tourism. It also includes Concession fee, License fee in case of awarding of license in Rajdhani, Shatabdi, Jan Shatabdi, Mail Express and User charges, & Service charges in case of awarding license for setting up of Food Plazas at Railway Premises.

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 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 contracted are allocated to different segments based on their individual identity. The fixed assets of corporate/ Zonal/ Regional office have been allocated on the basis of usage and assets/ liabilities, which can not be classified to segments are shown as unallocable assets/ liability. The overall percentage of such unallocable Assets/ Liabilities to total Assets/ Liabilities is not material.

26. Earning Per Share

The elements considered for calculation of Earning Per Share (Basic and Diluted) are as under :

	2007-08	2006-07
Net Profit used as a numerator (Rs. in lac)	2074.91	2022.65
Number of Equity Sahres used as denominator (Nos. in Lac)	200	200
Earning Per Share-Basic (In Rs.)	10.37	10.11
Earning Per Share-Diluted (In Rs.)	10.37	10.11
Face Value Per Share (In Rs.)	10.00	10.00

27. Income Tax assessment up to the Assessment year 2005-06 of the Corporation has been completed. All adjustments relating to the same have been made in the books of account of the Corporation.

28. The entire paid-up share capital of the Corporation is held by Ministry of Railways.



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29. Previous year figures have been re-arranged /regrouped and re-casted, where ever necessary to make them comparable and better presentable with the current year figure.
30. **Provision of Arrears of 6th Central Pay Commission, 2nd Pay Revision of PSUs and DA merger of PSUs :-**

(Rs. in lac)

Description of Arrears	Period of Arrear	2007-08	2006-07
6th Central Pay Commission Arrears	01Jan 2006 to 31-Mar-2008	1727.50	Nil
2nd Pay Revision Commission Arrears of PSUs	01-Jan-2007 to 31-Mar-2008	545.58	Nil
DA Merger Arrears of PSU Employees	01-Jan-2007 to 31-Mar-2008	141.40	Nil

31. Bedroll and cleaning business, which was entrusted to IRCTC during the year 2006-07, has been withdrawn by Ministry of Railways vide letter no.2006/TG.III/645/4, dated 01.08.2007. Entire income and expenditure has been booked on accrual basis.
32. During the year, the Corporation introduced Soft Furnishing Policy for various category of officers starting grade from E0 to E7 and granted advance to the tune of Rs.278.46 Lac, which has been shown under the head of Loan and Advances. The recoveries from the staff @ 2.5 % of the basic salary have been credited to the said account. The employees are compulsorily required to buy back items procured under soft furnishing policy. The shortfall in the advance amount and buy back amount shall be treated as Staff Welfare expense in the period, in which buy back happens.
33. (i) An amount of Rs.19.40 lac was deposited as an excess sales tax with West Bengal Sales Tax Authorities for the year 2005-06. Refund of the same is awaited from Sales Tax Authorities.
- (ii) An amount of Rs.4.03 lac was deposited as an excess works contract tax with Delhi Sales Tax Authorities for the year 2002-03. Refund of the same is awaited from Delhi Sales Tax Authorities.
34. Schedules I to XXVI forms an integral part of the Balance Sheet and Profit & Loss Account.

For S P Marwaha & Co.
Chartered Accountants

for and on behalf of Board of Directors

M L Jotwani
Partner

Nalin Shinghal
Managing Director

Vinod Asthana
Director (CS)

M P Mall
GGM (Finance)

Rakesh Gogia
Company Secretary

Place : New Delhi
Dated : 20 August, 2008

INDIAN RAILWAY CATERING AND TOURISM CORPORATION LTD.

Cash Flow Statement for the year ended 31st March, 2008

(Amount in Rupees)

