



इंडियन रेलवे कैंटरिंग एवं टूरिज्म कॉरपोरेशन लिमिटेड  
(भारत सरकार का उद्यम-मिनी रत्न)  
INDIAN RAILWAY CATERING AND TOURISM CORPORATION LTD.  
(A Govt. of India Enterprise-Mini Ratna)

"CIN-L74899DL1999GO1101707", E-mail : info@irctc.com, Website: www.irctc.com

No. 2021/IRCTC/CS/AGM-22

September 06, 2021

<b>BSE Limited</b> (Through BSE Listing Centre) 1 <sup>st</sup> Floor, New Trade Wing, Rotunda Building Phiroze Jeejeebhoy Towers, Dalal Street Fort, Mumbai – 400 001  <b>Scrip Code: 542830</b>	<b>National Stock Exchange of India Limited</b> (Through NEAPS) "Exchange Plaza", C-1, Block-G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051  <b>Scrip Symbol: IRCTC</b>
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**Sub: Annual Report of the Company for the year 2020-21**

Dear Sir/Madam,

This is in reference to our letter of even no. dated September 03, 2021, regarding intimation of the 22<sup>nd</sup> Annual General Meeting (AGM) of the Company to be held on **Wednesday, September 29, 2021 at 12:30 P.M. (IST) through Video Conferencing/ Other Audio Visual Means.**

Pursuant to provisions of Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 and in continuation to our above referred letter, please find enclosed herewith the Annual Report of the Company for the financial year 2020-21.

The Annual Report for the financial year 2020-21 is also available on the website of the Company i.e. [www.irctc.com](http://www.irctc.com). The Notice of 22<sup>nd</sup> AGM and the Annual Report for FY 2020-21 are also being dispatched to the shareholders of the Company through electronic means from today i.e. September 06, 2021.

Please take note of above information on record.

Thanking You,

Yours faithfully,

For Indian Railway Catering and Tourism Corporation Limited (IRCTC)

(Suman Kalra)

Company Secretary and Compliance Officer

Membership No: FCS 9199



Encl: as above

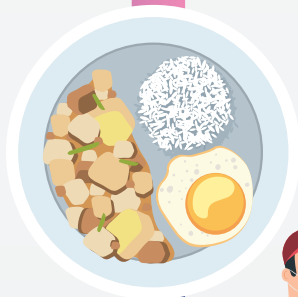
# On the Move. Yesterday. Today. Tomorrow.

Indian Railway Catering and Tourism Corporation Limited  
(A Govt. of India Enterprise-Mini Ratna Category-I)

22<sup>nd</sup> Annual Report  
2020-21



Catering



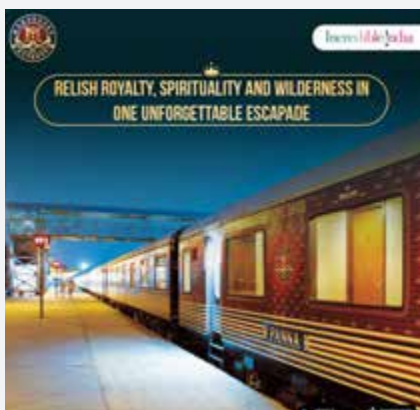
Package Water



E-Ticket

Tour & Travel





Scan QR code to read more about us



To know more visit [www.irctc.com](http://www.irctc.com)

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### Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

**In a year marked by phenomenal challenges, we derived the strength to resiliently overcome obstacles. While the world battled a deadly virus and the travel and tourism sector failed to withstand the impounding blows of the pandemic, at IRCTC we were determined to reconcile our efforts and remain focused on our objective – of creating memorable travel experiences.**

Keeping our valued patrons at the heart of our endeavours, we continued to deliver efficient and convenient services on Indian Railways. Not only did we shore up our online capacities to facilitate remote bookings, we also strived to deliver safe and hygienic services through all our operating platforms.

We realised the importance of reaching out to our customers and designed exceptional services that catered to varied travel needs. We were also constantly keeping pace with changing business dynamics, revamping our operations to inculcate latest technology and constantly raising the bar – to add convenience to every journey. It is this enthusiasm that keeps us on the right track and always ON THE MOVE!

## 02

**IRCTC at a Glance**



## 06

**Chairperson's Message**



In the wake of the COVID-19 pandemic, Fiscal 21 unfolded with a slew of unprecedented difficulties for the entire world weighing heavily on human life and impacting the economy significantly.



## 09

**Touching millions of lives**



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





# About IRCTC

Adding convenience to travel

**IRCTC is a distinguished Mini Ratna (Category-1 Central Public Sector Enterprise) company, incorporated in 1999 as an extended arm of the Indian Railways. The Company was formed with the objective to upgrade its catering and hospitality services to appropriately meet the needs of the modern age.**

Indian Railway Catering and Tourism Corporation Ltd. (IRCTC) is a wholly owned entity of the Government of India, under the administrative control of the Ministry of Railways. We strive to encourage international and domestic tourism in India through public-private participation.

We are the sole entity authorized to deliver catering, online ticket booking and packaged drinking water in trains and railway stations. Along with a slew of other services like global reservation systems, budget hotels, e-catering and executive lounges, we aim to create a one-stop solution for domestic and international customers, to cover their travelling, accommodation and tourism needs.

## Vision



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

## Mission:



Our mission is to enhance customer services through railway catering, hospitality, travel & tourism with best industry practices and aims to cement itself as a leader by providing value added products and services for passengers, tourists and other customers, targeting IR and Non-IR related Services alike and building a robust business portfolio that is scalable and based on core competence.

## An Overview

**Only**

Authorised entity for online railway ticket booking and catering services for railway passengers

**145 Lakhs**

per month Average transaction volume per month in FY21

**Zero**

Long-term debt as on March 31, 2021

**Lowest**

Convenience Fees charged for Non-AC and AC tickets

**₹ 15 + Taxes per ticket**  
For Non AC Class

**₹ 30 + Taxes**  
for AC Classes  
(including First Class)

**14**

Operational Rail Neer Plants

**26.50 Lakhs**

Logins per day on IRCTC Platform

**7.40 Lakh**

Logins per day on Website

**19.10 Lakh**

Logins per day on Rail Connect Mobile App - (Android & iOS)

**Reduced Rates**

on Convenience Fees for the Users who book e-tickets using BHIM/UPI payment mode

**₹ 10 + Taxes**  
for Non AC Class

**₹ 20 + Taxes**  
for AC Classes (including First Class)



# Strengthening the Pillars of Success



IRCTC is the only entity authorized by Indian Railways to provide catering services to Railways, offer online railway ticket booking services and deliver packaged drinking water at railway stations and trains. It has emerged as a comprehensive tourism and hospitality service provider in India.

**IRCTC is a debt free company and continues to recover strongly, quarter on quarter, from the impact of the Covid-19 pandemic.**

As a key strategic partner of Indian Railways, IRCTC is diversifying its offerings for passengers.

Upgrading the online platform to allow seamless booking of various services. IRCTC website is now one of the most transacted websites in Asia-Pacific region.

Strong operational efficiencies to enhance the development of core components. IRCTC continues to outsource non-core activities for installing WVMs at railway stations and catering services to retain a competitive edge.

We rely on attracting and retaining talented employees to fulfil various organisational objectives and deliver superior customer service. During the pandemic, we have prioritised the health and safety of our employees and have implemented procedures to aid and support them in times of crisis. Further, we remain dedicated to offer on-job skill development and training opportunities to our people.

At IRCTC, we are constantly vigilant about following strict standards of operation. To gain the trust and loyalty of our customers, we strive to maintain the highest standards of quality in our catering and packaged water segments. The quality control procedures are being upgraded regularly to safeguard the health and well-being of our valued patrons.

The Board and senior management of IRCTC comprises a diversified leadership team with significant industry experience. Under their guidance and supervision, IRCTC has developed the ability to overcome challenges and consistently deliver exceptional results. It enables us to adapt to a changing business environment and consistently diversify our portfolio to serve the needs of our growing customer base. It also lends us a competitive edge in a constantly evolving industry.





# Chairperson's Message



Over the years, IRCTC has developed a business model that has given the company a very firm footing in the travel and tourism of the country. With a diverse product and service portfolios, we aim to provide our valued customers with integrated solutions under one roof. In addition to services such as global reservation systems, catering, and executive facilities, we also provide multi-service solutions to our domestic and international customers with respect to tour and travel, accommodation and other tourism related requirements.

## Dear Shareholders

In the wake of the COVID-19 pandemic, Fiscal 21 unfolded with a slew of unprecedented difficulties for the entire world weighing heavily on human life and impacting the economy significantly. On a global scale, the developing and emerging nations faced the toughest time coping with the crisis. In terms of national economy, all supply-chain



networks, trade channels and exchange and transfer of commercial goods and services have been severely impacted on account of the poor economic momentum.

Of all economy sectors, the travel and tourism industry was the worst hit as the sector faced an acute existential crisis. With complete lockdown imposed in most of the countries of the world, the international as domestic movement of tourists was totally restricted leading to operational activities to complete halt. The revenue streams in the sector completely dried up and the industry suffered a three-quarters economic wipeout. The travel and tourism fraternity, since then, have constantly looked for ways to weather this storm, put up a brave front and combat the situation with perseverance.

As a major player in the travel and tourism industry, COVID-19 has caused considerable disruptions in operations of the company as well. The passenger train services were completely suspended in the entire country during the initial lockdown period and even after the gradual lifting of the lockdown and resumption of trains in staggered manner, the initial occupancy levels in the trains were not very encouraging. The adverse business scenario caused by the pandemic, jeopardized the business operations of the company and wrecked havoc across all business segments. Nevertheless, we were able to sustain the unpleasant impacts of the pandemic to a substantial extent, owing to scalability in our operations and

formulating quick mitigation response on the back of our dynamic business model. We strongly believe that one's prowess to re-imagine the future and make purposeful efforts to achieve the goals counts the most during these challenging times.

Over the years, IRCTC has developed a business model that has given the company a very firm footing in the travel and tourism of the country. With a diverse product and service portfolios, we aim to provide our valued customers with integrated solutions under one roof. In addition to services such as global reservation systems, catering, and executive facilities, we also provide multi-service solutions to our domestic and international customers with respect to tour and travel, accommodation and other tourism related requirements.

Amidst the dire circumstances and the Company being severely hit by the pandemic, we present a reasonable balance sheet for fiscal 21. The revenue from operations for the year clocked ₹ 783.05 crores as compared to ₹ 2264.31 crores in previous fiscal. Our EBITDA stood at ₹ 275.93 crores and our operating margin registered at 31.76%. Due to reasons mentioned above, PAT decreased by 62.99% from ₹ 513.11 crores in 2019-20 to ₹ 189.90 crores in 2020-21. In terms of profitability, we registered a net profit margin of 21.86%.

We also remained robust on the liquidity front. Our operating cash as on 31st March, 2021 stood at ₹ 345.02 crores

and we have undertaken prudent risk management and capital allocation strategy to maintain healthy return ratios. Our ROCE over the past 5 years registers 12.95%, as of fiscal 21. Our financial strength stems from our ability to capitalise on high entry barriers to the industry, build a strong earnings profile, and attain a debt-free status. Given the Company's strong performance in 20-21, the Board of Directors has recommended a final dividend of ₹ 5 per share (₹ 80 Crores).

During the fiscal year under review, we concentrated all of our efforts on delivering customer services while adhering to stringent safety standards and health protocols. We have developed SOPs to control the spread of COVID-19 in our operated tourist trains, and train tour packages.

On the ticketing front, IRCTC integrated its operations via virtual mode and generated necessary software licenses for the seamless functioning of operations during the lockdown. We also extended annual maintenance contracts for IT Centre Infrastructure and SMS service so that the continuity of Internet Ticketing services is ensured. Although we faced major challenges in the initial quarters in generating revenues and providing refunds to the customers, the ticket booking picked up towards the end of the fiscal and we took all possible measures to ensure proper supply-chain continuity towards timely refunds to customers.

Several passenger awareness initiatives

# Chairperson's Message



**We are immensely excited to start our new segment of 'Bus-seat booking' to facilitate seamless online bus booking services and enable last-mile connectivity to the travellers. We envisage more such fresh business opportunities in the near future.**

were also fostered by our catering vertical, including cashless payments for passengers, the placement of QR codes on food packages for traceability, and the affixation of metallic menu plates in catering units.

The pandemic also deeply impacted our Rail Neer packaged drinking water operations as well. Owing to suspension of regular passenger trains and closure of a large number of hospitality units at railway stations, the production of Rail Neer staggered and sales witnessed a drastic drop in numbers. However, as operations resumed, we underwent initiatives to increase the production and sale of Rail Neer bottles. We are currently exploring backward integration possibilities by installing preform production units in existing Rail Neer plants.

Digitalization plays a key part in everything we do at IRCTC. Our indigenously developed technical solutions enable 24/7 quality services

to our customers. We provide digital customer support in the form of Artificial Intelligence driven chat bots and virtual assistants that are powered by modern technologies of Machine Learning and Natural Language Processing. In line with our commitment towards Make in India and Atmanirbhar Bharat, we are using the chatbot Ask Disha, which has been upgraded to communicate with consumers in Hindi, for providing ticketing related assistance to the customers.,. The platform gained quite some traction in FY 21, with an average of 1000 queries addressed in Hindi per day.

Moving forward, we remain optimistic for the future despite contemplating serious business challenges posed by the pandemic. We are well aware of the fact that COVID-19 is here to stay for the foreseeable future, and hence, our combined efforts are focused on strategic collaborations, extensive training and development of our management and operation team and infrastructure up-gradation to accommodate the New Normal.

We are working to enhance the train services for tourist trains such as the Maharajas' Express, Golden Chariot, and Deluxe Tourist Train by minimizing passenger touch points, installing UV lighting, and offering UV sanitization in trains. With our brand-new offerings in fintech, we foresee a booming traction in the payment aggregator business. Besides this, we are also striving to automate our routine processes, build a new interface for our websites and mobile apps and strengthen customer engagement across all our operational segments.

We are immensely excited to start our new segment of 'Bus-seat booking' to facilitate seamless online bus booking services and enable last-mile connectivity to the travelers. We envisage more such fresh business opportunities in the near future.

I am incredibly thankful to our board members, shareholders, customers, our devoted workforce and all stakeholders in the IRCTC ecosystem for their relentless dedication and steadfast loyalty towards our company. I also convey my sincere gratitude to the government institutions, particularly the Ministry of Railways, Ministry of Tourism, Department of Public Enterprises and Zonal Railways, Comptroller & Auditor General of India and all the State Governments for their continued support and guidance. Together, we shall continue on our quest to attain new heights of excellence in customer services.

Regards,

**Rajni Hasija**

Chairman & Managing Director





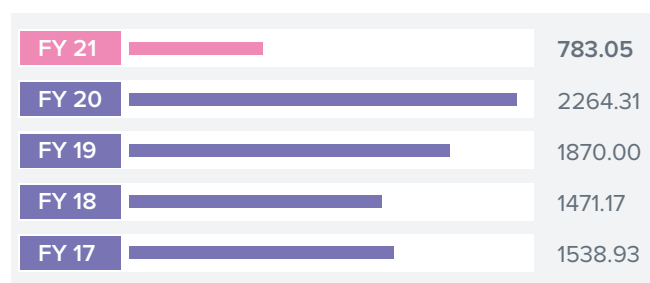




# Financial Highlights

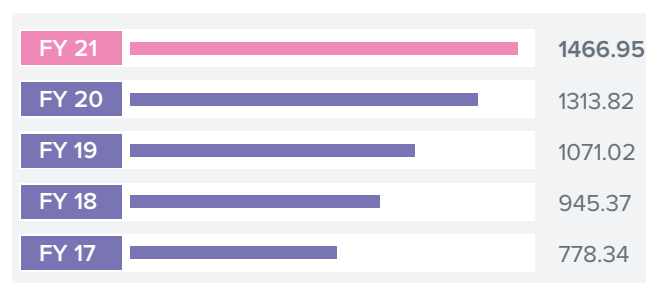
## Revenue from Operations

(₹ in crore)



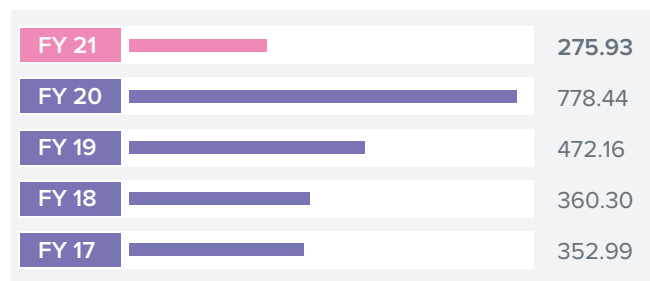
## Net Worth

(₹ in crore)



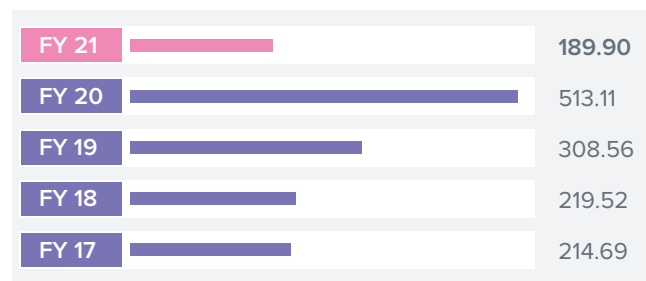
## EBITDA

(₹ in crore)



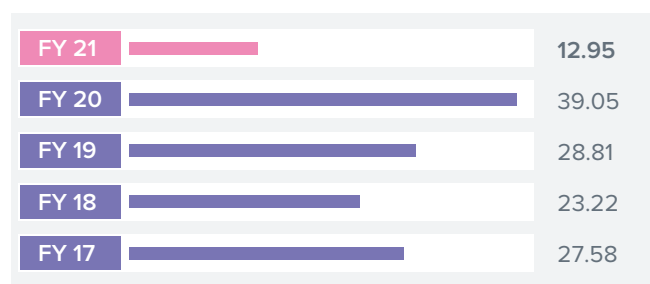
## PAT

(₹ in crore)



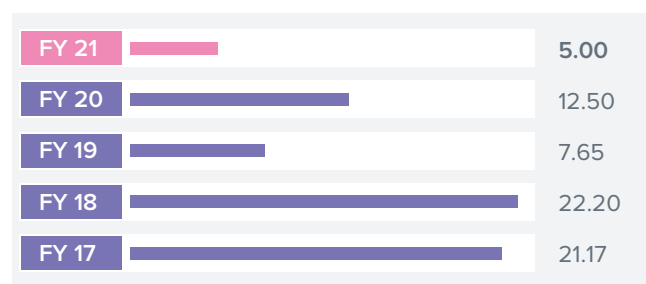
## ROCE

(in %)



## Dividend per share

(per share)



### Operating Revenue mix (₹ in crore)

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



# Our Business Segments





# Comprehensive solutions for every traveller



# Catering

**WE ARE DEDICATED TO CATER TO THE NEEDS OF EVERY TRAVELLER, TO DELIVER PHENOMENAL SERVICES THAT CONTRIBUTE TO LASTING MEMORIES. TAKING OWNERSHIP OF CUSTOMER EXPERIENCES, WE ARE GEARED TO OFFER CUSTOMISED SOLUTIONS THAT MAKE TRAVELLING ON INDIAN RAILWAYS A DELIGHTFUL SAGA.**

## 29%

Contribution to total operating revenue

## Catering

We are among the largest catering companies in the country, exclusively offering services for passengers of Indian Railways. Our services are specifically curated to meet the needs of travellers, blending the best of hygiene and taste.

## Hospitality and Catering Business

1

### Mobile Catering Business



2

### Static Catering Business



- Rajdhani, Shatabdi, Duronto, Gatiman, Tejas, Vande Bharat
- Mails / Express Trains
- Train Side Vending
- Development of Pantry Cars

- Food Plazas
- Fast Food Units
- Refreshment Rooms
- Jan Ahaar (s)
- Cell Kitchens
- Base Kitchens

1

## Mobile Catering

We offer on-board catering services in more than 550 passenger trains. With a constant focus on maintaining the highest standards of quality, we conduct periodic quality checks.

# 550

Number of Trains with catering services

3

## Other Hospitality Business



- Executive Lounges
- Retiring Rooms
- Budget Hotels

4

## E-Catering Business



# Catering

2

## Static Catering

Refreshment Rooms, Jan Ahaar and Cell Kitchens have been developed on railway platforms to serve hygienic food at reasonable rates. We are also setting up modern base kitchens and upgrading them to deliver superior quality food.

**287**

Food plazas / Fast food units

**176**

Number of Refreshment rooms

**56**

Number of Jan Ahaars

**17**

Number of Cell Kitchens

3

## Hospitality Services

To provide railway passengers a comfortable and convenient space to relax, executive lounges and retiring rooms have been created on railway stations. Equipped with modern amenities, these spacious lounges have reclining sofas, offer buffet meals, wi-fi internet service and clean washrooms at nominal rates. IRCTC is also renovating, operating and maintaining Retiring Rooms at major railway stations across the country to improve facilities for travellers.

**06**

Executive Lounges

**17**

Retiring Rooms

2

## E-Catering

The E-Catering service allows passengers to book food of their choice from partner restaurants. Food is delivered on their seat. Bookings are done in advance. Services are available at selected stations to bona fide passengers in reserved trains.

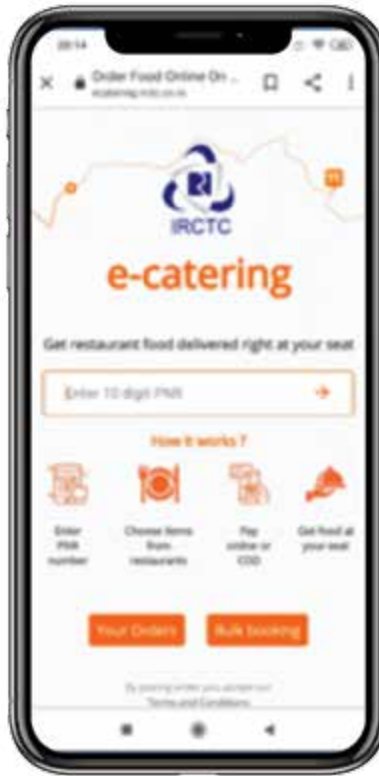
E-Catering has been introduced for providing the range of options to passengers for ordering food of their choice. The prices of food booked under e-Catering are market driven. The restaurant fixes the menu.