	2007-08		2006-07	
A. Cash Flow from Operating Activities				
Net Profit before tax and extraordinary	332,621,216.43		300,000,000.00	
Items Adjustments				
Depreciation	82,815,904.29		53,243,400.42	
Loss on Asset sold	-		180,000.66	
Miscellaneous Expenses written off	-		939,880.00	
Profit on Asset sold	-		-	
Interest Income	(106,050,077.92)		(52,471,368.70)	
Total of Adjustments	(23,234,173.63)		1,891,912.38	
Operating Profit before Working Capital Changes	309,387,042.80		301,891,912.38	
Working Capital Changes				
Decrease/(Increase) in Inventories	2,397,568.16		12,302,884.11	
Trade & Other Receivables	(591,496,209.14)		(623,673,628.05)	
Trade Payables & Provisions	588,885,035.62		709,741,771.50	
Cash Generated from Operation	309,173,437.44		400,262,939.94	
Prior Period Adjustments	(2,869,115.00)		4,829,630.26	
Miscellaneous Expenses (Deferred Revenue)	-		-	
Income Tax for Previous Year	-		-	
Direct Taxes Paid	(189,476,675.81)		(129,028,261.49)	
Net Cash from Operating Activities		116,827,646.63		276,064,308.71
B. Cash Flow from Investing Activities				
Purchase of Fixed Assets	(190,928,065.12)		(116,828,816.28)	
Sale of Fixed Assets	-		181,532.00	
Interest Received	47,237,210.65		81,059,175.10	
Net Cash used in Investing Activities		(143,690,854.47)		(35,588,109.18)
C. Cash Flow from Financing Activities				
Dividend Paid (including Tax on Dividend)	(35,098,500.00)		(45,610,000.00)	
Net Cash from Financing Activities		(35,098,500.00)		(45,610,000.00)
Net Change in Cash & Cash Equivalents (A+B+C)		(61,961,707.84)		194,866,199.53
Opening Balance of Cash & Cash Equivalents		1,229,694,150.37		1,034,827,950.84
Closing Balance of Cash & Cash Equivalents		1,167,732,442.53		1,229,694,150.37

For S P Marwaha & Co.
Chartered Accountants

for and on behalf of Board of Directors

M L Jotwani
Partner

Nalin Shinghal
Managing Director

Vinod Asthana
Director (CS)

M P Mall
GGM (Finance)

Rakesh Gogia
Company Secretary

Place : New Delhi
Dated : 20 August, 2008



इंडियन रेलवे कैंटरिंग एण्ड टूरिज्म कॉरपोरेशन लिमिटेड

INDIAN RAILWAY CATERING AND TOURISM CORPORATION LTD.

Balance Sheet Abstract and Company's Business Profile

BUSINESS PROFILE

I REGISTRATION DETAILS

Registration No. : 101707 State Code : 55
Balance Sheet Date : 31/3/2008

II CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousand)

Public Issue	Right Issue
NIL	NIL
Bonus Issue	Private Placement
NIL	NIL

III POSITION OF MOBILISATION AND DEVELOPMENT OF FUNDS

Total Liabilities	Total Assets
4,445,375	4,445,375
i) SOURCES OF FUNDS	(Amount in Rs. Thousand)
Paid Up Capital	Reserve & Surplus
200,000	588,493
Share Application	Deferred Tax Liability
NIL	25,897
Secured Loans	Unsecured Loans
NIL	NIL

ii) APPLICATION OF FUNDS

Net Fixed Assets	Investments	Net Current Assets
369,994	20	435,317
Misc. Expenditure	Accumulated Losses	Capital Work in Progress
NIL	NIL	9,058

IV PERFORMANCE OF COMPANY

Turnover including other Income	(Amount in Rs. Thousand)
5,276,639	Total Expenditure
Profit/Loss before Tax	4,944,017
332,621	Profit/Loss after Tax
Earning Per Share	207,491
10.37	Dividend Rate (% of Net Profit after Tax)
	20.00%

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS OF COMPANY

Item Code
SERVICES : Licensee Catering
Internet Ticketing
Railneer
Tourism
Departmental Catering Business

Sd/-
Nalin Shinghal
Managing Director

Sd/-
Vinod Asthana
Director (CS)

Sd/-
M P Mall
GGM (Finance)

Sd/-
Rakesh Gogia
Company Secretary



गोपनीय
सं./ No.स.ले.प.III/ प्रति/ अकाउंट्स/3-1/2007-08/781
कार्यालय
प्रधान निदेशक, वाणिज्य लेखापरीक्षा
एवं पदेन सदस्य लेखापरीक्षा बोर्ड-III
नई दिल्ली

OFFICE OF THE
PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT
& EX-OFFICIO MEMBER, AUDIT BOARD-III
NEW DELHI

दिनांक /Date

सेवा में,

प्रबंध निदेशक
इंडियन रेलवे कटरिंग एण्ड टूरिज्म कॉरपोरेशन लिमिटेड
नई दिल्ली।

विषय : कंपनी अधिनियम की धारा 619(4) के अधीन इंडियन रेलवे कटरिंग एण्ड टूरिज्म कॉरपोरेशन लिमिटेड, नई दिल्ली के वर्ष 2007-08 के लेखाओं पर भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियां।

महोदय,

मैं इंडियन रेलवे कटरिंग एण्ड टूरिज्म कॉरपोरेशन लिमिटेड, नई दिल्ली के वर्ष 2007-08 की समाप्ति हेतु कंपनी अधिनियम 1956 की धारा 619(4) के अधीन लेखों पर भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियाँ अग्रेषित करती हूँ।

2. कृपया इस पत्र की संलग्नकों सहित प्राप्ति की पावती भेजी जाए।

संलग्न यथोपरि

भवदीया

गजाला मीनाई

(गजाला मीनाई)

प्रधान निदेशक



इंडियन रेलवे केटरिंग एण्ड टूरिज्म कॉरपोरेशन लिमिटेड

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF INDIA RAILWAY CATERING AND TOURISEM CORPORATION LIMITED, NEW DELHI, FOR THE YEAR ENDED 31 MARCH 2008.