E-Catering on Indian Railway trains was discontinued in the month of March, 2020 due to the nationwide lockdown. E-Catering services, post Covid-19, were resumed on 1 Feb 2021 gradually. More stations are being added under the e-Catering umbrella in a phase-wise manner keeping in mind the considering Central/State Government guidelines.

IRCTC is in the process of integrating B2C partners some are already made LIVE such as Ixigo, Confirmticket, Make My Trip, Yatra, Paytm etc to improve the process of reach out to customers.

Some of the major brands associated with e-Catering services are Domino's Pizza, Subway, Haldiram's, Faasos, Biryani Blues, A2B, Sarvana Bhawan, Nirula's, etc.

E-Catering has started picking up orders in the month of March 2021 and meals booked through e-Catering was 10,324 per day, however, the progress was halted due to the second wave of the pandemic and cancellation of trains.



**9,180**  
Meals per day

**200+**  
Number of stations providing e-catering service





# Catering

## Monitoring of catering services

IRCTC deploys a large number of catering supervisors on passenger trains to monitor on-board catering services. These supervisors also take live feedback from passengers to understand their needs better and provide better services.



## Complaint Monitoring and Redressal Mechanism

IRCTC has an internet based module for Catering Services Information Management (E-CSIM) and a dedicated portal [www.catering.irctc.co.in](http://www.catering.irctc.co.in) for passenger complaints redressal.

Alternatively, passengers can provide feedback about services on 'Rail Madad', through its application or the online portal [www.railmadad.indianrailways.gov.in](http://www.railmadad.indianrailways.gov.in).



# Impact of Covid-19

**E-Catering Services were suspended on 22nd March, 2020 due to the Covid-19 pandemic and the subsequent lockdown. However, after the lockdown restrictions were eased, passenger trains resumed service and only ready to eat meals and pre-cooked meals were allowed on trains.**

**5.42 Lakhs**

E-catering meals clocked in FY21

To ensure the safety of our people and the passengers, we adopted stringent SOPs that have now become an integral part of our operations. E-catering services also began in February, 2021, in 200 Railway Stations, with the promise of ensuring health and hygiene protocols. It allowed passengers to easily order food online from reputed brands.

**In view of the existing Covid-19 Pandemic, Ready to Eat (RTE) and PAD items are being sold on-board special trains.**

## Outlook:

**A new concept i.e. Pod/ Capsule concept retiring room and dormitory is being developed. In order to execute the same. IRCTC has already awarded the contract for setting up and management of Pod/Capsule concept retiring room and dormitories at Mumbai Central (MMCT) station of Western Railway.**



# Internet Ticketing

**WE ARE THE ONLY AUTHORIZED ENTITY TO OFFER ONLINE TICKET BOOKINGS FOR INDIAN RAILWAYS THROUGH OUR WEBSITE WWW.IRCTC.CO.IN AND THE 'IRCTC RAIL CONNECT' MOBILE APPLICATION.**

Over the years, our e-ticketing services have continued to grow and in FY2020-21 it accounted for 79.63% of the total tickets reserved. With increasing number of visitors on our website and mobile application, we are seeing rapid volumes and increasing advertisement revenues. In the long term, we believe, e-ticketing will be the most preferred mode of booking due to growing internet penetration across the length and breadth of the country.

**4.80 Lakh tickets**

On an average were booked per day through IRCTC Website and Mobile Apps in FY 2020-21

## Key highlights of FY2020-21

**57%**

Contribution to total operating revenue

**361 Lakh tickets**

booked through Website (**21% of online tickets**)

**808 Lakh tickets**

booked through Mobile App (**46% of online tickets**)

**571 Lakh tickets**

booked through agents (**33% of online tickets**)

**₹ 17,761.60 Crore**

Train Fare in FY21

## New Initiatives:

### Launch of IRCTC – SBI Cobranded Credit Card on RuPay Platform

- IRCTC and SBI have together launched a new Co-branded Contactless Credit Card on RuPay Platform of NPCI.



- The Card is designed to reward Frequent Railway Travellers, wherein the new Co-branded Credit Card offers the rail passengers maximum savings proposition on their travel together with exclusive benefits on retail, dining and entertainment as well as transaction fee waivers.

### AR (Assam Rifles) of Central Paramilitary Forces e-ticketing system had been commissioned for booking Reserved Rail e-tickets for AR personnel.

- Central Paramilitary Forces are provided assistance for their reserved train ticket requirements and associated warrant management system.

- E-ticketing system has been developed for:
  - CRPF, NDRF, NSG & Assam Rifles



Assam Rifles

### Loyalty Scheme for Tejas Trains

- In the Loyalty Scheme, benefits will be given to the passengers who book their tickets for travelling in IRCTC Tejas Trains by using IRCTC SBI Cobranded Premier Card.
- The benefits include various reward points systems which aims to encourage the passengers to adopt Tejas trains for their travel.

### Launch of IRCTC New User Interface

- IRCTC being a first contact point for travelling citizens with the Railways, has developed a New UI - to further enhance user personalization and facilitation of the IRCTC Website and Mobile App with more user friendly features and more comfortable navigation.

### ● Salient features of New UI

- Customized Prompts for individual's (on login) Dashboard for Last Transaction, Upcoming Journeys, booking Meals, Hotel and Retiring Room.
- One click Rebook Favourite Journeys and Refund Status Check.
- Intelligent Journey and Stations Suggestions from Recent Searches/bookings: Display of Most booked stations and Routes by the individual (on login) or generally, first in the dropdown list of "From Stations".
- Provision to search Trains with Available Berths only.
- Provision of Storing Passenger names and prompting them while booking tickets.
- Convenience for booking Meals, Hotel and Retiring Room while



booking tickets and for upcoming journeys.

- One Stop Train Selection feature on Same Page like Class Wise Fare, Seat Availability, Confirmation Probability (in case of WL) and various filters for all classes available on trains to reduce number of clicks and searches.
- More enhanced design of payment page, Summary Page with more Journey, passenger fare and Meal Opted details in the side block.
- New Location for “Boarding Point Change” with more details like Boarding Date and Time.

### Hotel Booking on IRCTC

- **Integration of Hotel chains, Inventory Providers and State Government Guest Houses:** IRCTC has offered hotel bookings services for the last five years through tie-ups with Rail Yatri Niwas and IRCTC Hotel (Katra) or with Hotel aggregators as a White label solution.
- To reduce the dependency on Hotel Aggregators, IRCTC has started the process for direct tie-up with Hotels and Government owned properties for online room Inventory.
- Business is projected to grow substantially in FY 2021-21 as IRCTC has made direct tie-ups with Hotels such as Pride, Ginger, Treebo, Park, KTDC, UPSTDC, KSTDC.

### Bus Integration

- The IRCTC Bus Service ([www.bus.irctc.co.in](http://www.bus.irctc.co.in)) offers booking of State Road Transports as well as Private Operators with more than 50 thousand bus operators covering 22 States and 3 Union Territories including Kashmir region.
- This service also enables last mile connectivity to the Railway Passengers and is estimated to grow substantially.
- The IRCTC Bus Service strives to provide multimodal transport on a single platform viz. Trains, Flights and Bus for customers’ convenience and choice of mode of travel through IRCTC.





# Impact of Covid-19

The countrywide lockdowns had a deep impact on the e-ticketing segment. Due to restrictions on movement, train services were halted and fresh bookings were stalled. However, we witnessed a significant jump in e-ticket bookings after the easing of lockdown restrictions. To avoid long queues at railway stations, people preferred online bookings. E-ticketing constituted over 79.63% of the bookings during the Covid-19 pandemic, a testament to the strength of this segment.

- Decrease in Train Journeys/Travels by the passengers due to restriction imposed on public movement, was witnessed during the initial phase of COVID 19 Pandemic which lead to less number of ticket bookings.
- Disbursement of refunds to the tune of ₹ 2300 Crores to the customers due to large scale cancellation of Trains by Indian Railways in 3 – 4 trenches in the wake of Covid-19 pandemic, had been a great challenge to the organization.

Despite the advent of the Covid-19 pandemic, IRCTC has showed resilience through competent management and achieved the following growth metrics:

#### Ticketing growth (FY 2021)

Ticketing had dropped to an average of

**1.60 lakh**

tickets per day (due to covid-19 pandemic)

Ticketing rose to

**4.80 lakh**

tickets per day

#### IRCTC Active Users

**6.70 Crore**

(As on 31st March '21)

**5.96 Crore**

Active Users in FY 2020

While launching the upgraded website and mobile application, honourable Minister of Railways Shri Piyush Goyal lauded the contribution of Rail Parivar in ensuring a victorious fight back against the challenges posed by Covid-19 and in making railways future-ready.

## Outlook:

Despite continuity of COVID 19 Pandemic for 2nd year with more intense 2nd wave, IRCTC with its optimistic outlook has planned to bring into its system some new projects like the following:

### Monetisation of Chatbot Services by extending to Third Party Organisations

### National Rail Museum Booking Website and Mobile App:

- Avoid long queues at the entry gate
- Reduce the cash handling at NRM
- Fetch the visitors' data automatically
- Promote digitalization and cash free transaction.

### EMI Based Payments on e-Ticketing Mobile App:

- The high value tickets purchased by the customer on IRCTC, using their credit card/debit card, can be converted into EMI payments by converting transaction amount into a number of equal monthly instalments (EMIs).

### Automated Payments to Hotels & Bus Aggregators/Vendors to reduce payment time

# Packaged Drinking Water

**OUR PACKAGED DRINKING WATER BRANDED AS “RAIL NEER”, REMAINS A SAFE AND RELIABLE SOURCE OF WATER CONSUMPTION FOR TRAIN PASSENGERS. RAIL NEER IS PROCESSED, PURIFIED AND BOTTLED AT OUR STATE-OF-THE-ART PLANTS, WHERE THE PROCESS IS COMPLETELY AUTOMATED TO PROVIDE THE CONSUMERS WITH HIGH QUALITY PURIFIED WATER.**

## Key Highlights for FY2020-21

**19.45 %**

Average capacity utilisation



**07 %**

Contribution to total operating revenue



**14.08 lakhs**

Litres per day produced



**75.28 Mn**

Bottles packed



## Our Plant locations

Nangloi (Delhi)  
 Danapur (Bihar)  
 Palur (Tamilnadu)  
 Ambernath (Maharashtra)  
 Amethi (Uttar Pradesh)  
 Parassalla (Kerala)  
 Bilaspur (Chhattisgarh)  
 Hapur (Uttar Pradesh)  
 Sanand (Gujrat)  
 Mandideep (Madhya Pradesh)  
 Nagpur (Maharashtra)  
 Sankrail (West Bengal)  
 Maneri (Madhya Pradesh)  
 Jagiroad( Assam)

## Upcoming Rail Neer Plants

Una (Himachal Pradesh)-Commissioned. Commercial production to be started.  
 Bhusawal (Maharashtra)- Advance stage of commissioning  
 Vijayawada and Simhadhri (Andhra Pradesh)- advance stage of civil construction.  
 Bhubaneswar (Orissa)- under tendering process.  
 Kota (Rajasthan)- under tendering process.

## Outlook:

Increase the number of trains and stations as exclusive 'Rail Neer', aligned to our production and capacity. We aim to widen our presence to remote zonal administration regions and gradually declare more stations 'Rail Neer' mandatory.



# Travel and Tourism

**INDIA IS A DIVERSE COUNTRY WITH A KALEIDOSCOPE OF TRADITIONS, CULTURE AND VIBRANT GEOGRAPHIES.**

Its diversity appeals to travellers from across the world. To uncover India's travel treasure troves, IRCTC strives to simplify tourism and cater to diverse customer needs. We are, therefore, constantly exploring new avenues for enriching travel and tourism through Railways, Roadways, Airways & Waterways.



## Key Highlights for FY2020-21

**07%**

Contribution to total operating revenue

**2,55,281**

Passengers availed Tejas train services

**25**

Chartered Trains operated

**2,426**

Average air tickets booked per day

## Services Offered:

- Bharat Darshan Tourist Trains.
- Rail Tour Packages.
- Domestic Air Packages.
- International Air Packages.
- Buddhist Circuit Tourist Train.
- Deluxe Tourist Train.
- Golden Chariot Train.
- Maharajas' Express.
- Train Coach and Saloon Charters.
- Customized Tours.







# Travel and Tourism

## Accommodation

**IRCTC Hotels:** A wide range of accommodation options are available for passengers, ranging from short layovers to long vacation stays at various locations in India



**Railway Retiring Rooms:** IRCTC operates and maintains the Railways Retiring Rooms at numerous Railway stations, which can be booked online



## Air Ticketing

We offer air ticket bookings on our dedicated website <https://www.air.irctc.co.in/> for domestic and international flights from major airline operators from anywhere in the world. IRCTC charges one of the most economical convenience fees which is also the lowest in the industry. We are also the only portal which offers travel insurance worth up to INR 50 lakh at zero cost on flight tickets booked through our website.

## Tour Packages

- Domestic Tour Packages: Includes various holiday, customized, adventure or educational tours.
- Premium tours: Maharajas' Express and Golden Chariot Luxury Trains are tailored for providing a premium experience of the country's most exquisite and beautiful locations.
- Mass Tourism: For the well-established local heritage sites and domestic cultural favourite spots.

To offer visitors a glimpse of Indian heritage sites and cultural hotspots, the Bharat Darshan/ Aastha Circuit Tourist Trains, Pilgrim Special Trains and other special trains or tour packages have been developed.

- Others: We also offer hill and heritage charters, event management, bus bookings and various miscellaneous travel and tourism services.
- Deluxe Tourist Train: A combination of 2AC and 1<sup>st</sup> AC accommodation options with 2 Fine Dining Restaurants, this train travels on various circuits - Buddhist, Desert etc



# Covid-19 Impact

The travel and tourism sector was the worst hit due to the Covid-19 pandemic. However, business revived gradually in the second half of FY 2020-21. We ran Bharat Darshan trains in November' 2020 with almost 61% occupancy. In FY 2020- 21, total 21 Bharat Darshan Trains & 04 Pilgrimage Special Tourist Train operated with 13,312 passengers & 2,426 passengers respectively. We aim to resume train services as and when the shadow of Covid-19 lifts and passengers are assured of safely travelling to different parts of the country.

We aim to continue resuming trains and more such tours as the shadow of Covid-19 pandemic lifts and our customers recover confidence and desire to travel more and explore the country.

## Outlook:

IRCTC continues to improve its position as a 'one-stop' solution for varied travel and tourism needs. With our specialised services, we aim to improve experiences and offer passengers a convenient and hassle-free travelling experience.

IRCTC has utilised the time to make direct tie-ups with Hotels & transportation companies across India for competitive rates. IRCTC is planning to launch adventure tour packages and give emphasis on customised tour packages, especially for small group of families and friends. IRCTC is planning to operate Cruise packages in International & Domestic market, if the scenario of tourism market stabilises in future months.



# Special Trains

**WE HAVE UNIQUE OFFERINGS IN OUR SPECIAL TOURISM TRAIN SERVICES FOR TRAVELLERS WHO WISH TO EXPERIENCE THE MULTI-CULTURAL ASPECTS OF OUR COUNTRY.**

## Maharajas' Express

IRCTC is the proud owner of the Finest Luxury Train Maharajas' Express which aims to provide a royal experience. There are various types of premium cabins with lavish interiors and distinct themes, supplemented by the latest international safety features such as Electronic smoke detection system, CCTV, Pneumatic suspension for superior ride comfort, RFID door locks and round the clock Paramedic services. All passenger carriages come with air conditioning, the first of its kind in India have state-of-the-art facilities like Television, DVD players and Wi-Fi

internet to keep guests entertained throughout the royal train journey.

On-board the luxurious Maharajas Express, our travellers find two thematic fine dining restaurants which provide a vibrant and ambient environment, named "Mayur Mahal" and "Rang Mahal". Along with the restaurants, there is also the lounge bar called "The Rajah Club" and the thematic bar called "Safari Bar", where passengers can find comfortable seating and multiple personal and social options to unwind and relax, like books, board games and lots more.



### Journeys offered:

- **The Indian Panorama:**

Delhi – Jaipur – Ranthambore – Fatehpur Sikri – Agra – Orchha & Khajuraho – Varanasi – Delhi

- **Treasures of India:**

Delhi – Agra – Ranthambore – Jaipur – Delhi

- **The Indian Splendour:**

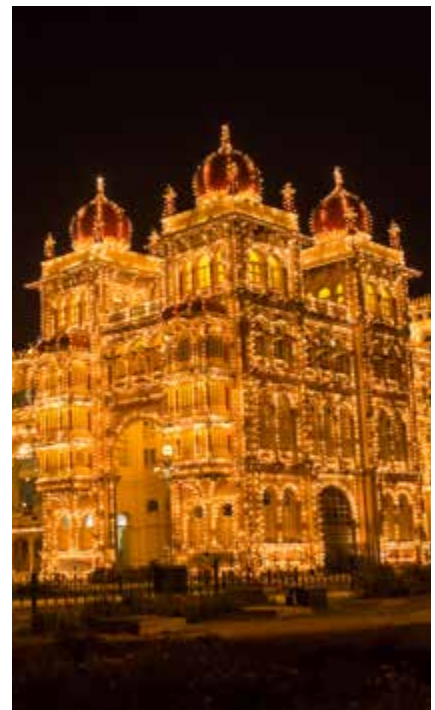
Delhi – Agra – Ranthambore – Jaipur – Bikaner – Jodhpur – Udaipur – Mumbai

- **The Heritage of India:**

Mumbai – Udaipur – Jodhpur – Bikaner – Jaipur – Ranthambore – Fatehpur Sikri – Agra and Delhi

## Golden Chariot:

The Golden Chariot train runs in partnership with the Karnataka State Tourism Development Corporation Limited (KSTDC). It provides a thrilling tour across the states of Karnataka, Tamil Nadu, Kerala and Goa. The packages are specifically designed to attract the millennial population, to provide an exhilarating experience. The Golden Chariot has three main tour packages, 'Pride of Karnataka', 'Jewel of South' and 'Glimpses of Karnataka', covering famous places across Bandipur, Mysore, Hampi, Cochin and other places of interest.



## Bharat Darshan

One of the most loved and affordable tourist trains in the country, Bharat Darshan takes travellers on a tour of the nation's most beautiful and culturally important destinations. IRCTC has curated the train's path to pass through some of the most important locations in the country, for travellers looking to explore India's diverse heritage. Bharat Darshan is attractively priced at ₹ 900/- & ₹ 1100/- per day per person + ₹ 45/- for sleeping & 3rd AC class passengers respectively. The price is inclusive of rail & road travel, all meals, sightseeing & accommodation along with accidental insurance cover of ₹ 10 lakhs. Tour packages are planned for visiting famous tourist spots like Gaya, Nasik, Ujjain, Varanasi, Allahabad, Ayodhya, Somnath, Amritsar, Katra, Tirupati, Kanyakumari, Rameshwaram, Madurai, Puri, etc.



## Pilgrim Special

For travellers seeking to enhance their spiritual experiences, Pilgrimage Special Tour Packages have been developed by IRCTC. It consists of tours that take tourists through the heart of India, with affordable packages.

These Pilgrim special trains are being operated with LHB rake. This being a pilgrimage centric product which has been attractively priced at ₹ 900/- & ₹ 1500/- per day per person + GST for sleeper class & 3rd AC class passenger respectively. The price is inclusive of rail & road travel, all meals, sightseeing and accommodation along with accidental insurance cover of ₹ 10 lakhs. IRCTC operated its first Pilgrim Tourist Train Ex Jalandhar from 27.01.2021 to 03.02.2021, covering Ujjain – Ahmedabad – Somanth - Dwarka.



## Deluxe Tourist Train

IRCTC has been exploring to capture the mid-segment market, hence launched deluxe tourist train, providing better services than Bharat Darshan/ Pilgrim Special Tourist Trains.

IRCTC launched 5 trips of Deluxe Tourist Train in the 2nd Half of FY 2020- 21. Out of them, IRCTC was able to operate 01 trip of Deluxe tourist train covering Jaisalmer and Jodhpur.



# New Offerings

## Bus-Seat Booking

IRCTC, during FY 2021, under the leadership of the Hon'ble Minister of Railways, Minister of Commerce and Industry and Minister of Consumer Affairs, Food and Public Distribution moved towards being a

## “One Stop”

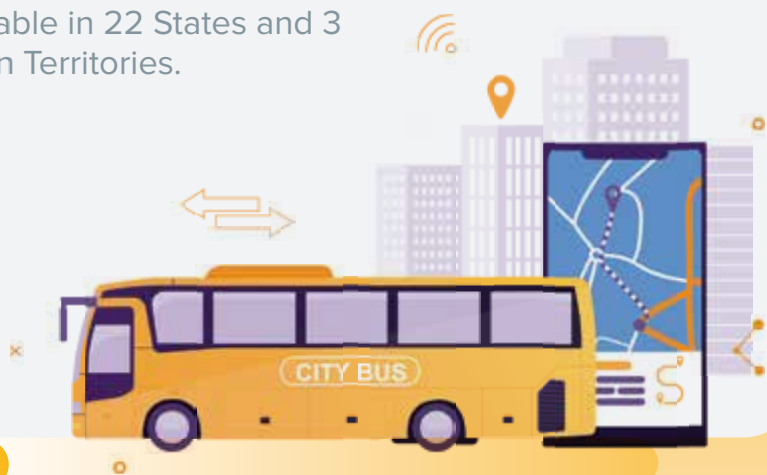
travel portal of the country. IRCTC is already in the business of online rail and flight tickets booking available on the IRCTC website and mobile application, and has now ventured into online bus booking services. The Bus-Seat booking services went live for the service of the nation on 29th January, 2021 and was gradually integrated with the existing IRCTC platform. A new microsite - [www.bus.irctc.co.in](http://www.bus.irctc.co.in) was also introduced to facilitate bookings from the comfort of homes and anywhere in the world.



IRCTC includes the new feature of online bus booking to enable last mile connectivity to travellers in combination with the train and flight tickets booking. Customer can view a variety of buses and choose the appropriate bus for travel considering route, amenities, reviews, ratings and bus images available, along with pick-up & drop points and timings.

## 02

IRCTC-State Road Transport Tie-ups and private bus operators. Bus service available in 22 States and 3 Union Territories.





# Digitization

## Chatbot: A Virtual Assistant

IRCTC has introduced its own solution for providing good 24/7 customer service to the users of its online platforms. The company offers a chatbot program called

### “Ask Disha”

which is in accordance with the vision of “Digital India”, “Make in India” and “Atmanirbhar Bharat”,

making the services self-reliant and providing assistance to its users. We offer digital customer services in the form of Artificial Intelligence (AI) powered chatbots and virtual assistants using modern technologies of Machine Learning (ML) and Natural Language Processing (NLP). The “Ask Disha” Chatbot performs the important functions of handling queries of the passengers and improve customer interaction. Through this Chatbot, the users can now get authentic, correct and instant answers to their queries that saves time and certainly enhances the user experience.

Around

**1,000** queries

(on an average) handled by Ask Disha, per day in Hindi

**54,14,340**

Ticketing queries

were handled during FY 2021

With the success of its AI-based Chatbot in its digital journey, IRCTC with its technical partner CoRover Private Limited, a Bengaluru based conversational AI start-up, is now aiming to create AI based solutions in automation of customer engagement across travel & tourism, retail, transportation and the Online chatbot “ASK Disha” has been upgraded to converse with Railways customers in Hindi language also.



# Corporate Social Responsibility

## Nurturing Communities, Empowering Lives

**AT IRCTC, WE BELIEVE IN THE HOLISTIC DEVELOPMENT OF COMMUNITIES AS A WHOLE. WE, THEREFORE, ENDEAVOUR TO CONTRIBUTE TO THE SOCIAL AND ECONOMIC WELL-BEING OF PEOPLE. OUR INITIATIVES ARE AIMED AT EMPOWERING LIVES AND IMPROVING THE STANDARD OF LIVING IN MARGINALISED COMMUNITIES.**

In 2020-21, IRCTC undertook several initiatives in the fields of healthcare, sanitation and education. We also concentrated on the development of Aspirational Districts, adhering to DPE guidelines.

## Key initiatives:

### Catering Services

#### Community Meals

- In the wake of the COVID-19 pandemic, IRCTC opened all its kitchens to prepare and serve community meals to the poor and needy
- The community meals were prepared at the aforesaid catering units of IRCTC, pan India during the nationwide lockdown from 30th March 2020 to 02nd May 2020.
- The prepared food was supplied to stranded people, daily wage labours, homeless people, destitute, the needy, poor and healthcare workers.

Over **21,00,000**

Wholesome community meals supplied

Over **1,00,000**

Rail near bottles





## Healthcare

### Provision of Nutritional and Recreational Support in collaboration with Railway Children India

- To ensure access to proper nutrition and quality healthcare, IRCTC financially supported Railway Children India to provide nutritional and recreational support to vulnerable children under the care of Ghaziabad Railway Station.
- The project aims to provide nutritious diet (4 meals a day) and proper sanitation facilities along with regular health check-up and counselling for a total cost of ₹ 8,94,000/-. While ₹ 4,47,000/- was released in FY 2019-20, the remaining ₹ 4,47,000/- was released in FY 2020-21.



### Donation to PM CARES Fund for COVID-19

- IRCTC contributed ₹ 6,50,00,000 towards Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) to create an emergency corpus for fighting the COVID-19 pandemic.

### Provision of Toilet for Government Schools near Rail Neer Plant, Amethi

IRCTC offered financial assistance to build toilets for 2 government schools near the Rail Neer Plant in Amethi, Uttar Pradesh at an expenditure of ₹ 10,00,000/-.

- Primary School, Saray Hirmati
- Junior High School, Narauli



## Sanitation

### Allotment of 33% of total CSR funds towards Swachh Bharat Activities and Clean Ganga Fund

- IRCTC allocated 33% of its total CSR funds, amounting to ₹ 3,44,52,000 to the 'Swachh Bharat Kosh' for the government's Swachh Bharat activities and Clean Ganga Fund.

### Construction of Toilets in Government Schools of Aspirational District Siddharthnagar, Uttar Pradesh and Koraput, Odisha

IRCTC helped to construct toilets in government schools of Siddharthnagar District, Uttar Pradesh, at a total project cost of ₹ 10,30,000/-, and in Koraput District, Odisha, at a total project cost of ₹ 10,00,000/-.

## Education

### Procurement of Computers for Rajkiya Mahila Polytechnic, Amethi

IRCTC procured 30 Computer systems for Rajkiya Mahila Polytechnic, Amethi, Uttar Pradesh, at a total cost of ₹ 14,40,000/-, through GeM.





# Profile of the Board of Directors



**Smt. Rajni Hasija**  
Chairman & Managing Director  
(Additional Charge w.e.f. 03.02.2021)  
and Director (Tourism & Marketing)



**Shri M.P. Mall**  
Chairman & Managing Director  
(upto 31.01.2021)



**Shri Ajit Kumar**  
Director (Finance)  
(w.e.f.29.05.2020)



**Shri Neeraj Sharma**  
Government Nominee  
Director



**Shri Vinay Srivastava**  
Government Nominee  
Director



**Prof. Sachin Chaturvedi**  
Independent Director  
(upto 09.10.2020)



**Shri Comal  
Ramachandran  
Sundaramurti**  
Independent Director  
(upto 12.10.2020)



**Ms. Sarita Deshpande**  
Independent Director  
(upto 28.03.2021)

## Smt. Rajni Hasija

Chairman & Managing Director  
(Additional Charge w.e.f. 03.02.2021) and Director  
(Tourism & Marketing)

Smt. Rajni Hasija is an officer of Indian Railway Traffic Service (IRTS) of 1988 batch. She is a science scholar with an M.Phil from Delhi University. She also possesses a post graduate diploma in Human Resource Management and a degree in Law. In her illustrious career in Indian Railways, spread over 29 years, she has worked in various managerial capacities in various divisions, zones as well as various Public Sector Undertakings and has extensive experience in the field of IT, marketing, operations and planning. She has also been associated with IRCTC in the capacity of Group General Manager, handling the IT business segment and serving as the overall in-charge of an entire zone. Smt. Hasija had a pioneering role in the inception and development of the internet ticketing site of railways '[www.irctc.co.in](http://www.irctc.co.in)'. With her sound technical

knowledge, organizing and planning skill and ability to communicate with her peers and team, she has successfully completed very challenging and time-bound projects for IRCTC, which ranged from planning and execution of the dynamic online cum counter ticketing platform for Commonwealth Games 2010 to the successful launch of Maharajas' Express Luxury Tourist Train – the flagship tourism product of IRCTC. She also holds the additional charge of Director (Catering Services) w.e.f. 02.07.2019.

## Shri M. P. Mall

Chairman & Managing Director  
(upto 31.01.2021)

Shri. M.P. Mall, an Indian Railway Accounts Service officer (1984 batch) was serving as the Chairman & Managing Director of IRCTC till 31.01.2021. He is an MBA in finance and had a vast experience of more than 30 years in Administrative Services in Indian Railways and has

also served in the Ministry of Urban Development. He headed the finance & accounts projects of IRCON International at Malaysia, where he successfully designed the counter trade deal mechanism.

## Shri Ajit Kumar

Director (Finance)

Shri Ajit Kumar, Indian Railway Accounts Service (IRAS) of 1989 Batch has vast experience in different organizations of Railways as well as outside bodies. Apart from Division and Headquarters, he has worked in Diesel Locomotives Workshop (DLW), Railway Electrification, IRPMU. Shri Ajit Kumar has served as Director/Finance Accounts in NDMC. He was also Member Finance/Rail Land Development Authority (RLDA) and Board member of Indian Railways Station Development Corporation (IRSDC). His legal expertise played an

# Profile of the Board of Directors

instrumental role to successfully handle tasks pertaining to documentation of Tender & Contracts. In Northern Railway, he looked after Catering Contracts and earning tenders of the Commercial Department. Before taking charge as Director/Finance, IRCTC, he was posted as Financial Adviser & Chief Accounting Officer (FA&CAO) in Indian Railway Organization for Alternative Fuels under Ministry of Railways (IROAF) He has also been appointed as CFO by the Board of Company w.e.f 10.07.2020..

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## **Shri Neeraj Sharma** Government Nominee Director

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

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## **Shri Vinay Srivastava** Government Nominee Director

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

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## **Prof. Sachin Chaturvedi** Independent Director (upto 09.10.2020)

Prof. Sachin Chaturvedi served as Independent Director of our Company upto 09.10.2020. Prof. Sachin Chaturvedi is Director General at the Research and Information System for Developing Countries (RIS), a New Delhi-based autonomous Think-Tank. He has also worked on trade and innovation linkages with special focus on WTO. Prof. Chaturvedi has served as a Visiting Professor at the Jawaharlal Nehru University (JNU) and has also worked as consultant to the UN Food and Agriculture

Organisation, World Bank, UN-ESCAP, UNESCO, OECD, the Commonwealth Secretariat, IUCN, and to the Government of India's Department of Biotechnology and the Ministry of Environment and Forests, among other organizations. His experience includes working at the University of Amsterdam on a project on International Development Cooperation and Biotechnology for Developing Countries, supported by the Dutch Ministry of External Affairs.

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## **Shri Comal Ramachandran Sundaramurti**

Independent Director  
(upto 12.10.2020 )

Shri Comal Ramachandran Sundaramurti served as Independent Director of our Company upto 12.10.2020. He holds a Bachelor's degree in Science (Hons.) from St. Stephens College, University of Delhi and a Master's degree in Business Administration from Faculty of Management Studies, University of Delhi. He is former Controller General of Accounts, Ministry of Finance and has held various prestigious positions including Controller General of Accounts, Ministry of Finance, Principal Chief Controller of Accounts, CBEC, Addl. Joint & Deputy Controller General of Accounts to Ministry of Finance, Director (Budget), Department of Economic Affairs, Deputy & Under Secretary to Ministry of Commerce.

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## **Ms. Sarita Deshpande** Independent Director (upto 28.03.2021)

Ms. Sarita Deshpande served as Independent Director of our Company upto 28.03.2021. She holds a Bachelor's degree in Arts and Law from Bhopal University. She works as an Advocate in District Court of Bhopal and has held various prestigious positions including Chairperson of Society Welfare Board, Parshad at Municipal Corporation, Bhopal and also worked as Panch at the District level.



# Key Managerial Personnel



**Mr. Ajit Kumar**  
CFO (w.e.f. 10.07.2020)



**Mr. Ajai Srivastava**  
CFO (upto 09.07.2020)



**Ms. Suman Kalra**  
Company Secretary and  
Compliance Officer

# Senior Management



**Dr. Parag Agrawal**  
Chief Vigilance Officer



**Sh. Sanjeev Misra**  
Group General Manager  
(Procurement & Tendering)



**Sh. Sunil Kumar**  
Group General Manager  
(Internet Ticketing Services)



**Sh. Sandip Trivedi**  
Group General Manager  
(HRD)



**Sh. Awdhesh Kumar**  
Group General Manager  
(Services)



**Sh. Rajesh Kumar**  
Group General Manager  
(Tourism)



# Senior Management



**Sh. Gaisingam Kabui**  
Group General Manager  
(Finance)



**Sh. Sudeesh V.C**  
Group General Manager  
(Internet Ticketing Services - 2)



**Sh. Saket Chand Srivastava**  
General Manager (Railneer)



**Sh. L. Ravikumar**  
General Manager  
(Tourism)



**Sh. Rajesh Rana**  
General Manager  
(MCS)

## Zonal Heads



**Sh. Debashish Chandra**  
Group General Manager  
(East Zone)



**Sh. SS Jagannathan**  
Group General Manager  
(South Zone)



**Sh. Rahul Himalian**  
Group General Manager  
(West Zone)



**Sh. D. Narasinga Rao**  
Group General Manager  
(South Central Zone)



**Sh. Ashish Kumar**  
Group General Manager  
(North Zone)

# Corporate Information

## Board of Directors

### Smt. Rajni Hasija

Chairman & Managing Director  
[Additional Charge w.e.f. 03.02.2021 and  
Director (Tourism & Marketing)]

### Shri M.P. Mall

Chairman & Managing Director  
(upto 31.01.2021)

### Shri Ajit Kumar

Director (Finance) w.e.f 29.05.2020

### Shri Neeraj Sharma

ED (PM), Railway Board  
Government Nominee Director

### Shri Sanjeeb Kumar

Executive Director/F(PPP), Railway Board  
(up to 05.05.2020)

### Shri Vinay Srivastava

Executive Director(PSU), Railway Board  
Government Nominee Director

### Prof. Sachin Chaturvedi

Independent Director  
(upto 09.10.2020)

### Shri C. R. Sundaramurti

Independent Director  
(upto 12.10.2020)

### Ms. Sarita Deshpande

Independent Director  
(upto 28.03.2021)

## Supplementary Information

### CFO

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

### Company Secretary and Compliance Officer

Ms. Suman Kalra

### Statutory Auditor

P. R. Mehra & Co.  
Chartered Accountants  
(Registration No. 000051N)  
901 New Delhi House  
27 Barakhamba Road  
Connaught Place New Delhi-110001

### Internal Auditor

S Ramanand Aiyar & Co.  
Chartered Accountants  
708, Surya Kiran 19  
Kasturba Gandhi Marg,  
New Delhi-110001

### Cost Auditor

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

### Secretarial Auditor

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

### Registered & Corporate Office

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

### Internet Ticketing

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

### Tourism Office

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

### Railneer Plant, Nangloi

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

### Railneer Plant, Danapur

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

### Railneer Plant, Palur

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

### Railneer Plant, Ambernath

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

### Railneer Plant, Amethi

Plot No. C11 & 12 UPSIDC Industrial Area,  
Takaria Gauriganj, Distt. Amethi

### Railneer Plant, Parassala

Railway yard, New Parassala Railway  
Station, Kerala -695502

### Railneer Plant, Bilaspur

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

### Railneer Plant, Hapur

I-2, Industrial Area, Massori Gulavathi  
Road, Hapur

### Railneer Plant, Nagpur

D-53, MIDC Buti Bori Industrial Area,  
Dist. Nagpur

### Railneer Plant, Sankrail

FP3/8, Food Park, Phase-III, Sankrail

### Railneer Plant, Bhopal

Plot no. 01, Warehousing Complex,  
Industrial Area, Manideep, Phase-II, Dist.  
Raisen (MP)

### Railneer Plant, Jagi Road

Village Borkhal under Uttar khola  
Mouza, Amlighat, Dist. Morigaon,  
Guwahati(Assam)

### Railneer Plant, Sanand-II, Ahmedabad

Plot no. 668 at Sanand-II, Industrial  
Estate, Ahmedabad

### Railneer Plant, Jabalpur

Plot No. 11, Sec- E, IGC Maneri Dist.  
Mandla (Jabalpur)

## Zonal Offices

### North Zone

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

### East Zone

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

# Corporate Information

## West Zone

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

## South Zone

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

## South Central Zone

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

**Website:** [www.irctc.com](http://www.irctc.com)

**E-mail ID:** [investors@irctc.com](mailto:investors@irctc.com)

## Bankers

HDFC Bank  
ICICI Bank  
Bank of Baroda  
Punjab National Bank  
State Bank of India  
Canara Bank  
Bank of India  
Union Bank of India  
Indian Bank  
IDBI Bank

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

## Registrar & Share Transfer Agent:

Alankit Assignment Limited

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

**Email id:** [rta@alankit.com](mailto:rta@alankit.com)

**Phone Number:** 011-42541234

## Share Listed at:

<b>Stock Exchange</b> <b>BSE Limited</b> <b>National Stock</b> <b>Exchange of India</b> <b>Limited</b>	<b>SCRIP Code</b> <b>542830</b>  <b>IRCTC</b>
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## Depositories:

National Securities Depository Limited  
(NSDL)

Central Depository Services (India)  
Limited (CDSL)

## ISIN No:

INE335Y01012



# Ten years Financial Highlights

Sr. No.	Particulars	(Amount ₹ in Crores)									
		2011-12*	2012-13*	2013-14*	2014-15*	2015-16**	2016-17**	2017-18**	2018-19**	2019-20**	2020-21**
1	Total Income	554.11	719.69	954.70	1,141.21	1,523.41	1,598.71	1,544.75	1,958.94	2,342.41	868.69
2	Expenditure (including increase/decrease in stock)	462.83	611.24	810.52	906.76	1,193.58	1,242.31	1,184.45	1,486.78	1,563.98	592.76
3	Operating Margin	91.28	108.45	144.18	234.45	329.82	356.40	360.30	472.16	778.44	275.93
4	Interest Expenses	-	-	-	-	1.81	2.54	2.91	2.35	9.76	8.15
5	Depreciation	14.74	16.04	16.77	20.42	21.22	22.41	23.66	28.64	40.21	46.28
6	Profit before Tax	76.54	92.41	127.41	214.03	306.79	331.45	338.98	478.56	729.58	260.89
7	Profit after tax	48.54	58.84	72.01	130.63	197.30	214.69	219.52	308.56	513.11	189.90
8	Dividend Declared	9.71	11.77	14.40	26.13	75.45	84.68	88.81	122.37	200.00	80.00
9	Foreign Projects Reserve	-	-	-	-	-	-	-	-	-	-
10	Transfer to General Reserve	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00
11	Other Reserves	-	-	-	-	-	-	-	-	-	-
12	Reserve and Surplus	226.70	271.77	326.92	424.25	680.57	738.34	905.37	911.02	1,153.82	1,306.95
13	Fixed Assets (Gross Block)	178.76	203.12	213.52	276.84	310.69	337.62	336.63	356.35	380.96	450.32
14	Inventories	5.45	9.08	9.53	9.54	8.26	6.58	7.41	7.89	9.76	6.54
15	Foreign exchange earnings	12.53	11.06	11.80	21.89	35.23	47.51	37.59	33.54	43.32	9.85
16	Share Capital	20.00	20.00	20.00	20.00	20.00	40.00	40.00	160.00	160.00	160.00
17	Capital Employed	246.70	291.77	346.92	444.25	700.57	778.34	945.37	1,071.02	1,313.82	1,466.95
18	Government Investment	-	-	-	-	-	-	-	-	-	-
19	Net Worth	246.70	291.77	346.92	444.25	700.57	778.34	945.37	1,071.02	1,313.82	1,466.95
20	Profit before tax to Capital employed (in%)	31.03	31.67	36.73	48.18	43.79	42.58	35.86	44.68	55.53	17.78
21	Operating Margin to capital employed (in %)	37.00	37.17	41.56	52.77	47.08	45.79	38.11	44.09	59.25	18.81
22	Profit after tax to share capital (in%)	242.70	294.19	360.05	653.15	986.48	536.73	548.80	192.85	320.69	118.69
23	Expenditure to income (in %)	83.53	84.93	84.90	79.46	78.35	77.71	76.68	75.90	66.77	68.24
24	Number of employees	1,762	1,725	1,672	1,511	1,483	1,494	1,464	1,509	1,446	1,417.00
25	Income per employee	0.31	0.42	0.57	0.76	1.03	1.07	1.06	1.30	1.62	0.61
26	Foreign exchange earning per employee	0.01	0.01	0.01	0.01	0.02	0.03	0.03	0.02	0.03	0.01
27	Current Ratio	1.23	1.20	1.45	1.55	1.96	1.80	1.60	1.55	1.61	1.77
28	Debt/ Equity Ratio	-	-	-	-	-	-	-	-	-	-
29	Investments	-	-	-	-	-	-	-	-	-	-

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

\*\* Figures are as per IND-AS Financial Statements

# Directors' Report

Dear Shareholders,

The Directors feel proud and privileged to present the 22<sup>nd</sup> Annual Report on the operations and results of your Company together with the audited financial statements, Auditors' Report and review of financial statements by the Comptroller and Auditor General of India (C&AG) for the financial year ended 31<sup>st</sup> March, 2021. The detailed financial and operational performance of the Company is produced in the report.

## FINANCIAL PERFORMANCE

The key highlights of the financial performance of the Company during F.Y.2020-21 along with the corresponding performance in F.Y.2019-20 are mentioned below:

Particulars	(₹ in Crores)		
	F.Y. 2020-21	F.Y. 2019-20	% age Increase/ (Decrease)
Revenue from Operations	783.05	2264.31	(65.42)
<b>Total Income</b>	<b>868.69</b>	<b>2342.41</b>	<b>(62.91)</b>
EBITDA (Profit Before Exceptional Items, Finance Cost, Tax, Depreciation & Amortisation)	275.93	778.44	(64.55)
Depreciation	46.28	40.21	15.10
Profit Before Tax & Exceptional Items	221.49	728.47	(69.60)
<b>Profit before tax</b>	<b>260.89</b>	<b>729.58</b>	<b>(64.24)</b>
Provision for Tax	70.99	216.48	(67.21)
<b>Profit after tax</b>	<b>189.90</b>	<b>513.11</b>	<b>(62.99)</b>
Interim Dividend	-	160	(100.00)
Final Dividend (including interim Dividend)	80	200	(60.00)
Dividend Distribution Tax	-	32.89	(100.00)
General Reserve	35	35	-
Reserves & Surplus	1306.95	1153.82	13.27
<b>Net Worth</b>	<b>1466.95</b>	<b>1313.82</b>	<b>11.66</b>
Earnings Per Share (₹)	11.87	32.07	(62.99)

## DISINVESTMENT THROUGH OFFER FOR SALE (OFS)

During FY2021, the Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, issued directives for disinvestment of upto 20% of paid up equity capital in the Company through "Offer for Sale (OFS) of shares by Promoters through stock exchanges" method. The OFS of your Company closed with strong interest from retail investors and was subscribed 109.84%.

In addition to the above, Employee OFS was also announced for disinvestment of 16,00,000 equity shares of face value of ₹ 10 each to the eligible employees of the Company at a price of ₹1377.55 per equity share. Through aforesaid transactions, the Ministry of Railways, being the Promoter, disinvested 3,20,05,566 equity shares, diluting 20.003% of its stake in the Company.

The proceeds of OFS amounting to ₹ 4,474.38 crore were deposited with DIPAM, the Ministry of Finance, Government of India.

As a result of the aforesaid offer for sale, the President of India's holding in IRCTC has been reduced to 67.40 % against 87.40% of the paid up equity share capital of the Company and the Company became compliant on Minimum Public Shareholding (MPS) requirement of the Securities Contracts (Regulation) Rules, 1957.

## CAPITAL STRUCTURE

During FY2021, the authorised share capital of the Company and the paid-up share capital remained unchanged as ₹ 250 crore comprising 25 crore equity shares of ₹ 10/- each and ₹ 160 crore comprising 16 crore equity shares of ₹ 10/- each respectively. Subsequent to the OFS, as mentioned above, the President of India (Government of India), through the Ministry of Railways, held 10,78,34,434 equity shares i.e. 67.40% of the paid up equity share capital of the Company, as on 31<sup>st</sup> March, 2021.

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



## DIVIDEND

As per the guidelines issued by the Department of Investment and Public Asset Management (DIPAM), the minimum dividend to be paid for the year should be at least 5% of net worth or 30% of profit after tax, whichever is higher.