The preparation of financial statements of Indian Railway Catering and Tourism Corporation Limited. New Delhi for the year ended 31 March 2008 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 20th August 2008.

I on behalf of the Comptroller and Auditor General of India. have conducted a supplementary audit under Section 619(3) (b) of the Companies Act, 1956 of the financial statements of Indian Railway Catering and Tourism Corporation Limited, New Delhi, for the year ended 31 March 2008 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. On the basis my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under Section 619(4) of the Companies Act, 1956

For and on behalf of the
Comptroller & Auditor General of India

(Ghazala Meenai)

Principial Director of Commerical Audit
& Ex-officeo Member, Audit Board-III
New Delhi

Place : New Delhi
Dated : 15th September 2008



जिंजर रेल यात्री निवास, नई दिल्ली रेलवे स्टेशन (अजमेरी गेट की तरफ) का दृश्य
A view of renovated Ginger Rail Yatri Niwas at New Delhi Railway Station (Ajmeri Gate Side)



रेलवे बोर्ड अध्यक्ष श्री के.सी. जेना ने 14.07.2008 को नवीकृत जिंजर रेलयात्री निवास का उद्घाटन किया। आईआरसीटीसी के प्रबंध निदेशक, डॉ. नलिन सिंघल तथा रूट्स कॉर्पोरेशन लि. के मुख्य कार्यपालक अधिकारी एवं निदेशक भी इस अवसर पर उपस्थित थे।

Shri K.C. Jena, Chairman, Railway Board, launching the renovated Ginger Rail Yatri Niwas on 14.07.2008. Also seen in the picture are Dr. Nalin Shinghal, MD/IRCTC and Shri Prabhat Pani, Chief Executive Officer & Director, Roots Corporation Limited.



इंडियन रेलवे कंटेरिंग एण्ड टूरिज्म कॉरपोरेशन लिमिटेड



माननीय विदेश मंत्री डॉ. प्रणव मुखर्जी से राष्ट्रीय पर्यटन पुरस्कार प्राप्त करते हुए आईआरसीटीसी के प्रबंध निदेशक डॉ. नलिन सिंघल। इस अवसर पर माननीया पर्यटन मंत्री श्रीमती अम्बिका सोनी भी उपस्थित थीं।

Dr. Nalin Shinghal, MD/IRCTC receiving National Tourism Award from Dr. Pranab Mukherjee, Hon'ble Minister of External Affairs in presence of Hon'ble Minister of Tourism Smt. Ambika Soni.



आईआरसीटीसी फूड प्लाजा
IRCTC Food Plaza




माननीय रेल मंत्री को रेल मंत्री कल्याण व राहत निधि के लिए 2 करोड़ रु. का चैक प्रस्तुत करते हुए आईआरसीटीसी के प्रबंध निदेशक, डॉ. नलिन शिंगल। इस अवसर पर रेलवे बोर्ड के सदस्य यातायात श्री वी.एन. माथुर और आईआरसीटीसी के निदेशक, खानपान सेवाएं श्री विनोद अस्थाना भी उपस्थित थे।

Presentation of Cheque of Rs. 2 crore by Dr. Nalin Shinghal, MD/IRCTC to Hon'ble Minister for Railways for the Railway Minister's Welfare & Relief Fund. Also seen in the picture are Shri V.N. Mathur, Member Traffic, Railway Board & Shri Vinod Asthana, Director/CS/IRCTC.



आईआरसीटीसी एवं आईआईटी के उच्च अधिकारियों की उपस्थिति में, आईआरसीटीसी के निदेशक, खानपान सेवाएं श्री विनोद अस्थाना एवं आईआईटी, नई दिल्ली के डीन ऑफ स्टुडेंट्स श्री अनुराग शर्मा आईआईटी, नई दिल्ली में फूड कोर्ट आरंभ करने के लिए समझौता ज्ञापन पर हस्ताक्षर करते हुए।

Shri Vinod Asthana, Director (CS)/IRCTC and Shri Anurag Sharma, Dean of Students, IIT, New Delhi Signing an MOU for opening of Food Court at IIT, New Delhi in presence of senior officials from IRCTC & IIT



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