Your Company has a consistent track record of paying dividend and accordingly, the Board of Directors has recommended, a final dividend of ₹ 5 per equity share (i.e. 50% on the paid-up equity share capital of ₹ 160 crore) amounting to ₹ 80 crore, out of profit for the year 2020-21, subject to approval of the shareholders in the AGM. The proposed final dividend works out to be 42.12 % of the post-tax profits for 2020-21 and 5.45% of net-worth as at 31<sup>st</sup> March, 2021.

In view of the above and in pursuance to the requirements of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"), your Company has formulated a Dividend Distribution Policy. The Policy is given at **Annexure-"E"** to this Report and is available on the Company's website with web link [https://www.irctc.com/assets/images/IRCTC\\_DIVIDEND%20DISTRIBUTION%20POLICY-\\_31.07.2019.pdf](https://www.irctc.com/assets/images/IRCTC_DIVIDEND%20DISTRIBUTION%20POLICY-_31.07.2019.pdf)

## TRANSFER TO RESERVES

During 2020-21, the Company transferred ₹ 35.00 crore to General reserves.

## COMPANY'S CONTRIBUTION BY WAY OF REVENUE SHARE TO MINISTRY OF RAILWAYS

The Company also contributes by way of revenue share to Ministry of Railways (MoR) and the total share of such contribution was ₹ 155.83 crore during the year as against ₹ 413.56 crore during the previous year. Contribution of revenue share to MoR comprises of Haulage Charges, Concession fee, License fee, User Charges and Dividend.

## IMPACT OF COVID-19 ON IRCTC; COMBATING THE CHALLENGES

Covid-19 forced people to remain protected inside their houses due to various phases of the lockdowns imposed by the Government during the last one year. Even though some relaxations were given but due to the severe second wave, which proved more fatal, the growth of the F&B industry was affected nationwide.

The pandemic affected the travel and tourism segment the most with complete shutdown in place for hotels, restaurants, malls, cinema halls, educational institutions etc. Trains, flights and road transport was also hit.

Rail travel came to a complete halt and wherever skeletal services were available, the occupancy levels have not been encouraging. Even though the Government has deployed numerous medical and social standards to make Rail travel safer e.g. following norms of social distancing, use of Personal

Protective Equipments, mandatory signing into the Arogya setu app, temperature screening, upgrading the cleaning and hygiene standards of trains and stations to the clinical level, widespread availability of sanitizers, training of staff, increasing awareness among travellers, however, anxiety among passengers persisted.

People are avoiding/postponing even the most essential travel, leaving aside lesser or non-essential travel for leisure, pilgrimage etc. The pandemic has made passengers conscious of buying eatables from outside, especially during the journey.

This unprecedented scenario posed serious challenges for IRCTC's operations as almost all businesses of the catering vertical are directly dependent on train operations. The Company, however, made all possible efforts to adhere to stringent safety norms. The segment-wise details are mentioned below:

### ● Catering

Adhering to its continuous endeavour to provide quality, safe, value for money and hygienic food to passengers, IRCTC kept pace with phase-wise lifting of the lockdown to fulfil the catering and hospitality needs of passengers off-board through its bouquet of catering and hospitality services available at various railway stations. IRCTC gradually opened its eateries such as Jan Aahars Refreshment Rooms, Cell Kitchens, Food Plazas & Fast Food Units, in a phased manner, strictly following SOPs as prescribed by the Ministry of Health and Family Welfare (MoHFW) from time to time, by not allowing cooked meals to be served in the outlets. The Company also ensured that the units were operational with only limited saleable items like Packaged Drinking Water (PDW), Ready to Eat (RTE), PAD (Proprietary Article Depot), Tea/Coffee and take away only with no sitting arrangements in place.

The Company also ensured several facilities for passengers like invoices and promoting cashless payments - POS and e-payment applications, installing QR codes on food packets for traceability and affixing metallic menu plates in catering units as an effort to make passengers aware.

### ● Tourism

The severe situation had stalled travel plans for the majority of the people around the world but it is expected that hotel bookings will see a recovery after September 2021. Thus, it is imperative for us to be prepared before the business starts to ramp up and use this interim period as an opportunity to overhaul their legacy systems. The main focus of the Company is going to be, **'Regaining Confidence of Customers' and 'Reviewing the offerings'** through the following measures:

- To make a new normalcy in the 3<sup>rd</sup> and 4<sup>th</sup> Quarter of FY2021-22, IRCTC initialised the launch and operation of various tourism products keeping the guidelines and safety of passengers in mind.
- The Standard Operating Procedure (SoP) on preventive measures with main features like safety kits (sanitisers,

gloves, surgical masks, etc.) was made available. The Catering Supervisors were authorised to check food hygiene and cleanliness. Thermal screening and sanitisation of passengers and their luggage, etc. has been prepared based on the guidelines of the MHA & the MHFW for tourist trains/ tours to contain the spread of Covid-19 and issued to all concerned to restart operations of tourist trains and other tour packages.

- To attract domestic clientele for luxury trains and the Buddhist circuit train, IRCTC launched various Promo Offers targeting and wooing domestic clientele and International clientele to encourage in-bound tourists as well as domestic tourists.
- For safety, hygiene and cleanliness of passengers in tour packages and tourist trains, IRCTC imparted training to all its staff and officers.
- IRCTC is rebranding itself with safety travel measures and following a new tagline – **‘Travel Redefined, A New Normal’** where IRCTC explains the safety measures being taken into consideration for its passengers/ customers.
- More competitive packages at reduced cost are in the pipeline, due to non- involvement of third party in formation of popular packages with direct tie-ups with hotels and transporters.

#### ● Internet Ticketing

Ticket bookings during the year was low due to the lockdown condition imposed in the country on public movement. During the 1<sup>st</sup> half of FY2021, ticketing was dropped to an average of 1.60 tickets per day against 8.50 lakh tickets per day booked during the same period of FY2020. However, ticket booking gradually increased to an average of 4.80 lakh tickets per day by end of FY2021 against 8.25 lakh tickets booked per day in FY2020. This drastic dip in ticketing was due to the travel restrictions as well as the suspension of passenger train operations by Indian Railways.

One of the major challenges faced by the Internet Ticketing segment included the timely refunds to customers. The process of refund involves coordination with the Indian Railways, banks, payment aggregators and Principal Service Providers (PSPs) of various Retail Service Providers/ RSPs (Agents) of B2B /Internet Café Schemes and through the B2C scheme. The Company took all possible initiatives and ensured that supply chain continuity was maintained by overseeing that the payments due to the vendors and collection of various charges from service providers of e-ticketing and payment providers are executed successfully through the work-from-home mode. The Company processed procurement orders for laptops and Team Viewer licences for smooth functioning of the Work from Home (WFH) mode of working during the complete lockdown period and extended the AMCs for IT Centre Infrastructure, SMS service, etc. to ensure successful continuity of its Internet Ticketing services.

#### ● Rail Neer

The Covid-19 pandemic has impacted Rail Neer operations of the Company as well. Rail Neer is exclusively sold in trains and stalls on railway stations. Due to suspension/ termination of trains and stall services at stations, Rail Neer production and sale was affected severely, resulting in a drop of production and reduction in the sale of Rail Neer bottles compared to last year.

However, with restrictions being relaxed, the Company has taken initiatives to increase the production and sale of Rail Neer bottles and has also resumed the work of ongoing Rail Neer plants.

### ON THE MOVE: IRCTC'S CONTRIBUTION TO THE NATION DURING COVID -19

The world is currently battling the unprecedented effects of Covid-19. With the UN claiming it to be a humanitarian crisis, it has put our social fabric and cohesion under tremendous stress. In the face of this fatal virus, economies worldwide have come to a standstill, making travel restrictions and social distancing policies the new normal.

**In spite of the lockdown, the Company not only kept its kitchens open across India, but also prepared and served community meals to the poor and needy as part of its service to the nation.**

The community meals were prepared at the catering units of IRCTC during the period of first nationwide lockdown from March 30, 2020 to May 2, 2020. The Company supplied around 21 lakh community meals and 1.2 lakh Rail Neer bottles to stranded people, daily wage labours, homeless people, destitutes, the needy and the poor across India under CSR. Your Company also contributed ₹ 6.5 crore to PM CARES Fund out of the CSR Budget of FY2020-21

In addition, IRCTC supplied around 1.74 crore meals in 4184 Shramik Special trains.



## SOCIAL MEDIA PRESENCE OF IRCTC



The years 2020 and 2021 presented unprecedented challenges to the tourism and hospitality industry as the Covid-19 pandemic necessitated travel restrictions at the national and international levels. Being one of the leading travel and tourism companies in India, IRCTC rose to the occasion and battled the crisis by staying connected with the massive audience base through popular social media platforms by offering assistance to its customers and redressing their grievances. This not only helped in establishing a strong brand presence across social channels like Facebook, Instagram, Twitter and LinkedIn among others but also offered an opportunity to keep the audience informed about safety protocols and travel guidelines during the pandemic.

During 2020-21, IRCTC received a total of 1,80,833 mentions across the internet out of which 1,61,432 were only from social media platforms and the rest 19,401 were from other sources such as news websites, online forums etc. As a brand, IRCTC has managed to engage with the users on social media and received a great response with the people interacting with IRCTC posts as many as 18,54,907 times in 2020-21. IRCTC also received a total of 57441 positive mentions across various social networks.

In 2021, IRCTC offered its users two more ways to connect by joining two new social media platforms namely Koo and Telegram. Although IRCTC's Koo profile was created as recently as February 2021, it has already become a verified account with over 30,000 followers. IRCTC's Telegram account was opened in January 2021 and currently, over 2,000 followers have subscribed to the channel.

Compared to the previous year, IRCTC witnessed a massive exponential growth in the follower base of its official social media handle, including posts for IRCTC officials, IRCTC Air and IRCTC Tourism. In social media platforms, 'YouTube' saw the biggest jump with 223% subscribers, followed by Instagram with a 128% increase in its followers. Its follower base on Twitter increased by 125%, followed by 1.68% growth on Facebook.

The social media platforms of Maharajas' Express saw an increase in followers on Instagram by 45%, followed by Twitter, which increased by 12.12%. IRCTC's e-Catering social media channels also saw an increase in their fan base with Instagram leading with a massive 97% growth, Twitter 49.4%, while Facebook had a slight decline of 2.92%. The Buddhist Circuit Tourist Train's account performed quite well on Instagram and it noted an increase of 76% in its following.

The newly launched Golden Chariot Train's social media presence noted a massive growth in traffic with Twitter leading at a 382% increase in follower base. Instagram's traffic surged

with an impressive 300% increase in its follower base. While Facebook observed a mild decline of 0.93%, the Golden Chariot Train's website saw a tremendous traffic increase of 411.97%.

On the other hand, website traffic on the Maharajas' Express, IRCTC E-Catering, Buddhist Circuit Tourist Train, IRCTC Air and IRCTC Tourism has recorded a decline due to domestic & worldwide travel restrictions during the pandemic.

Implementation of Search Engine Optimization (SEO) strategies helped improve the traffic and rankings across all IRCTC products from time to time. Such strategies will be executed more aggressively in future to synchronise with the ever-changing algorithm of leading search engines and channels for better reach and the ranking of IRCTC products as a brand.

## INTEGRAL REPORTS

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

Name of the Report	Annexure
Management Discussion and Analysis Report	"A"
Report on Corporate Governance	"B"
Annual Report on CSR and Sustainability Activities	"C"
Business Responsibility Report	"D"
Dividend Distribution Policy	"E"
Secretarial Auditor Report	"F"
Addendum to Director Report Management replies to remarks contained in the Independent Auditor's Report	"G"
Form AOC - 2	"H"

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

The Report on Corporate Governance highlights the philosophy of Corporate Governance and Key Values of the Company, composition of its Board of Directors and its Committees, their details including profile of directors who joined the Board during 2020-21 and thereafter, attendance and remuneration of directors etc., other relevant disclosures and general information for shareholders [**Annexure – "B"**]. It is supplemented by the following compliance certificates:

- i. Certificate signed by the Chairman & Managing Director affirming receipt of compliance with the Code of Conduct and Key Values from all Board members and Senior Management personnel during the year 2020-21 (placed at **Appendix – "B1"**);
- ii. Certificate from Chairman & Managing Director and Director Finance (CFO) with respect to the truth and fairness of

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

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

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

### Business Responsibility Report

As per Regulation 34 (2) (f) of SEBI (LODR), 2015, the top one thousand listed entities based on market capitalisation (calculated as on March 31 of every financial year) shall include in its Annual Report a Business Responsibility Report describing the initiatives taken by them from an environmental, social and governance perspective, in the format as specified by the SEBI from time to time. Considering the fact that the Company, as on 31<sup>st</sup> March 2021, is amongst the top 200 listed entities as per the criteria, the Business Responsibility Report is prepared and annexed to this report as **Annexure - “D”**.

### Dividend Distribution Policy

As per Regulation 43A of SEBI (LODR), 2015, the top one thousand listed entities based on market capitalisation (calculated as on March 31 of every financial year) shall formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites. Considering the fact that the Company, as of 31<sup>st</sup> March 2021, is amongst the top 200 listed entities as per the criteria, the Board of Directors of the Company has formulated

and adopted the Dividend Distribution Policy.

The Dividend Distribution Policy is annexed to this report as **Annexure – “E”** and is also available on the Company’s website with web link [https://www.irctc.com/assets/images/IRCTC\\_DIVIDEND%20DISTRIBUTION%20POLICY-31.07.2019.pdf](https://www.irctc.com/assets/images/IRCTC_DIVIDEND%20DISTRIBUTION%20POLICY-31.07.2019.pdf)

### Secretarial Audit Report

Pursuant to Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, IRCTC has appointed M/s Amit Agrawal, Company Secretaries, an independent practicing firm of Company Secretaries to conduct Secretarial Audit for the financial year 2020-21. The Secretarial Audit Report for the financial year ended March 31, 2021 is annexed as to this Report [**Annexure –“F”**].

### Addendum to Directors’ Report - Management replies to comments of Independent Auditors report

The replies of the management to the remarks/emphasis of matter made by the Independent Auditor in his report on the financial statements for the year 2020-21 are placed as **Annexure-“G”**.

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

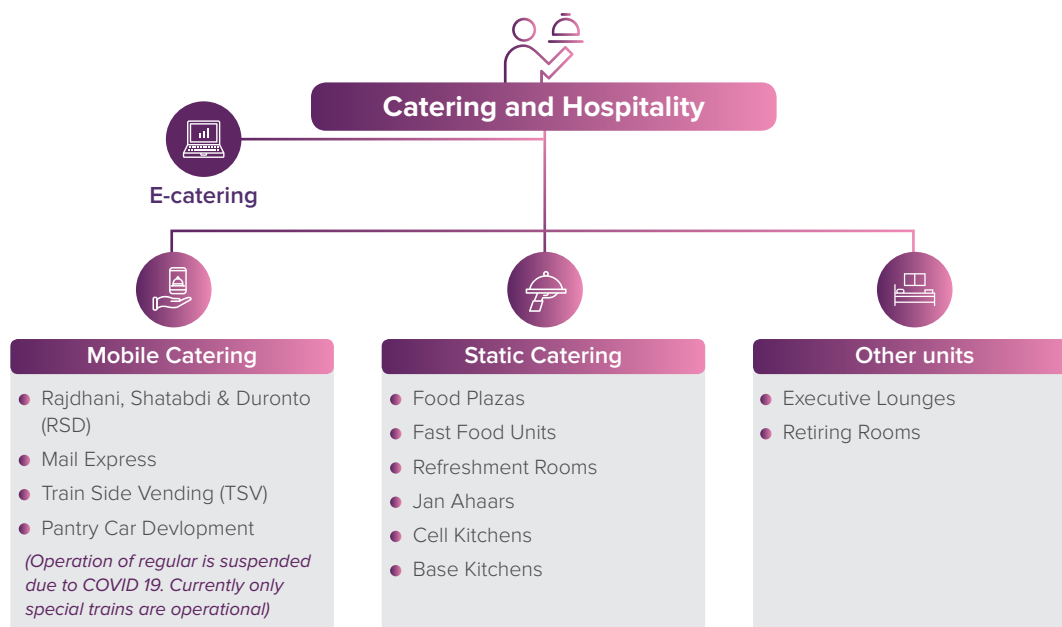
## OPERATIONAL PERFORMANCE

The segment wise operational performance of the Company during 2020-21 is detailed below:

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

## CATERING & HOSPITALITY:

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





## Mobile Catering

Mobile Catering refers to segment of Onboard Catering Services for passengers travelling onboard a train. Mobile Catering can be through a pantry car (with on-board reheating facility) attached to the train or through Train Side Vending in trains which do not have pantry cars. The food for such trains is picked up from strategic locations and is served to the passengers.

Due to the Covid-19 pandemic, operations of regular Rajdhani, Tejas, Gatiman, Vande Bharat, Shatabdis, Durgam, and Mail/Express trains were under suspension during the year 2020-21. Since May 2020, IRCTC has been managing Onboard Catering Services of Special Trains being operated by the Railways for facilitating movement of passengers, by providing RTE meals and Proprietary Articles Depot (PAD) items, as per directions of the Railway Board.

As on 31.03.2021, IRCTC provided Onboard Catering Services in **490 Special Trains**, out of which catering services in 243 trains were provided through the pantry cars.

### Train-Side Vending

A large number of trains do not have pantry cars attached to them. To arrange for on-board catering services on such trains, IRCTC appoints a Licensee for operation of Train-Side Vending (TSV), who arrange for food services. In view of the pandemic situation and as trains are operated at short notice, contracts are being done on an end-to-end basis, for service of RTE meals and PAD items, as per Railway Board's directions. Almost 247 trains were provided Onboard Catering Services through Train-Side Vending on an end-to-end basis.

### Ready to Eat Meals

As per Railway Board's guidelines, only Ready to Eat (RTE) meals and PAD items are currently being served in trains, through the Pantry Cars or Train-Side Vending contracts. This has improved standardisation and variety in Onboard Catering Services and has also helped reduce the grievances with regard to quality and hygiene.

The RTE food is pre-cleaned, pre-cooked, mostly packaged and ready for consumption without prior preparation or cooking. As per the requirement of RTE, food should be in an edible form without an additional preparation step to achieve food safety.



## Pantry car design and development

IRCTC has been mandated for re-designing, modification and maintenance of the pantry cars. IRCTC has submitted the design and layout of pantry car to the Railway Board & RCF, keeping in view the service of RTE food duly incorporating the suitable changes along with provision of a point of sale inside pantry car.

Indicative list of items that can be sold through point of sale in Pantry Cars include:

- RTE food/PAD items - Chocolates, aerated and milk and fruit-based drinks, local delicacies, baby food and other PAD articles
- Stationary, for example colour books, pens, note pads etc.
- Travel essentials like locks, chains key-rings, raincoats and umbrellas etc.
- Over-the-counter medicines and self-hygiene products - basic medicines, soaps and sanitizers, masks, face shield etc
- Gifts, crafts and memorabilia.
- Books and magazines.
- Mobile & other electronic essentials.
- Table games like board games, card games, jigsaw puzzles etc.
- Grooming kit - like shaving kits, sanitary kits, sanitary napkins etc.
- Take away travelling kit.
- Printing solutions - small printer can be provided for printing documents.
- IRCTC may designate a few of above categories as essential items (that must be made available on-board for sale) by appointed service provider and other categories may be designated as optional and may be made available by the service provider as per demand.

### Base Kitchens

Vide Catering Policy 2017, mandate was given to IRCTC for setting up of modern Base Kitchens for production of hygienic meals that will be transferred to trains. In view of this, 55 locations were identified for setting up Base Kitchens/ Kitchen Units. So far, a total of 46 Base Kitchen/Kitchen units have been upgraded, enabled with CCTV cameras and QR code facility with an aim to provide quality meals to the passengers on trains.

However, as per instructions of the Railway Board, due to the Covid-19 pandemic, service of cooked meal to the trains has been stopped. In place of cooked food, the Railway Board has advised IRCTC to provide RTE meals. Further, due to the



pandemic, Ministry of Railways in August 2020, has advised IRCTC to put on hold the activities related to development/setting up/upgradation of base kitchen units till further advice.



### Quality Control

To ensure the service of standardized quality of meals for passengers, IRCTC has set the following system in place.

- **Regular & Surprise Inspections:** Surprise Inspections are carried out in trains and static units of IRCTC by Executive & above level officers of IRCTC's Zones and designated Railways officers. Compulsory remedial procedures are followed to root out the deficiencies noticed during these inspections.
- **Food Sampling:** It is a process to ascertain that food is safe for consumption and does not contain any harmful contaminants. The food is subjected to physical analysis and chemical analysis. It is done to ensure compliance of FSSAI standards. In addition to IRCTC, Railway authorities also pick samples for testing. The food samples are regularly sent for testing in NABL accredited labs.

- **On Board deployment of Catering Supervisors:** IRCTC has deployed supervisors/ Catering assistants for end to end monitoring of catering services on all premium trains and sectional monitoring of all Mail/Exp trains. The on board monitoring staff also addresses the grievances of passengers on real time basis.

- **Ready To Eat and Proprietary Articles Depot (PAD):** In the testing times of pandemic (COVID-19) to ensure hygiene standards and minimum hand contact the cooked food has been replaced with MRP based Ready to Eat food and other Proprietary Articles Depot (PAD) snacks. The Ready to Eat food requires minimum procedure to become consumable i.e. addition of Hot water or heating for a prescribed time, this not only ensures good quality but also quick service.

- **On-Line Empanelment:** In the times of pandemic, the new normal is to ensure all COVID protocols such as social distancing, ensuring highest standards of Hygiene and ease of doing business. Hence to ensure adherence to protocols, IRCTC has introduced online empanelment process for PAD (Proprietary Articles Depot) items and Ready To Eat (RTE) products. Any applicant sitting in the comforts of his office or home can apply for empanelment of its products to IRCTC through an on-line process i.e. [www.irctc.com/empanelment.html](http://www.irctc.com/empanelment.html). The online process is time saving, transparent and environment friendly as paper use is largely reduced. The applicant is informed about the outcome of the application in a time bound process.

- **Introduction of MSME/Startups:** In line with Govt of India initiative for promotion of MSME and start-ups, IRCTC has provided various exemptions for the promotion of MSME and startup firms. In FY 2020-21, IRCTC empanelled 20 brands promoted by MSME/Startup firms for supply of food items over IR network.

- **Complaint Monitoring:** A passenger can give feedback or register complaints against catering services on 'Rail Madad' module that allows passengers to lodge complaints through mobile app/web platform. There are other various modules to register complaints such as, CPGRAM, National Consumer helpline , Rail Madad (this includes complaints received through social media platforms, Complaint Books, IR SMS, IR Web, Toll free numbers, e-mail etc).

A total of 4489 complaints were received in FY 2020-21 through rail madad, CPGRAM, national consumer helpline etc. There is a monitoring team designated by IRCTC which forwards the complaints feedback data to the concerned department/s and files interim reply to passengers on social media. Complaints /feed back pertaining to catering business of IRCTC are recorded on E CSIM (Catering Service Information Management which is an internet based module developed by IRCTC for its managerial analysis). Passengers can lodge complaints through [railmadad.indianrailways.gov.in](http://railmadad.indianrailways.gov.in), Railmadad app., Toll free number 139.



- Complaints Redressal:** IRCTC has a special cell dealing with consumer complaints. IRCTC recorded 1540 catering complaints in its internet based module of Catering Services Information Management/(E-CSIM) from Rail Madad. All the complaints were disposed off during the period. The average disposal time recorded for FY2020-21 is 03.33 hrs while previous year it was 14.02 hrs. In addition, a total of 1995 complaints were recorded through CPGRAM. Out of these, 1961 were disposed off while remaining 34 are pending and will be disposed off in coming financial year. The average disposal time for FY 2020-21 is 18 days. Through national consumer helpline, 1086 complaints (pertaining to catering, ticketing) were received and all of them have been disposed off.
- QR Codes:** To upgrade technical facilities for travelling passengers, the concept of QR Codes was started to provide information about the date of preparation, name of the kitchen, FSSAI, weight, live CCTV streaming link etc. However, due to the pandemic and non-service of cooked meal on trains, the facility has been stopped for now.
- CCTV Monitoring:** Keeping in view the hygiene levels of the cooked food and safety IRCTC had installed CCTV cameras in IRCTC kitchen units, which were being monitored 24 X 7 at IRCTC Corporate Office and Central Control. The basic aim of this facility was to give general public live feeds from CCTVs through the Rail Drishti portal. **However, due to the closure of base kitchens because of the pandemic, at present live feed of CCTV camera is not available.**
- POS Handheld Billing Machines:** To eradicate overcharging, IRCTC has made mandatory the issuance of invoices for its vendors through POS machines. These machines enable issuing of bills for every transaction, including those in a moving train. This also ensures proper accounting system and control. At present, all units, mobile and static, have provision for billing through the POS. Efforts have been made for cashless transactions in all Special Trains, Train-Side Vending etc. under the Digital India initiative of the Government of India. As on 31.03.2021, IRCTC installed 2820 POS machines in 754 rakes. Further, 408 POS machines in

359 operational static units have also been installed.



- Metallic plates:** For public awareness regarding POS billing, IRCTC has installed 12,256 metallic plates on trains informing passengers of messages like - **"If you don't get bill, your food is free"**. The above plates have been fixed at prominent places inside various trains. Further, stickers advising these tags have been affixed in all operational static catering units.





## Static Catering

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

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

**IRCTC managed 176 refreshment rooms, 56 Jan Ahars and 17 Cell Kitchens as on 31<sup>st</sup> March, 2021.** These units are located on railway platforms and sell low budget eatables. A list of the items to be sold on these units along with their prices is provided by the Ministry of Railways/IRCTC. These units usually sell items to passengers on the platform and sometimes supply food to moving trains.

### Food Plazas(FPs)/Fast Food Units(FFUs)/Food Courts

Fast Food Units are major units, where through self-service counters, fast food items are sold. In these outlets, packaged food is served to customers in takeaway packets. Food Plaza is a multi-cuisine plaza with a variety of eating choices. The quality and rates for items of food plazas are market-driven. Food court is a cluster of stalls at a nominated place, where food items such as branded products/eatables are provided.

The food plaza/fast food unit business is a segment where prices are market driven. Food Plazas normally provide multi-cuisine food under one roof, in a relaxed dine-in atmosphere with a good ambience and a common kitchen to provide a wide variety of food items. **As on 31.03.2021, IRCTC managed 287 Food Plaza/Fast Food units.**

The Company also plans to operate 25 Food Plazas and 43 Fast Food Units, for which contracts have been finalised.



Food Plaza Kamakhya



Food Plaza Coimbatore



Fast Food unit Narkatiyaganj



Food Plaza Church-gate



Fast Food unit Patna



Food Plaza Sealdah

### E-Catering

E-Catering service allows passengers to book food of their choice from partner restaurants. Food is delivered on their seat and bookings are done in advance.

Services are available at selected stations to bona fide passengers in reserved trains.

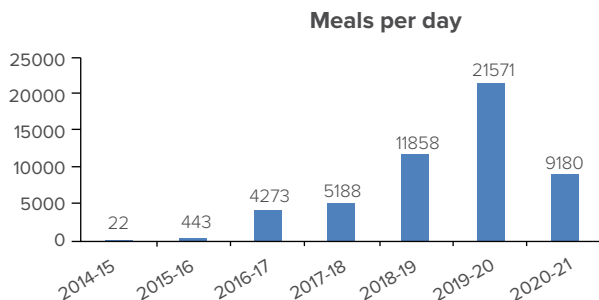
E-Catering has been introduced for providing the range of options to passengers for ordering food of their choice. The prices of food booked under e-Catering are market driven. The restaurant fixes the menu.

E-Catering on Indian Railways trains was discontinued in the month of March, 2020 due to the nationwide lockdown. E-Catering services, post Covid-19, were resumed from 1<sup>st</sup> February, 2021 gradually. More stations are being added under the e-Catering umbrella in a phase-wise manner keeping in mind the considering Central/State Government guidelines.

IRCTC is in the process of integrating B2C partners. Some are already made LIVE such as Ixigo, Confirmicket, Make My Trip, Yatra, Paytm etc. to improve the process of reach out to customers.

Some of the major brands associated with e-Catering services are Domino's Pizza, Subway, Haldiram's, Faasos, Biryani Blues, A2B, Sarvana Bhawan, Nirula's, etc.

### Growth of E-Catering



\* e-Catering operation remain suspended up to 31.01.2021 due to pandemic.

E-Catering has started picking up orders in the month of March 2021 and meals booked through e-Catering was 10,324 per day, however, the progress was halted due to the second wave of the pandemic and cancellation of trains.

### Executive Lounges

Six Executive Lounges at New Delhi, Agra Cantt, Jaipur, Ahmedabad, Madurai and Sealdah have already been commissioned by IRCTC and two more units at Varanasi Jn. and New Delhi (Paharganj side), are expected to be commissioned in FY2021-22. These lounges are provided with airport-like ambience, resting facilities and buffet facilities.



Executive Lounge, Sealdah



Executive Lounge, Madurai





Executive Lounge Ahmedabad



Udupi

### Retiring Rooms

Keeping in view the improved amenities and effective post-arrival/pre-departure facilities for esteemed Railway Passengers, Ministry of Railways has mandated IRCTC to renovate, operate and maintain Retiring Rooms at Railway Stations. Accordingly, IRCTC undertook the renovation work at all "A-1" & "A" category stations through reputed firms /companies in the field of hospitality, to upgrade Retiring Rooms with star hotel like facilities at reasonable prices. Common facilities available in the Retiring Rooms includes Air Conditioned Rooms and Dormitories, Quality Linen, Locker facility for luggage, LED Television, Bathrooms with all basic facilities such as WC, Geysers, Shower etc. with pantry and housekeeping services. The refurbished Retiring Rooms are being appreciated and praised by passengers at large. At present, Retiring Rooms at 17 stations i.e. Vadodra, Bilaspur, Thivim, Madgaon, Kacheguda, Udupi, Sealdah, Tiruchchirappalli, Jaipur, Lucknow, Madurai, Tirupati, Ahemedabad, Tata Nagar, Gorakhpur, Rajendar Nagar Terminal and Pallakad have been commissioned.

In addition to the above, a new concept, i.e. Pod/Capsule concept retiring room and dormitories have been developed. In order to execute the same, IRCTC has awarded the contract to M/s Urban Pod Pvt. Ltd. to set up and manage POD/Capsule concept retiring rooms & dormitories at Mumbai Central (MMCT) station of Western Railway.

The Company is in process of setting up of Retiring Rows at seven more stations and contracts have already been awarded for same.



Bilaspur



Madurai



Pod/Capsule concept retiring room and Dormitory.



Palakkad

## Rail Yatri Niwas

As mandated by the Indian Railways, IRCTC develops, operates and maintains Rail Yatri Niwas/BNR Hotels. The sites have been given to IRCTC on licence with permission to sub-licence the rights to third parties through Public-Private Partnership. At present, IRCTC is operating two Rail Yatri Niwas at New Delhi and Howrah and two BNR Hotels from Puri and Ranchi.



New Delhi



Puri

## TRAVEL AND TOURISM

India's beauty and diversity and its tourism potential is enormous. With its rich and diversified historical, natural and cultural heritage, India is home to many attractive tourist destinations of the world. The country's geography and topography has a tremendous potential to attract tourists across the globe.

Tourism in India has an equally strong relevance to economic development, cultural growth and national integration. With globalisation and the overall development in the country in terms of infrastructure and tourism facilities, the foreign tourist arrivals in India has tripled from 3 million per year in 2003 to around 11 million in 2019 and analysts expect to see more than 30 million tourists visiting India annually by 2028. At the same

time, domestic tourist visits to all states and Union Territories have its rapidly growing tourism sector now playing a huge role in the nation's economy, supporting millions of jobs and generating foreign exchange each year.

Prior to the pandemic, the global Travel and Tourism (including its direct, indirect and induced impacts) business sector accounted for 1 in 4 of all new jobs created across the world, 10.6% of all jobs (334 million), and 10.4% of global GDP (US\$9.2 trillion). Meanwhile, international visitor spending amounted to US\$1.7 trillion in 2019 (6.8% of total exports, 27.4% of global services exports).

The Travel and Tourism sector suffered a loss of almost US\$4.5 trillion to reach US\$4.7 trillion in 2020, with the contribution to the GDP dropping by a staggering 49.1% compared to 2019; relative to a 3.7% GDP decline of the global economy in 2020. In 2019, the Travel and Tourism sector contributed 10.4% to the global GDP; a share which decreased to 5.5% in 2020 due to the ongoing restrictions on mobility. In 2020, 62 million jobs were lost, representing a drop of 18.5%, leaving just 272 million employed across the sector globally, compared to 334 million in 2019. The threat of job losses persists as many jobs are currently supported by Government retention schemes and reduced hours, which without a full recovery of the Travel and Tourism sector, could be lost. Domestic visitor spending decreased by 45%, while international visitor spending declined by an unprecedented 69.4%.

The pandemic has dealt a crippling blow to the Indian travel and tourism industry and the entire value chain linked to the sector is likely to lose around ₹ 5 lakh crore or \$65.57 billion, according to a study by industry chamber CII and hospitality consulting firm Hotelivate. The organised sector alone is likely to lose \$25 billion in FY2020-21. Overall, due to the pandemic, the Indian Travel and Tourism industry is staring at a likely job loss of around 38 million.

It is clear from The World Travel & Tourism Council's (WTTC's) previous research and the current experience with Covid-19, that no one stakeholder group can address today's shocks on their own; requiring both inter-governmental cooperation as well as public-private collaboration. The extensive impact of Covid-19 has once again illustrated the need to strike a balance between protecting the health of individuals and the health of economies. Managing the fear, panic, stigma – and associated infodemic is also the key. In effect, according to the WHO, 90% of the economic losses during any pandemic arise from the uncoordinated and irrational efforts of the public to avoid infection.

As such, the importance of taking strategic approach, built on facts and experience, and ensuring business continuity, remains central to the successful management and swift recovery of a crisis. To enable the sector to bounce back in the aftermath of Covid-19, WTTC has recommended the implementation of policies such as the improvement of travel facilitation, the removal of barriers, the easing of fiscal policies, the introduction of incentives as well as the support of destinations. To support

the sector's recovery, WTTC has launched global protocols with the aim of rebuilding confidence amongst consumers so they can travel safely once the restrictions are lifted.

### IRCTC in Tourism Business

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

The various tourism business segments of IRCTC include Luxury Train Tours - Maharajas' Express and Golden Chariot, Buddhist Circuit Special Train, Bharat Darshan/ Aastha Circuit Tourist Trains, Pilgrim Special Tourist Trains, Rail Tour Packages, International and Domestic Air packages, Land Tour Packages, Hotel bookings (online and offline), Customised and LTC tours and Event Management and IRCTC Corporate Trains i.e. LJN - NDLS Tejas, ADI - MMCT Tejas and Kashi Mahakaal Express (BSB- INDB Express). IRCTC has its exclusive tourism portal, [www.irctctourism.com](http://www.irctctourism.com) for showcasing and booking of various tourism products in a single space.



The income from the Travel and Tourism Business of IRCTC has recorded a drastic decrease of 86.79% from ₹ 392.02 crore in 2019-20 (including state special revenue) to ₹ 54.91 crore in 2020-21. To contain the initial spread of Covid-19 in the country, the Government was constrained to enforce a nationwide lockdown from 25<sup>th</sup> March, 2020 onwards, which had a cascading impact on the business on all verticals, resulting in a decrease in revenue compared to the previous year.

Due to the lockdown imposed by the Government of India and the MHA from 25<sup>th</sup> March, 2020, most of the tourist trains such as Bharat Darshan, Pilgrim Special, Rail and Land Tour packages, etc. planned for FY2020-21 remained suspended for seven months. Even the funds earlier allocated by the state governments for operation of State Special Tourist Trains were also used by respective states for Health and safety of Public. VISA restrictions were imposed only limited visas of emergency nature were allowed, hence International Air packages remained suspended for the full Financial Year. Domestic Air packages were only able to start operating after 18<sup>th</sup> December, 2020.

Though IRCTC planned some departures for The Luxury/Deluxe trains - Maharajas' Express and Buddhist Special Trains in the last quarter of the FY2020-21, the trips were also cancelled due to the Covid-19 scenario and restriction in the movement of international travellers. The Tourism and Hospitality business of IRCTC remained badly affected, including the domestic tourism products such as Rail Tour Packages, Holiday Packages, LTC Tours etc. This has been evidently reflected in the performance of all tourism products of IRCTC when compared with FY2019-20.

To attain the pre-Covid era performance, IRCTC utilised the lockdown period in negotiating and executing tie-ups with hotels, transportation service providers etc. and empanelling them, which has resulted in access to the best available rates of the services and hotel rooms/ accommodation in the market. Further, new avenues have also been explored by planning new packages based on heritage, culture, adventure, medical wellness and special interest tours. The hard work done by the tourism team during the lockdown period has resulted in the launch of attractive, competitive and economical tour packages.



IRCTC launched and operated many Land Tour Packages, Domestic Air Packages, Bharat Darshan, Pilgrimage Special Tourist Train, Saloon Cars, Educational Tours, etc. from the third quarter of FY2020-21 and has started to offer customised travel packages for the customers as well. The Standard Operating Procedure (SOP) based on the guidelines issued by the MHA and the MHFW on preventive measures for Tourist Trains / Tours to contain the spread of the disease and dealing with emergencies have also been issued and implemented and the tourism staff of the company were trained to perform as per the New Normal.

#### a) Domestic Tourism

- **Rail Tour packages** – This is a comprehensive package of IRCTC, where it offers all-inclusive packages even with confirmed onward and return rail journey apart from other elements of a package such as road transfers, accommodation, meals and sight-seeing at reasonable rates. During the year 2020-21, only 20 tourists have availed the packages of IRCTC against a total of 13,630 tourists who availed these tours in the previous year. This decrease is because of the non-operation of regular trains in FY2020-21 on the Railway network and only special trains being operated in which IRCTC has not been provided earmarked berths to operate VAT package.
- **Holiday packages** – IRCTC also operates Holiday Packages (Land Packages) which includes road transfers, accommodation, meals and sight-seeing. In FY2020-21, a total above 9,657 passengers availed IRCTC land packages against a total of 58,337 passengers in the previous year. The decrease is due to the imposed lockdown.
- **Packages with charter coach and train** – These are all inclusive packages like Rail Tour Packages, where train travel is arranged through chartered coaches or trains by IRCTC. In FY2020- 21, IRCTC operated one RTP with charter trains/ coaches catering to 49 passengers.
- **Customised tour packages** – IRCTCs flexibility in accommodating the demands of the customer is clearly demonstrated in customised tour packages. These packages are tailor-made as per the requirement of the tourists such as, budget, level of luxury, places of Interest etc. During the year, a total of 311 tourists availed these packages as against 1700 in the previous year.
- **Leave Travel Concession (LTCs)** – Government of India authorised IRCTC as one among three PSUs for operating LTC tours. IRCTC provide/ design packages for government officials to travel across India as per their entitlement in Government services and claim the amount from their respective company on behalf of certificate provided by IRCTC. Apart

from custom designed package for LTC Tours, all IRCTC tour packages qualify for LTC. During the year, IRCTC arranged exclusive LTC package service to 4 passengers. All IRCTC tours qualify for LTC travel.

#### ● Domestic Air packages –



Air packages are increasingly becoming more popular day by day due to limited time at the discretion of people for going on holidays. IRCTC operated packages from all the Zones to various destinations like Shirdi, Goa, Delhi, Tirupati, Gangtok, Darjeeling, Kalimpong, Andaman and Nicobar, Ladakh, Srinagar, Kashmir, Mumbai, Mysoor, Coorg, Bangalore and more. During the year FY2020-21, IRCTC operated 75 domestic air packages with 1,419 passengers.

#### ● Educational Tours



IRCTC operates educational tours for students under its “travel to learn” scheme and has tie-ups with various state governments as well as private schools for operating educational tours for their students. During the year 2020- 21, a total of 10,520 students travelled under Educational tours, operated for students and teachers of RMSA and SSA, Tamil Nadu and Hyderabad city tours.



## b) In-bound Tourist Targeted Tours

### ● Maharajas' Express

Maharajas' Express has created a brand image for IRCTC in the field of luxury tourism in the international arena. Launched in the year 2010, the Maharajas' Express has been awarded the World's leading Luxury Tourist Train consecutively from the year 2012 to 2018 at the World Travel Awards. Maharajas' Express operates on four different itineraries, out of which three are of six nights/ seven days and one of three nights/ four days which cover places like Udaipur, Jodhpur, Bikaner, Jaipur, Ranthambore, Agra, Khajuraho and Varanasi. The itineraries have been uploaded with departure dates on the website of the train [www.the-maharajas.com](http://www.the-maharajas.com). The train is operated during the tourist season from September to April of the year.



### ● Golden Chariot

Golden Chariot, the only luxury train being operated in South India by the Karnataka State Tourism Development Corporation was taken over by IRCTC for marketing, operations and maintenance for a period of 10 years through an Agreement signed between the two organisations in November 2019. IRCTC took over physical possession of the train in January 2020.



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

During the FY2020-21, IRCTC has operated two trips of Golden Chariot with 55 guests on-board, whereas in the previous year, no trip was operated.

### ● Buddhist Circuit Special Train

This is a fully air-conditioned train offering a seven nights and eight days package covering all major Buddhist Pilgrim locations in India and Lumbini in Nepal. The new rake of Buddhist Circuit Train has International level features like Two Dining Cars, Vacuum Bio-toilets, Air Suspension springs, Security lockers, modified 2AC coaches with side seating facility, On-board housekeeping and security, CCTV camera security, accidental insurance facility, Foot massager and Mini library, etc. The itineraries have been uploaded with

departure dates on the website of the train [www.irctcbuddhisttrain.com](http://www.irctcbuddhisttrain.com). Due to restriction imposed on international travellers due to the pandemic, IRCTC could not operate any trip of the Buddhist Special Trains, during FY 2020-21.

#### ● Deluxe Tourist Train

IRCTC has been working to increase the utilisation of the Buddhist Special Train rake to operate different tourist circuits, therefore, it launched deluxe tourist trains. IRCTC has launched five trips of the Deluxe Tourist Train in the 2<sup>nd</sup> Half of FY2020-21. Out of them, IRCTC was able to operate one trip of the Deluxe Tourist Train in the name of 'Padharo Rajasthan' covering Jaisalmer and Jodhpur with 84 passengers on board.

#### ● Outbound Tour Packages

Due to the VISA restrictions on account of Covid-19, international air packages have not been operated by IRCTC in the FY2020-21.

### c) Air Ticketing And Corporate Travel

#### ● Online Air ticketing

IRCTC's air-ticketing micro-site [www.air.irctc.co.in](http://www.air.irctc.co.in) provides online booking facility of domestic as well as international air-tickets at very competitive prices with the lowest convenience fee as compared to other portals of Online Travel Agents (OTA) in the market.



IRCTC Air also has the facility of booking air tickets on the go through Mobile app for Android and IOS users. During FY2020- 21, an average of 2,426 air tickets per day were booked through the IRCTC air ticket website compared to 5,688 average air tickets per day in FY2019-20. IRCTC also provides travel insurance coverage of ₹ 50 lakh for each passenger on a complimentary basis to all the bookings made online through web and app.

#### ● Corporate Travel Business

IRCTC offers complete travel solutions for corporates, which includes air ticketing, booking of domestic

including LTC tickets, as well as international tickets, hotel bookings, Visa facilitation, insurance etc. IRCTC has tied-up with more than 160 PSUs/ ministries/ Government departments and institutions.

### d) Mass Tourism

#### ● Bharat Darshan/ Aastha Circuit Tourist Train

Bharat Darshan Tourist Train is the flagship product of IRCTC, very popular among special tourist trains tour packages offered by the company, primarily targeting the budgeted segment tourists. These trains operate from various cities across the length and breadth of the country on various circuits covering various tourist destinations and are attractively priced at ₹ 900/- per day per passenger for Non-AC Sleeper Class and ₹ 1100/- per day per passenger for 3AC class. The tour package is inclusive of rail and road travel, all meals, sightseeing and accommodation. Above all the tourists are also insured for an accidental claim up to a sum assured of ₹ 10 lakh.



Despite the ongoing pandemic, during FY2020-21, IRCTC successfully operated 21 Bharat Darshan trips carrying 13,312 passengers. The first trip of Bharat Darshan was operated between 11<sup>th</sup> and 18<sup>th</sup> November, 2020 ex-Tirunelveli, covering Gaya - Varanasi – Prayagraj. However, with the onset of the second wave, IRCTC was constrained to cancel all planned tours from 15<sup>th</sup> March, 2021 onwards.

#### ● State Special trains

IRCTC operates the state special tourist train tours in collaboration with various state governments. The government selects the beneficiaries of the tour package who are mostly senior citizens. These train tours cover various tourist and pilgrim destinations across India. Due to the pandemic, most State Governments utilised the funds earmarked for state special trains towards infrastructure and preparation for fighting the pandemic. No State Special Tourist Trains was operated in the FY2020-21.



- **Pilgrim Special Tourist Trains**

Being pilgrimage-centric, this package is attractively priced at ₹ 900/- and ₹ 1500/- per day per person + GST for sleeper class and 3<sup>rd</sup> AC class passenger respectively. The price is inclusive of rail and road travel, all meals, sightseeing and accommodation along with accident insurance cover of ₹10 lakh. IRCTC operated its first Pilgrim Tourist Train Ex Jalandhar from 27.01.2021 to 03.02.2021, covering tourist destinations like Ujjain – Ahmedabad – Somanth - Dwarka with 632 passengers. During FY2020-21, IRCTC operated four Pilgrim Special Tourist Trains and provided services to 2,426 passengers.



- **IRCTC Corporate Trains**

Under the directives of the Ministry of Railways, IRCTC started the operation of corporate premium passenger trains in 2019 with Lucknow-Delhi-Lucknow Tejas Express commencing operations on 5<sup>th</sup> October, 2019 followed by the commencement of the Ahmedabad-Mumbai-Ahmedabad Tejas in January, 2020 and the Kashi Mahakal Express on the Indore-Varanasi route in February, 2020.



Although all the three trains were received very well by the passengers with increasing patronage, the operation of all three trains were suspended from 18<sup>th</sup> March, 2020 along with the suspension of all passenger trains by the Ministry of Railways due to the restrictions and lockdowns imposed by the Government of India to contain the Covid-19 Pandemic.

With the process of unlocking implemented by the Government in 2020, IRCTC restored the operation of both the Tejas trains on 17<sup>th</sup> October, 2020 with all health and safety protocols amidst the new normal while the operations of the Kashi Mahakal Express still remains suspended. But due to the prevailing fear among the passengers to travel amidst the pandemic with majority of the population remaining unvaccinated, IRCTC was constrained to suspend the services of both the trains briefly from 23<sup>rd</sup>/24<sup>th</sup> November, 2020 and the operation of the both the trains again started from 14<sup>th</sup> February, 2021 onwards but have once again been temporarily suspended. The operations of trains, now, have been restored w.e.f. 7<sup>th</sup> August, 2021 onwards.

- **Election Special Trains**

IRCTC has been nominated as the single window for booking and movement of Election Special Trains along with the provision of on-board catering services to the forces on movement. During FY2020-21, IRCTC operated 275 trains for moving para-military forces for the General Elections and generated an income of ₹ 5.19 crores (only 5% facilitation charge of total Charter Fare Revenue).

e) **Other Tourism Activities**

- **Event Management**

IRCTC has been organising various conferences, events and incentive packages for Indian Railways, PSUs, the Education Department and other prominent institutions. During FY2020-21, IRCTC conducted one-day cruise event tour on the Hooghly river for 88 employees of M/s Braithwaite & Company Limited with lunch and live music on 30<sup>th</sup> January, 2021.



- **Booking of Charter Trains and Coaches**

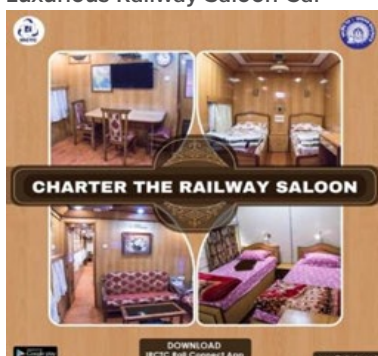


The Ministry of Railways nominated IRCTC as the single window agency for online booking of all trains and coaches on a charter basis. IRCTC operated 94 (25 trains and 69 coaches) charters in the financial year 2020-21 for various tourist groups. The website for online booking of FTR Trains/ coaches is [www.ftr.irctc.co.in](http://www.ftr.irctc.co.in).

- **Hill and Heritage Charters**

IRCTC actively promotes the five Hill Railways of India viz Nilgiri Mountain Railway (NMR), Darjeeling Himalayan Railway (DHR), Kalka-Shimla Railway, Kangra Valley Railway and Matheran Railway. IRCTC operates hill charters over Kalka-Shimla, Nilgiri Mountain Railway and Darjeeling Himalayan Railways – UNESCO's World Heritage Sites. IRCTC operated one Hill Charter on the Kalka-Shimla section with 12 passengers in FY2020-21.

- **Luxurious Railway Saloon Car**



The Ministry of Railways decided to open the bookings of its fleet of luxurious saloon coaches to open market and has entrusted IRCTC with the task of marketing and booking of these special rail products. A Saloon Car generally has a living room, two air-conditioned bedrooms – one twin bedroom and the other similar to AC First Class coupe with attached baths, dining area and a kitchen. Optional services like attendant, catering, pick and drop is arranged as per demand of the tourists. During FY2020-21, IRCTC has successfully operated 29 saloon charters across India in comparison to 33 saloon cars operated successfully in the previous year

- **Online booking of Retiring Rooms at Stations and Hotel Booking**

- IRCTC has been providing the convenience of booking of retiring rooms online to Railway passengers having confirmed PNRs across 545 Railway stations through the IRCTC tourism portal. Passengers can also book Retiring Rooms on the go on Android and IOS mobile Apps. Hourly booking is also available at 48 stations. About 65% of total retiring room bookings are done online. 20% of the bookings are being done through mobile apps. Due to Covid-19, online booking has been opened at 54 stations only.
- IRCTC has started upgrading and managing services of Retiring Rooms at 17 Railway stations, they are Sealdah, Rajinder Nagar, Tata Nagar, Udupi, Madgaon, Ahmedabad, Vadodara, Thivim, Lucknow, Jaipur, Gorkhpur, Tirucharpalli, Madurai, Kachiguda, Tirupati, Bilaspur and Palakkad. The upgraded retiring rooms have hotel-like facilities including AC, wifi, TV, geyser, linen, sofas etc.
- In FY2020-21, total bookings were at 10,121 and total revenue recorded was ₹ 81.89 lakh.



- **Adventure Tourism**



IRCTC launched and operated Adventure Tour packages for the first-time in FY2019-20. During FY 2020-21, IRCTC operated one Adventure Tour - Trichy-Tawang - which covered Guwahati- Dirang- Tawang-Sangthi Valley- Guwahati with six passengers.

- **Online Bus booking**

IRCTC has started providing bus ticket bookings on [bus.irctc.co.in](http://bus.irctc.co.in) with which IRCTC now has all three modes of transport viz. Rail, Air and Bus on its online platform, making it a one-stop solution for travel needs. IRCTC has tied up with various bus transport organisations such as M/s Abhi Bus and M/s Red Bus in January 2021. The Bus booking service is available for 22 states and 3 UTs as of now.

- **IRCTC Mobile Apps**

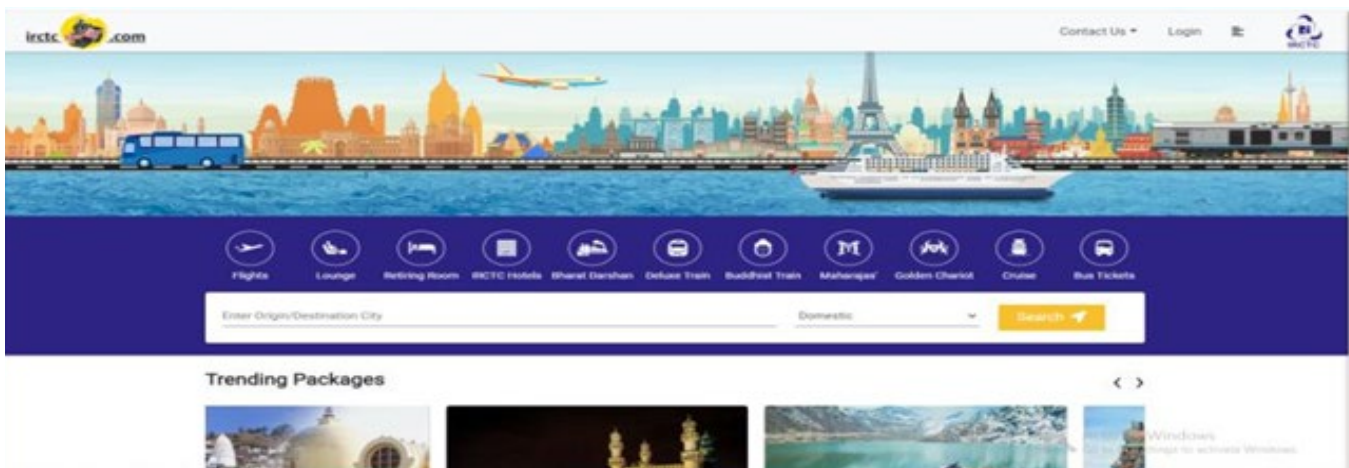
The Company has the mobile apps in the name of “IRCTC Air” and “IRCTC Tourism”. The IRCTC apps are available for Android and IOS users. Customers are using the app easily to book their choice of travel and tourism product on the App. A Mobile App has also

been developed on Android as well as the iOS platform for Maharajas’ Express to simplify the recording of guest feedback system and promotion of off-board excursions



- **Tourism Portal**

The portal offers on-line booking of Tourist Trains, Air tickets, tour packages - be it through rail, air or land, hotel, saloon cars, AC tourist trains, event management, etc. To be at par with the user friendliness and facilities which other OTAs offer, IRCTC has revamped its tourism website. Total bookings in 2020-21 was at 27,905 with 83,573 passengers with a gross revenue of ₹ 39.06 crore.



### ● Online Feedback Module

IRCTC started taking online feedback of tourists/passengers travelling or availing service of IRCTC tourist trains, packages, etc. through Tablets during the course of the tours, to get the actual feedback which is to be used for taking necessary action or steps to make the product better. IRCTC Tourism department has circulated four tablets to each zone for a regular online feedback module.

### ● Part-Payment Facility

Online and offline customers can now utilise the part-payment facility to book their tourism packages and plan their journeys in advance without blocking the full amount.

### ● Online Hotel Booking

IRCTC had integrated accommodation partners (Hotel, Home stay, Bed and Breakfast, PGs, Dormitories, paying Guest Houses, Yatri Nivas, holiday Homes, start up etc.) for online booking through <https://www.hotel.irctctourism.com> or 'irctctourism' mobile apps – Android and IOS Prominent Hotels available on IRCTC Hotels website are -

Park Hotels	Sterling Holidays
Oyo Rooms	Svelte Hotels
Pride Hotels	Uberoi Anand
Lords Hotels	Dorota House
Oga Hotels	MP Tourism
Comopolitian Hotels	HRANI (North India)
Ginger Hotels	Le Roi Hotels
IRCTC Guest House,Katra	Polo Tower group

Customers now can book more than 2251 hotels across over 244 cities with a starting tariff of as low as ₹ 600/-. Most hotels are located near railway stations, airports and city centres and most hotels offer no cancellation charges if cancelled before 24 hrs of the check-in.

Various important hotel associations of the country nominated by MOT for awarding star category classification to Hotels/Restaurants such as Hotel Association of India (HAI), Indian Heritage Hotel Association (IHHA) and Federation of Hotels And Restaurant Associations of India (FHRAI) and other regional hotel associations etc have already associated with IRCTC for online booking of hotels.

### Tourism Planning

IRCTC has been developing and introducing new tourism products continuously amidst the changing business scenario and changing customer preferences due to the ongoing pandemic. This strategy, besides attracting a wide range of customers, will also enable the company to stabilise and increase its growth with changing dynamics of time.

Due to the ongoing pandemic of Covid-19, the tourism and hospitality business has been facing unprecedented challenges to survive. To overcome these challenges and create new business opportunities in the market, the company is trying to be more dynamic and flexible towards its approach in doing business.

However, specific thrust areas identified by the Company for the coming financial year 2021-22 are:-

- **Customised Holiday Packages:** Due to the ongoing pandemic, group travel is expected to remain restrained for a long time. Hence, IRCTC will plan and develop more customised holiday packages as per the requirements of customers for small groups of family and friends.
- **Direct tie-up with Hotels and Transport Companies:** IRCTC has initialised direct tie-up with hotels and online hotel booking portals as well as transporters to provide competitive package prices to the passengers. IRCTC shall continue to do so in the times to come to pass on maximum benefits to its customers.
- **Online Bus Booking:** IRCTC has tied up with M/s Abhi Bus and M/s Red Bus, for facilitating online bus ticket booking for passengers and is in the process of continuously developing the portal, making it a more seamless experience to book tickets.
- **Deluxe Tourist Trains:** IRCTC plans to utilise the rake of the Buddhist Special Train for operating more Deluxe Tourist Trains and on various tourist itineraries across the country.
- **Pilgrim Special Tourist Trains:** IRCTC is planning to launch and operate Pilgrim Special Trains to various important tourist and pilgrimage destinations in India. The rake will be of a mixed composition of five coaches of non-AC sleeper class and five coaches of 3AC.
- **Adventure Tourism:** IRCTC will continue to operate various Adventure Tour packages to the North East. More such packaged are in the pipeline for other parts of India also. The adventure tour packages would involve various activities such as biking, hiking, mountaineering, etc.
- **Passenger Trains:** IRCTC is planning to operate more premium corporate passenger trains in 10 different clusters identified by the Indian Railways on a PPP model or independently. IRCTC also plans to take charge of other trains available with the Indian Railways under the brand Tejas Express, for bookings, operation and management.
- **Cruise Packages:** Once the International travel restrictions on out-bound tourists are reduced or

removed, IRCTC will focus on launching packages with Cruise liners for major cruise packages across the globe. IRCTC plans to block seats/cabins in cruises and sell them in the domestic and international market.

- **River Cruise Packages:** Over the period of time when in-bound and domestic tourism starts, IRCTC will launch packages with reputed cruise companies in the country offering Luxury River Cruise Tours. These tours will be offered to the guests of Maharajas Express also.

## INTERNET TICKETING

IRCTC pioneered internet-based rail ticket booking through its website which accounted for 79.63% of the total reserved tickets booked online on Indian Railways in 2020-21. On an average, 4.80 lakh tickets were sold daily through IRCTC's website and Mobile App during 2020-21. The site offers round-the-clock ticket booking services, except for a 35-minute break from 23:45 hrs to 00:20 hrs.

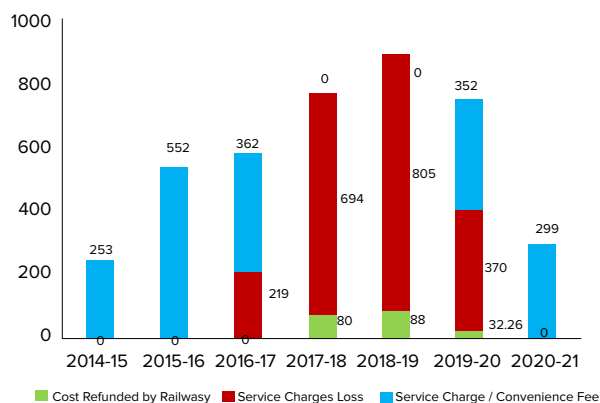
Ticket booking during the year was low due to the lockdowns condition imposed in the country on public movement. Further, bookings were totally stopped w.e.f. 15.04.2020 to 11.05.2020 due to unforeseen adverse circumstances in the wake of the Pandemic. Passenger Train operations were completely stopped by Indian Railways from 22.03.2020 to 12.05.2020 and only a skeletal service through Special Trains were operated post 12.05.2020 with some increase during the festival period when a few special trains were inducted.

### Service Charge/Convenience Fee

IRCTC was levying a Service Charge @ ₹ 20 + Tax per ticket for Non-AC Classes and ₹ 40/- + Tax per ticket for AC Classes, on the Reserved Rail Tickets booked through its platform till 22.11.2016. The service charge was withdrawn by the Ministry of Railways from 23.11.2016 to 31.08.2019 as an initiative for promotion of digital transactions.

#### IRCTC E-Ticketing Service Charge/Convenience Fee

(₹ in Crores)



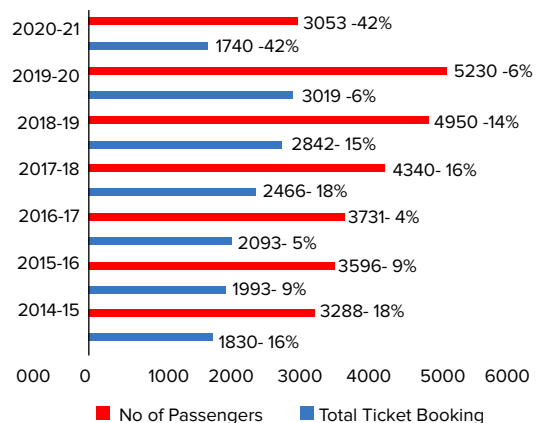
IRCTC started collection of Convenience Fee on e-ticket bookings w.e.f. 01-Sep-2019 at the rate of ₹ 15/- + GST per ticket for Non-AC Classes and ₹ 30/- + GST per ticket for AC Classes (including First Class/FC). For BHIM/UPI payments, the Convenience Fee is being charged at a reduced rate of ₹ 10/- + GST per ticket for Non- AC Classes and ₹ 20/- + GST per ticket for AC Classes. Due to the Pandemic, the bookings during FY2020-21 have been dropped by 42.35% over FY2019-20. Therefore, there has been a substantial decrease in the Convenience Fee also.

## Internet Ticketing Statistics

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

A total of 1740.46 lakh tickets have been booked in 2020-21 as compared to 3019.04 lakh in 2019-20. In total, 3052.67 lakh passengers got booked on E-Tickets in 2020-21 as compared to 5229.62 lakh passengers in 2019-20. The ratio of Passenger to Ticket during the year was 1.75:1. The number of tickets booked during the year has reduced drastically due to the countrywide lockdown conditions. Train services were being restored to normalcy, but unfortunately it was then that the second Covid wave hit the country.

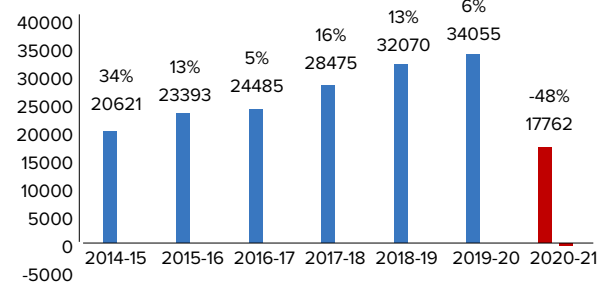
#### Tickets Vs Passengers



### b. E-ticketing Revenue

During the year 2020-21, a total amount of ₹ 17,761.60 crore was collected as Ticket Fare from the users as E-ticketing revenue, which is 47.84% less than last year's collection of ₹ 34,054.74 crore.

#### Ticket Fare Collected (₹ in Crores)



## MOU Targets 2020-21 and achievements thereof:

S.No.	Target	Status of achievement
1.	Hotel Booking on IRCTC Tourism Portal with integration of hotel chains, Inventory providers and state government guest houses (10 Nos.) .	Integrated 12 Inventory Providers with more than 100 Hotels.
2.	Loyalty Scheme for Tejas Trains by 31.12.2020	Achieved on 10-Oct-2020
3.	Booking for Agents on Mobile by IRCTC by 31.01.2021	Achieved on 13-Jan-2021
4.	Bus Booking on IRCTC Tourism Portal by 31.01.2021	Achieved on 29-Jan-2021

### New Initiatives taken during 2020-21

- Disbursement of refunds to the tune of more than ₹ 2300 Crores to the customers due to large scale cancellation of trains by Indian Railways in three to four trenches in the wake of the Covid-19 pandemic had been a great challenge for the organisation. This amount had to be timely processed on account of the cancellation of Passenger Trains by the Indian Railways w.e.f 21.03.2020 to 14.08.2020. The problem was compounded due to the Work From Home (WFH) system introduced for staff due to the complete lockdown in the country from 22.03.2020 onwards and threw a major challenge to the Company to process the refund of cancelled trains in time, which involved coordination with the Indian Railways, banks, payment aggregators and Principal Service Providers (PSPs) of various Retail Service Providers/RSPs (Agents) of B2B /Internet Café Schemes and through the B2C scheme. Due to changes made in the refund rules by the Ministry of Railways to grant full refund for cancelled trains even for already cancelled tickets, several technical changes had been made in the system in the Work-From-Home mode of functioning for this purpose. In some cases, a special refund was



also involved as flushed out PNRs could not be processed by the PRS for a refund.

- Information related to Covid-19 norms, Covid-Appropriate Behaviour and State Advisories about various updates on the cancellation of trains and refund processes were disseminated to the customers through alerts, pop-ups on the IRCTC Website and Mobile Apps and through SMSes.
- The AR (Assam Rifles) of Central Paramilitary Forces e-ticketing system was commissioned for booking reserved rail e-tickets for AR personnel (w.e.f 06-Oct-2020). In the past the e-ticketing system had been developed for CRPF, NDRF & NSG also bringing a major relief to these Central Paramilitary Forces in handling their reserved train ticket requirements and associated digital accounts.



- Launch of IRCTC – SBI Co-branded Credit Card on Rupay Platform on 28-Jul-2020
- In pursuance of the Hon'ble Prime Minister's vision of 'Aatma Nirbhar Bharat', 'Digital India' and towards fulfilment of the mission of the Hon'ble Minister for Railways in achieving



greater self reliance, IRCTC and SBI have together launched a new Co-branded Contactless Credit Card on the RuPay Platform of NPCI.

- The card was dedicated to the service of the nation by the Hon'ble Minister for Railways and the Minister for Commerce and Industry Sh. Piyush Goyal on 28<sup>th</sup> July, 2020.



- The Card is designed to reward Frequent Railway Travellers, wherein the new Co-branded Credit Card offers the rail passengers maximum savings proposition on their travel, together with exclusive benefits on retail, dining and entertainment as well as transaction fee waivers. There is no online transaction charge for booking e-tickets through these cards on the IRCTC website and Mobile Apps.
- The IRCTC SBI Credit Card on RuPay platform is fully indigenous, developed by IRCTC & SBI Card on the RuPay platform of NPCI.
- Equipped with Near Field Communication (NFC) technology, whereby the users can expedite their transactions at the POS machines by just tapping the card on the machines without swiping it.
- **Loyalty Scheme for Tejas Trains:** The Loyalty Scheme for Tejas Trains has been launched w.e.f. 10.10.2020. In the Loyalty Scheme, benefits will be given to the passengers who book their tickets for

travelling in the IRCTC Tejas Trains by using IRCTC SBI Co-branded Premier Card. The benefits given to the passengers of IRCTC Tejas Trains are as under:

- Welcome Benefit of 500 Reward points include the first user who books the IRCTC Tejas Train Tickets using the IRCTC SBI Co-branded Card, will be awarded within 45 days of boarding the train.
- 15 Reward points per ₹ 100 spent will be awarded on IRCTC Tejas Trains (for self Travel). Each Reward point is equivalent to ₹ 1/-. This in a sense provides 15% cash back to users on booking IRCTC Tejas Trains (a high-end product) in the Delhi-Lucknow-Delhi & Ahmedabad-Mumbai-Ahmedabad sectors.
- 1500 additional Reward points on 25 IRCTC Tejas Train bookings within a year (for self Travel). These points will be in addition to the Loyalty points earned by users for individual Tejas Train bookings.

This Loyalty Scheme will encourage the passengers to adopt IRCTC Tejas trains for their travel, once Tejas train operations are restored and will also promote the IRCTC SBI Co-branded Card in the process.

**Launch of IRCTC New User Interface on 31-Dec-2020**

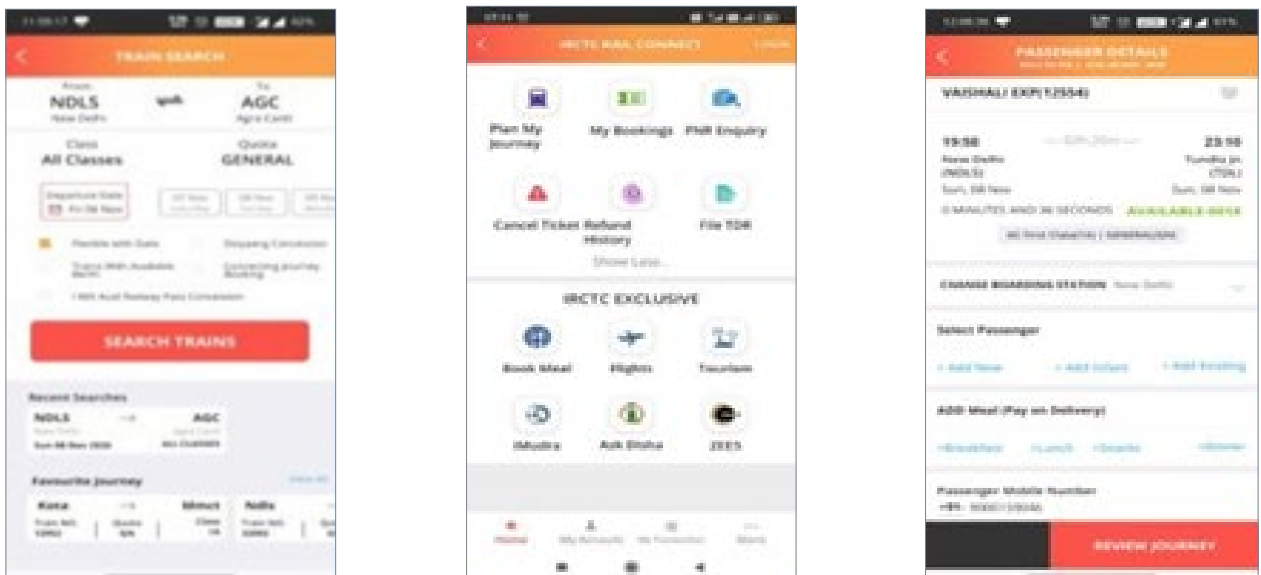
- IRCTC has been constantly putting in its efforts to enhance the customer experience and convenience while booking reserved rail e-tickets through its Website and Rail Connect Mobile Apps.
- A much-needed push has come in the form of IRCTC's New e-Ticketing Interface – A Digital India

initiative, which promises to transform the service delivery experience offered to travellers.

- IRCTC being a first contact point for travelling citizens with the Railways, need for New UI was felt to further enhance user personalisation and facilitation of the IRCTC Website and Mobile App with more user-friendly features and more comfortable navigation. This work has been carried out despite the pandemic restrictions. The look and feel of the interface has been changed with a simplified and appealing design.



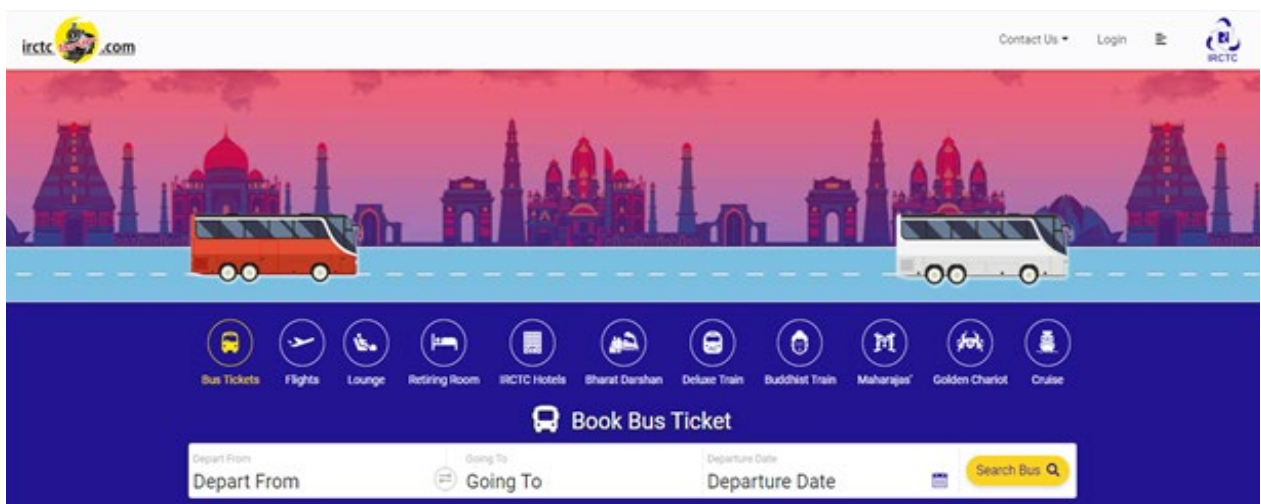
**IRCTC Rail Connect Mobile App New User Interface**



**Agent Booking On Mobile Phones: The Agent booking on Mobile Phones was launched w.e.f. 13-Jan-2021.** IRCTC authorised Retail Service Providers/ RSPs (Agents) who are registered through Internet Cafés and B2B Principal Service Providers (PSPs) are now facilitated with e-ticket bookings on their mobile phones. The login authentication of the RSPs is being done through OTPs on their registered mobile numbers. The objective of implementing the agent booking on mobiles was to bring e-ticketing service at par with m-Commerce market trends where in any transaction can be done on the mobile phone also by the users. With the implementation of this feature, IRCTC Agents (RSPs) who have been otherwise

booking e-tickets through their desktops can now book e-tickets on their mobile phones as well.

**Bus Integration: IRCTC has launched bus service on its microsite [www.bus.irctc.co.in](http://www.bus.irctc.co.in) on 29-Jan-2021.** Bus booking of the state road transports as well as private operators are now available through IRCTC with more than 50 thousand bus operators covering 22 states and three Union Territories including Kashmir. This service will also enable last mile connectivity to the Railway Passengers. It is expected that this business will grow substantially and provide multimodal transport on a single platforms viz. Trains, Flights and Bus for customers' convenience and choice of mode of travel through IRCTC.

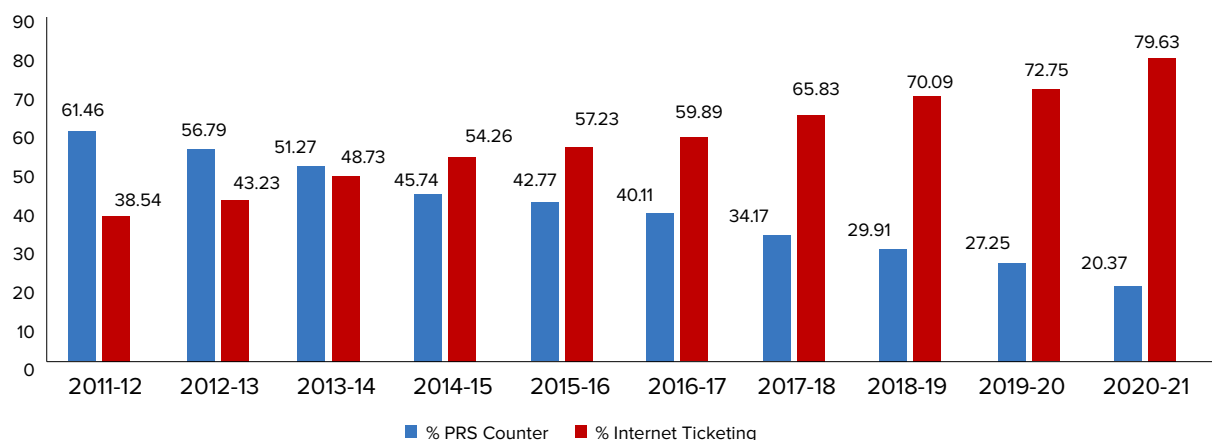


#### Highlights of Internet Ticketing during 2020-21

- The total number of tickets booked was 1,740.46 lakh, 57.65% of last year despite Covid-19 restrictions on public movement.
- Total train ticket fare for online e-ticketing during the year was ₹ 17,761.60 crore.
- 5.91 crore Mobile App (on Android & iOS) Downloads till 31<sup>st</sup> March, 2020.
- The average Mobile App bookings during 2020-21 were 2.21 Lakh tickets per day, compared to 3.86 lakh tickets in 2019-20. 46% of IRCTC e-tickets have been booked through the IRCTC Rail Connect Mobile App during FY2020-21.
- About 79.63% of the reserved rail tickets were booked online in 2020-21, compared to 72.75% in 2019-20. There has been continuous increase in online booking share over the years.
- Timely processing of refunds to the customers to the tune of more than ₹ 2300 crores due to cancellation of trains by the Indian Railways in the wake of the Pandemic.
- Launch of IRCTC - SBI Co-branded Credit Card on RuPay Platform on 28-Jul-2020
- New user interface with enhanced features was launched on 31-Dec-2020
- OTP-based login authentication for Retail Service Providers under B2B & Internet Café Schemes was launched on 13-Jan-2021.
- Booking of e-tickets by Agents on Mobile Phones was launched on 13-Jan-2021.
- Hotels, Retiring Rooms, bus booking, meal bookings – are all available on a single IRCTC platform along with train and air ticketing.

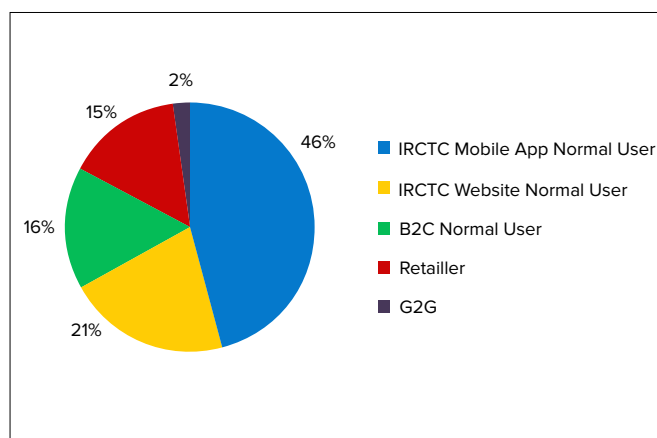
## Growth of Online Reserved Rail Ticketing

Oline Ticketing Share (%)



## Segment-wise Online Ticket Booking Share

S. No.	Segment	Total Booking (Nos. in Lakhs)	Booking Amount (₹ in Crores)	%age Share of Tkts.
1	IRCTC Mobile App Normal User	808.47	7,370.33	46%
2	IRCTC Website Normal User	360.92	4,282.90	21%
3	B2C Normal User	279.58	2,358.13	16%
4	Retailer (B2B & ICS)	262.15	3,118.54	15%
5	G2G	29.33	631.69	2%
	<b>Total</b>	<b>1740.45</b>	<b>17,761.59</b>	<b>100%</b>



## Data & Cyber Security

The Company relies on state-of-the-art technologies to ensure that the confidentiality, integrity and availability of all its online services and its data are adequately secured from the prevailing cyber security threats. The Company safeguards its data with advanced security systems and successfully defends the system against malicious virus or other cyber threats.

IRCTC E-Ticketing System is a well-protected system, equipped with industry-standard state-of-the-art security technologies for protection from cyber threats and data theft. This includes Network Firewalls, Network Intrusion Prevention System and Web Application Firewalls etc. The website runs on an Extended Validation (EV) SSL/TLS Certificate that provides end-to-end data encryption between the website and its users. Sensitive data like user ID/passwords is stored in encrypted form in the database.

On-line payment on E-ticketing system is fully secured as Credit/Debit Card data of users are not captured or stored in the IRCTC

system. All online payment integration, including net banking and Credit/Debit Card are implemented on the URL-redirection model wherein all users are redirected to concerned banks/payment gateway websites for the on-line payment process, fully eliminating any chance of Credit/Debit card data leakage at the IRCTC end.

This year, the company has also refreshed the ICT Infrastructure for its Travel & Tourism and Catering services, and has deployed a number of cyber security solutions viz. Web Application Firewalls, Privileged Identity Management, Secure Email Gateway and Malware Sandboxing solutions with the objective of enhancing its cyber security posture.

Showing its commitment toward cyber security, the company has approved the project of Compliance Audit for Payment Card Industry Data Security Standard (PCI DSS) in March 2021 for its Travel & Tourism business. PCI DSS Compliance for the Travel & Tourism business is expected in year FY2021-22.



## PACKAGED DRINKING WATER (RAIL NEER)

As on 31<sup>st</sup> March, 2021, IRCTC has 14 operational plants located at Nangloi, Danapur, Palur, Ambernath, Amethi, Parassala, Bilaspur, Sanand, Hapur, Mandideep, Nagpur, Jagiroad, Maneri and Sankrail, of which the plants at Amethi, Parassala, Sanand, Hapur, Mandideep, Nagpur, Jagiroad, Maneri and Sankrail which operate under the PPP model.

Performance of Rail Neer plants during FY2020-21 as compared with FY 2019-20 is tabled hereunder:

Financial Year	Production (bottles in Crore)	Turnover (₹ In crore)	Plant Utilisation (%)
2020-21	7.53	69 (Approx.)	19.45%
2019-20	27.50	237.99	79%

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

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

**During 2020-21, a new Rail Neer plant at Una (Himachal Pradesh) has been set up.**



### Technology/Capacity upgradation:

- To combat design duplication and consequent sale of spurious water, a hologram has been embedded on the Rail Neer bottle as a safety feature.
- Use of Handheld Terminals (HHT) for monitoring Rail Neer distribution operations in plants.
- Rail Neer Carrying and Forwarding Agencies (CFAs) have been empowered to issue invoice through Handheld Terminals (HHTs) to licensees, enabling live record and reconciliation of sale and supply of stock to trains and catering units in one plant as a pilot project. This has

simplified the process of bill settlement in real time, rendering accurate results every time. It has also resulted in savings in stationary and offers time for reconciliation. Further, the data has been proposed to be populated on IRCTC's server to assess performance of Rail Neer operations and utilise it as a decision-making tool.

## ON TRACK

- Average daily requirement of Packaged Drinking Water on Indian Railways is approx. 18-20 lakh litres/day. IRCTC's production capacity is around 14.08 lakh litres/day, spread over fourteen working plants. With the commissioning of six more plants, capacity will be enhanced to approx 18.4 lakh litres/day, and it will be operational by 2021-22. It is considered adequate for meeting the current demand from Indian Railways. Commercial operation of newly set up rail Neer Plant at Una has started on 31<sup>st</sup> July, 2021.
- Rail Neer Plant at Bhusawal (Maharashtra) is in advanced stages of completion and Rail Neer Plants at Mallavalli near Vijayawada and Simhadri near Vishakhapatnam are in civil construction phase. All these plants are expected to be commissioned in FY2021-22.
- Further, setting up of two more plants at Bhubaneswar and Kota are under the tendering process.

## Water Vending Machines

IRCTC provides purified, chilled and potable drinking water to railway passengers at an affordable rate (@ ₹ 5/- per 1 litre) through Water Vending Machines (WVMs), installed at various railway stations, thereby reducing pollution on account of lesser consumption of plastic bottles.

Till 31<sup>st</sup> March 2021, your Company has cumulatively installed 1926 Water Vending Machines. Out of 1194 stations of category of A1, A, B and C, a total of 685 stations have been provided with WVMs, covering around 97% of A-1 category stations.

## HUMAN RESOURCE DEVELOPMENT

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

As on 31<sup>st</sup> March, 2021, the Company had total manpower strength of 2296 with the following details:

Category	No. of Employees
Regular Employees	1372
Deputationists	45
On Contract	305*
Out-sourced	574 <sup>#</sup>

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

<sup>#</sup> Engaged through manpower agency for supplying support services.

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

Category	No. of Employees	% of total no. of regular employees (1372)
Women employees	113	8.23
SC Personnel	263	19.16
ST Personnel	73	5.32
Other Backward Classes	341	24.85
Persons with Disabilities	12	0.87

#### Employee Welfare

Human Resources being a very vital organ in the organisation, there is a need for welfare activities which helps in keeping the morale and motivation of the employees high to retain the employees for a longer duration. The Human Resources (HR) Department took the following welfare measures during 2020-21:-

- **Comprehensive Group Insurance Scheme:** Earlier coverage of accidental death as well as natural death under the Comprehensive Group Insurance Scheme amounted to 60 months basic pay plus Dearness Allowance, which has now been enhanced to 70 months basic pay plus Dearness Allowance for all employees, including deputationists working in IRCTC.

#### Staff Welfare Measures in IRCTC during the Covid-19 pandemic

1. On following dates, RT-PCR Testing Camps were organised:

S. No.	COVID Testing Schedule	No. of Testing (approx.)
1.	14-15 July, 2020	316
2.	16 <sup>th</sup> Sept., 2020	198
3.	14 <sup>th</sup> Oct., 2020	184
4.	24 <sup>th</sup> Nov., 2020	192

2. Not a single regular or outsource employee was retrenched during the lockdown period and thereafter. All the outsource personnel were granted ₹ 2,000/- as 'Pandemic relief' in the month of March, 2020, after lockdown to mitigate the hardship faced due to outback of pandemic.
3. An expenditure of ₹ 16,46,544/- (up to 31.03.2021) has been incurred towards the medical treatment of IRCTC employees for Covid-19 virus-related ailments.
4. Daily sanitisation of offices/work places is being done twice a day and deep sanitisation is being done after working hours. Covid Kits viz. masks, gloves, face-shield, sanitizers & medicines, were distributed amongst the staff. Contactless hand-sanitiser machines were installed.
5. Medical Equipments worth ₹ 5.00 lakh, like oxygen concentrators, oxygen cane, Oximeter, thermometer etc. have been procured for the medical emergency of staff and their family members.
6. The IRCTC website as well as the Mobile-App was updated with Covid-related instructions. Placards, for spreading awareness about the pandemic, were displayed in office premises.
7. Training programmes on Covid awareness and other managerial modules were organised for employees and Licensee Catering Staff.

SN	Name of the Programme	Attended by	Duration	Dates	No. of Participants
1.	Training on Prevention of COVID-19 for onboard Licensee Catering Staff - by IRCTC Internal Resource Person	Licensee Catering Staff	30-45 min.	June-July, 2020	1076
2.	Online Training on COVID-19 Awareness for Executives – by M/s Bureau Veritas	E-0 and above employees	2 days	July-Aug, 2020	100
3.	Online Training on COVID Awareness for Tourism Supervisors – M/s TUV Nord	Supervisors	3 days	July-Aug, 2020	83
4.	Online Training on COVID Awareness for Catering Supervisors – M/s AIHTM (ITDC)	Supervisor	3 days	July-Aug, 2020	107

SN	Name of the Programme	Attended by	Duration	Dates	No. of Participants
5.	Online Training on COVID Awareness for Workmen – by M/s AIHTM (ITDC)	Workmen	3 days	Oct-Nov, 2020	300
6.	Online training on GeM (Govt. e-market place) for CO & NZ	Supervisors & Executive & above	Half day	31.09.2020 -01.10.2020	50
7.	Online training on GeM (Govt. e-market place) for SCZ	Supervisors & Executive & above	Half day	19.10.2020	23
8.	Online training on GeM (Govt. e-market place) for EZ	Supervisors & Executive & above	Half day	20.10.2020	18
9.	Online training on GeM (Govt. e-market place) for SZ	Supervisors & Executive & above	Half day	21.10.2020	24
10.	Online training on GeM (Govt. e-market place) for WZ	Supervisors & Executive & above	Half day	21.10.2020	22
11.	Sexual Harrsment of Women at Workplace - by Adv. Smita Bankoti	Supervisors & Executive & above	Half day	25-26 Nov,2020	55
12.	Breaking the Glass Ceiling - by FCTD	Supervisors & Executive & above	3 day	9-11 Dec, 2020	32
13.	Motivational Workshop	Asst. Managers & above	1 day	30 Jan, 2021	140
14.	Communication & Team Work - by Neeti Phool	Supervisors & Executive & above	2 day	23-26 Feb, 2021	42
15.	Empowerment of Women through Spirituality	Supervisors & Executive & above	Half day	12 March, 2021	26
16.	Leadership Getting Result - by Jaipuria Institute	Executive & above 1	10 hrs	Feb - March, 2021	30
<b>Total</b>					<b>2128</b>

- **Engagement of Apprentices:** As per the Ministry of Skill Development and Entrepreneurship guidelines, IRCTC is fulfilling its obligation of engaging apprentices for training in the band of 2.5% to 10% of the sanctioned strength. For this period of training, a stipend is paid to each apprentice as per directives of the Ministry of Skill Development & Entrepreneurship. But, due to the pandemic, the fresh engagement of apprentices could not take place during the year FY2020-21. However, the tenure of the previous apprentices was extended as per guidelines of the Ministry of Skill Development & Entrepreneurship.
- **Alternative Method of Medical Treatment:** To promote the alternative method of medical help, IRCTC is providing free consultation services of Homeopathy Physicians to the employees of the Corporate Office and North Zone. Homeopathic treatment has helped a large number of staff and their families in treating day-to-day illness i.e. common cough, cold and prevention of seasonal diseases.

#### Industrial Relations

During the year, the Industrial Relations in the Company have been cordial without loss of any man-days. The Corporation has

an effective grievance machinery for redressal of the complaints/ grievances of its employees. An effective work culture has been established in the company through empowerment, transparency, decentralisation and practice of participative management.

#### Particulars of Employees

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

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

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

## USE OF INFORMATION TECHNOLOGY (IT) /ERP

During the year, the Company has successfully implemented the upgraded version of Oracle ERP Release 12. Modules like Financial, Purchasing, Inventory, Procurement Contract, Database, ARCS (Account Reconciliation Cloud Services) with enhanced functionalities are implemented in the Company on a pan-India basis. All official data of the organisation has been maintained electronically in a secure environment with user's access rights control. The company also implemented an E-office system. IRCTC has appointed an agency for designing, operating & maintenance of water supply chain management system software to be implemented in all 14 Rail Neer plants across India. Testing on a pilot project basis at the Rail Neer Plant Nangloi has been done successfully. The in-house developed of software application for online vendor empanelment for READY TO EAT & PAD items has been successfully implemented. A management tool for maintaining transparency & to ensure timely payment of vendor bills, Bill Tracking System has implemented in the organisation. Server hardware has been collated at the data centre to maintain uniformity of crucial applications being accessed globally by IRCTC employees as well as the general public. Procurement through the tendering process at Government E-marketing portal was done for the first time in IRCTC and the same is being followed so far. The Company also has a hardware and a software set up for conducting meetings / discussion / seminar /training etc. through Video Conferencing systems.

Access Management System - To control the entry in office premises an access management system with face recognition feature was implemented. The first successful run of the Golden Chariot Express was done and provisioning of IT assets for efficient working from home operations during the pandemic was done.

## VIGILANCE

The Vigilance Department is at present headed by a full-time Chief Vigilance Officer. The Vigilance Department of IRCTC consists of 12 officials including CVO. During the year, emphasis continued on 'Preventive Vigilance' to improve the system and procedures, thereby increasing transparency, accountability and reducing the scope for discretion.

During the year 2020-21, the Vigilance Department investigated in detail 8 complaints and 30 complaints were forwarded to the concerned departments for necessary action. Nearly 180 e-mails, complaints from various sources, were also processed. Total 43 Preventive/Surprise checks resulted in the recovery of a fine of ₹ 29,48,290/- from catering licensees, e-ticketing agents etc. Suitable punitive action was also taken against the erring officials. On the recommendations of vigilance, two system improvements were implemented by the various departments of IRCTC. Regular exchange of views between the CMD, the CVO, Directors and other senior management was established

for better co-ordination and overall improvement in Vigilance functioning. CVC and his officials were consulted regularly for effective flow of instruction/guidelines. Further, a "Bill tracking System" was introduced. E-tendering in catering contracts has been implemented for both open and limited tenders. Forensic Audit of bid documents submitted by the bidders has been started, based on suggestion by Vigilance.

As per the directives of the Central Vigilance Commission (CVC) the Vigilance Awareness Week was observed at IRCTC from 27<sup>th</sup> October, 2020 to 2<sup>nd</sup> November, 2020 with the theme "Satark Bharat, Samridh Bharat (Vigilant India, Prosperous India)" and all employees took the "Integrity Pledge". Various programmes/ competitions/ seminars were conducted in all the offices of the IRCTC with a view to create awareness about preventive measures through a system improvement.



### Integrity Pact

IRCTC has implemented the integrity pact programme in line with the recommendations of the Central Vigilance Commission



with an objective to ensure that all activities and transactions between a Company or Government departments and their Suppliers are handled in a fair, transparent and corruption-free manner. IRCTC has adopted the Integrity Pact. One Independent External monitor has been appointed in IRCTC with the approval of the CVC. A coordinator has also been appointed for Integrity Pact which is now being used in all the tenders which are beyond the identified threshold values.

#### Whistle-Blower Policy/ Establishment of Vigil Mechanism

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

### CORPORATE SOCIAL RESPONSIBILITY

The Company has been actively engaged in various CSR activities over the years, encompassing the entire gamut of social welfare / upliftment activities across the nation. The Company has identified thrust areas under CSR, which inter alia include healthcare and sanitation, education and empowerment of women and socially / economically backward groups, etc. During the year, the Company spent the entire budget of ₹ 10.44 crore on various CSR activities. A report on the Company's CSR activities as per the provisions of the Companies Act along with the CSR highlights for the year is annexed at **Annexure-“C”** to the report. The composition of the CSR Committee is

provided in the Corporate Governance Report. The CSR vision Document of the Company can be accessed at the website of the Company on the web link <https://www.irctc.com/assets/images/CSR-Vision-Document.pdf>

### COMPLIANCES UNDER APPLICABLE LAWS/ REGULATIONS

#### Right to Information Act, 2005

An elaborate mechanism has been set up throughout the Company to deal with matters relating to The Right to Information Act 2005. As required under the RTI Act, detailed information is hosted and regularly updated on the official website of the Company, i.e. <https://www.irctc.com/rti.html> which inter-alia includes details of CPIOs / APIOs/Appellate Authorities, third party audited reports on mandatory disclosures, etc. To deal with RTI applications in a fast track mode, IRCTC generates one Unique Registration No. (URN) for each application and the same is replied by the concerned CPIO/PIO well within the prescribed time limit

The Company has aligned with the online RTI portal launched by DoPT, Govt. of India, and all the applications/ appeals received through the portal are disposed off through the portal only. The Quarterly Reports / Annual Reports are submitted, within the prescribed timeline, on the website of the Central Information Commission, i.e., [www.cic.gov.in](http://www.cic.gov.in).

During 2020-21, a total of 2304 cases under the RTI Act, 2005 were received and all the applications were disposed off in a timely manner.

Particulars	No. of applications received as transfer from other PAs u/s 6(3)	Received during the year [including cases transferred to other PAs]	No. of cases transferred to other PAs u/s 6(3)	Decisions where requests/ appeals rejected	Decisions where requests/ appeals replied
Requests	59	2304	462	6	1789
First Appeals	0	129	6	0	127

#### Presidential Directives

No Presidential Directive was received during the year.

#### Rajbhasha (Official Language)

The Company is committed to implementation of Hindi in day-to-day functioning at its various offices / locations/ units. The provisions of Official Language Act, 1963 and Rules notified thereunder are complied with in letter and spirit. In order to increase the pace of development and use of Hindi, the Department of Official Languages has been constituted in the IRCTC's Corporate Office for coordination in all matters related to the progressive use of Hindi as the official language. In addition, the Company has also nominated Official Language Officers and Assistant Official Language across all the zonal offices

The Company also provides the facility of a library in all the Zonal offices as directed by the Department of Official Language.

Communications received in Hindi and any application, appeal or representation written or signed by an employee in Hindi is replied to in Hindi. Various activities were undertaken during the year, such as organising workshops, training, meetings, various competitions etc. for outstanding and noteworthy contribution in Rajbhasha, number of incentives and reward schemes are in force.

A Hindi week was organised from 14<sup>th</sup> September, 2020 to 21<sup>st</sup> September 2020 in the Corporate Office in which various competitions, such as Hindi dictation, Hindi Essay, Hindi noting and drafting, Hindi Typing and Self Hindi story & Poem writing competition were organised, where a large number of participants took part. Winners were awarded cash prizes along with a Certificate.

During the year, the Corporate Office of IRCTC was inspected by the Second Sub-Committee of Parliament Committee on Official Language. The Committee, after a detailed inspection, expressed satisfaction and appreciation of the official language related work of the Corporate Office.

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

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

During the year, no complaint of sexual harassment was received by the Company.

### Procurement from Micro and Small Enterprises (MSEs)

In line with the Public Procurement Policy of the Government of India, as amended, the Company is required to procure minimum 25% of the total procurement of Goods and Services from MSEs, out of which 4% is earmarked for procurement from MSEs owned by SC / ST entrepreneurs and 3% from MSEs owned by women. The procurement from MSEs was as under:

Parameters	Targets	Actual
Total Procurement from MSEs (General, Reserved SC/ST & Women)	25%	23.17%
Procurement from Reserved SC/ST MSEs	4% (Sub-target out of 25%)	Nil
Procurement from Women owned MSEs	3% (Sub-target out of 25%)	2%

*The deficit under the targets and sub-targets was due to non-availability of vendors.*

Several initiatives are being undertaken to identify the entrepreneurs for procurement of goods and services from MSEs owned by SC / ST enterprises viz., Launch of SC/ST hub/link to provide support to SC/ST Entrepreneurs. The Hub/link will support existing SC/ST entrepreneurs and enterprises in technological upgradation and capacity building thereby enabling them to effectively participate in IRCTC procurement processes. The aim is to provide professional support to Scheduled Caste and Scheduled Tribe Entrepreneurs to fulfil the obligations under the Central Government Public Procurement Policy for Micro and Small Enterprises Order 2012, adopt applicable business practices and leverage the Stand-Up India initiative.

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

In compliance with the above instruction, your Company is on the TReDS platform to facilitate financing of trade receivables of MSEs by discounting of their receivables and realisation of their payment before the due date.

### Memorandum of Understanding with Department of Public Enterprises

The Company is expecting "Very Good" rating based on the outcomes achieved with reference to the key performance indicators (KPIs) enshrined in the Memorandum of Understanding (MoU) for the financial year 2020-21.

### Knowledge Management System

Aiming to achieve significant pinnacle through a common knowledge management portal, which helps in identifying, creating, organising, distributing and transferring vital knowledge among employees within and across organisations, the SAMANVAYA platform has been developed by the Department of Public Enterprises. IRCTC is an active member on the platform and updates the details related to the Company regularly.

Likewise, the DRISHTI Dashboard has been created as a part of Vision New India 2022 to reform the role and responsibilities of CPSEs through real-time monitoring of their action plans, derived from the challenges posed out of the CPSE Conclave. The company has fed the information on the portal and regular update is also being done.

## COMPLIANCES UNDER COMPANIES ACT 2013

### Annual Return

As required under the provisions of the Companies Act, 2013, the Annual Return is hosted on the Company's website and can be accessed from the link <https://www.irctc.com/Annual%20Return.html>.

### Deposits

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

Further, as provided in Secretarial Standards, information regarding details of National Company Law Tribunal (NCLT)/ National Company Law Appellate Tribunal (NCLAT) orders with respect to depositors for extension of time for repayment, penalty imposed, if any is also NIL.

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

During the year, the Company has not provided any loan, made any investment; or provided any guarantee under section 186 of Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014. Therefore, the information to be reported under section 186 of the Companies Act 2013 is NIL.

### **Contracts and Arrangements with Related Parties**

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

### **Internal Financial Control System**

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

In addition to Internal Audit, M/s S.K. Gujarati, Chartered Accountants were engaged for certification of internal financial control (IFC) for FY 2020-21, in accordance with the provisions of Companies Act, 2013.

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

### **Risk Management**

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

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

During quarterly meetings of below Board Level Risk Management Committee, various risks have been identified

and deliberated at the Board level committee. The major risks identified are as mentioned below:

- (i) Pandemic Risk
- (ii) Dependence Risk
- (iii) Competition Risk
- (iv) Human Resource Risk
- (v) Cyber Security Risk etc.

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

### **Significant and Material Orders**

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

### **Secretarial Standards**

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

### **Investor Education & Protection Fund (IEPF)**

The details of unpaid / unclaimed dividend and shares transferred to the IEPF in compliance with the provisions of the Companies Act, 2013 has been provided in the Corporate Governance Report.

### **Reporting of frauds by Auditors**

The Auditors in their report for the year have not reported any instance of fraud committed by the officers/employees of the Company.

### **Credit Rating of Securities**

During FY 2020-21, the Company has not received any credit rating by the rating agencies. Further details are mentioned in the Corporate Governance Report.

### **Corporate Insolvency Resolution process initiated under the Insolvency and Bankruptcy Code, 2016**

The Company has no information to disclose under above.

### **Failure to implement any Corporate Action**

The Company has implemented all Corporate Actions successfully within prescribed timelines. Therefore, the Company has nothing to report under this.

### **Green initiatives in Corporate Governance**

In line with relaxations extended by MCA and SEBI due to the Covid-19 pandemic and in furtherance of the 'Green Initiative',

the Company has effected the delivery of Notice of the AGM and the Annual Report through electronic mode to those Members whose e-mail IDs were registered with the respective Depository Participants viz. National Securities Depository Limited and Central Depository Services (India) Limited. Further, as a part of green initiative, the agenda for the meetings are sent through electronic mode ensuring encryption and password protection.

#### Particulars relating to conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo etc.

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

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

Further, in its catering operations, the Company has adopted several innovative techniques to save energy and water in its Base kitchen at NDLS by shifting on Piped Natural Gas based cooking instead of traditional LPG cylinder and re-using of RO waste water in cleaning, washing and bathrooms at BK-NDLS. IRCTC also replaced 3x36 watts/2x40 watts light with energy efficient 28 watt LED light fixtures.

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

#### Technology absorption-

Details are mentioned below in the table:

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

#### Expenditure incurred on Research and Development

Your Company does not undertake exclusive research projects as it does not have the presence in such a domain.

However, to improve the technical capability and enhance competence, some methods and techniques have been developed and innovative systems have been introduced for its business segments.

#### Foreign exchange earnings and Outgo

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

Particulars	₹ in Crore)	
	2020-21	2019-20
Foreign Exchange Earning	9.85	43.32
Foreign Exchange Outgo		
Foreign Travelling Expenses	0.01	0.47

#### Retirement of Directors by rotation

As per the Companies Act, 2013 the provisions in respect of retirement of Directors by rotation will not be applicable to Independent Director. Also, presently, the Company has not any Independent Directors on its Board. In view of this, no Independent Director is being considered to be retired by rotation but all other directors will be retiring by rotation. Accordingly, one third among all other directors namely Shri Neeraj Sharma, Executive Director (PM), Railway Board and Government Nominee Director is liable to retire by rotation and being eligible, offers himself for reappointment.

#### Policy on performance evaluation of Directors

The provisions of Section 134(3)(p) of the Companies Act, 2013 require a listed entity to include a statement indicating the manner of formal evaluation of performance of the Board, its Committees and of individual Directors. However, the said provisions are exempt for Government Companies. IRCTC being a Government Company under the administrative control of the Ministry of Railways is also exempted from the above mentioned provisions of Companies Act.

In IRCTC, the evaluation of performance of Functional Directors includes self-evaluation by the respective functional directors and subsequent assessment by CMD with final evaluation by the Ministry of Railways.

The performance evaluation of CMD includes self evaluation and final evaluation by the Ministry of Railways.

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



## CUSTOMERS' FEEDBACK

**IRCTC**  
Published by Akash Vats · 13 June 2020 ·

A surreal landscape surrounded by snow-capped #Himalaya, #Leh in #Ladakh region is among the coldest deserts in the #world. Perched at a height of over 11,000 ft above sea level, its rugged #terrain offers opportunities for activities like #camping, #trekking... See more



**IRCTC**  
Published by Akash Vats · 11 June 2020 ·

As the highest waterfall in #Karnataka & the 2nd highest plunge #waterfall in #Asia, the mighty #JogFalls on the #SharavathiRiver is about 253m high. Surrounded by emerald green forest, it is a popular #weekend #getaway destination among #adventure traveller... See more



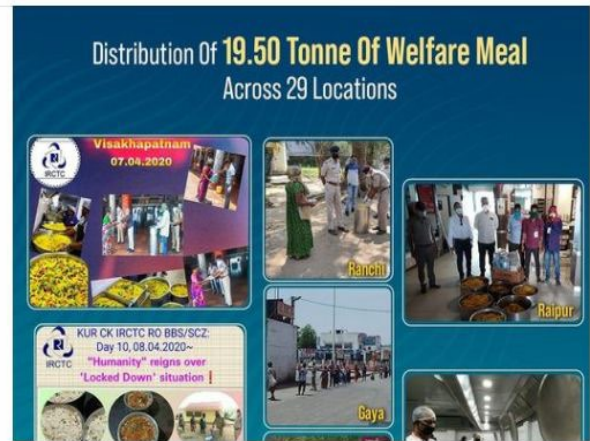
## JOINT VENTURES/SUBSIDIARIES

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

Accordingly, a luxury train having 23 coaches was manufactured, fabricated and funded by the company and was marketed in the name of Maharajas' Express and was leased to the Royale Indian Rail Tours Limited (RIRTL) for the purpose of running, operating and managing the luxury tourist train for a period of 15 years. However, due to certain issues between the equity partners, the lease of the luxury train was withdrawn and the JV Agreement dated 10<sup>th</sup> December, 2008 was terminated on

**IRCTC**  
Published by Akash Vats · 8 April 2020 ·

#IRCTC with the help of local authorities was able to distribute 19.50 tonne of welfare meals across 29 locations in the country today. #FightAgainstCorona



**IRCTC**  
Published by Akash Vats · 30 May 2020 ·

In the last one month, passengers travelling onboard #Shramik Special Trains have been served with over 1 crore meals and over 1.34 crore #RailNeer bottles by #IRCTC PAN India.



12<sup>th</sup> August 2011. The Hon'ble Supreme Court permitted IRCTC to operate the said luxury train. Cox & Kings Limited initiated arbitration proceedings seeking restoration of Joint Venture Agreement. The arbitration is at the final argument stage before Arbitral Tribunal.

IRCTC has also filed a petition against Royale Indian Rail Tours Limited (RIRTL) and Cox & Kings Limited and others before National Company Law Tribunal (NCLT) (erstwhile Company Law Board) under sections 388B, 397, 398, 399 and 403 of the Companies Act, 1956 and the said petition is subjudice and listed for arguments. NCLT has declared the said company (RIRTL) to be in managerial dispute. Details of the Joint Venture are covered in the notes to accounts of the financial statements for the periods ending 31<sup>st</sup> March, 2021 vide note no. 37.3 and 45. The parties have also taken permission from the NCLT for not holding the Board and General meetings of RIRTL without its approval in July, 2013.

## CONSOLIDATION OF FINANCIAL STATEMENTS

As mentioned in the paragraph above, the Board meetings and general meetings have not been held in RIRTL since financial year 2010-2011, due to pending dispute with Cox & Kings Limited. Therefore, the consolidation of financial statements as required under section 129(3) of the Companies Act 2013 could not be done as also explained and disclosed vide Note No. 45 of the Notes to accounts of the financial statements for the period ending 31<sup>st</sup> March 2021.

## AUDITORS

### Statutory Auditor

Under Section 139(5) of the Companies Act 2013, Comptroller & Auditor General of India has appointed M/s P. R. Mehra & Co., Chartered Accountants as Statutory Auditor of the Company to audit the financial statements for the financial year 2020-21. The details of payment made to Statutory Auditor during financial year 2020-21 on consolidated basis is mentioned below:

Particulars	Amount (₹ in crore)
Statutory Audit Fees, Tax Audit Fees and Limited Review Fees	₹ 0.23 Crores

### Secretarial Auditor

Pursuant to Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, IRCTC has appointed M/s Amit Agrawal & Associates, an independent firm of practicing Company Secretaries to conduct Secretarial Audit for the financial year 2020-21.

The Secretarial Audit Report for the financial year ended March 31, 2021 is enclosed as **Annexure-“F”** to this report.

### Internal Auditor

As per the Section 138 of the Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules 2014, the Company has appointed M/s S. Ramanand Aiyer & Co., Chartered Accountants, an independent accounting firm to undertake the assignment of internal audit for FY2020-21. The details regarding scope and functions of the firm is placed in the Management Discussion and Analysis Report.

### Cost Auditor

The business segments of IRCTC are not covered under Cost Audit Rules notified by Ministry of Corporate Affairs. However, the Company conducted the cost audit of cost records maintained by the Rail Neer Plants on a voluntary basis only through M/s R.J. Goel & Co. as the Cost Auditor for the year 2020-21.

## COMMENTS OF COMPTROLLER & AUDITOR GENERAL (C&AG) OF INDIA

The Comptroller & Auditor General of India has undertaken supplementary audit on the financial statements of the Company for the year ended 31<sup>st</sup> March, 2021 under Section 143(6) of the Companies Act, 2013.

The comments of the C & AG on the Annual Accounts of the Company for the year ended 31<sup>st</sup> March, 2021 shall also form part of this report.

## DIRECTORS' RESPONSIBILITY STATEMENT

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

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

## DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPs)

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

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

### Appointment:

1. In accordance with the Ministry of Railways' letter dated 03<sup>rd</sup> February, 2021, **Smt. Rajni Hasija (DIN: 08083674), Director (T&M)**, IRCTC took over the additional charge of

the post of CMD, IRCTC, in addition to her own duties, for a period of 3 months w.e.f. February 3, 2021 or till appointment of the regular incumbent to the post or until further orders whichever is the earliest. The additional charge has been further extended by Ministry of Railways, Government of India vide its letter dated 30<sup>th</sup> April, 2021 until further orders.

**Cessation:**

**1. Shri Sachin Chaturvedi (DIN: 07960871), Independent Director** ceased to be a member on the Board of the Company, due to completion of his tenure of three years on 9<sup>th</sup> October, 2020.

**2. Shri Comal Ramachandran Sundaramurti (DIN: 07965899), Independent Director** ceased to be a member on the Board of the Company, due to completion of his tenure of three years on 12<sup>th</sup> October, 2020.

**3. Shri Mahendra Pratap Mall (DIN: 02316235), Chairman & Managing Director**, ceased to be a member on the Board of the Company, due to his superannuation on 31<sup>st</sup> January, 2021.

**4. Ms. Sarita Deshpande (DIN: 08098222), Independent Director** ceased to be a member on the Board of the Company, due to completion of her tenure of three years on 28<sup>th</sup> March, 2021.

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

S. Particulars No.	Date of Appointment
1. Smt. Rajni Hasija (DIN: 08083674) Director (Tourism & Marketing) & CMD (Additional Charge) w.e.f. 03.02.2021	From 18 <sup>th</sup> May, 2018 onwards
2. Shri Ajit Kumar (DIN: 07247362) Director (Finance)	From 29 <sup>th</sup> May, 2020 onwards
3. Shri Neeraj Sharma (DIN 08177824) Part-time Government Director	From 12 <sup>th</sup> July, 2018 onwards
4. Shri Vinay Srivastava (DIN: 08638850) Part-time Government Director	From 20 <sup>th</sup> March, 2020 onwards

**ACKNOWLEDGEMENTS**

The Board of Directors of your Company wishes to record their deep appreciation for the dedicated and sincere efforts of the employees of the IRCTC family, the contractors, vendors, suppliers, partners, for their untiring efforts and contribution made to the Company during the lockdown caused by the Covid-19 pandemic.

The Board would also like to thank the Government of India, particularly the Ministry of Railways, the DIPAM, the Ministry of Tourism, as well as the various State Governments, regulatory and statutory authorities for their valuable guidance and support extended to the Company from time to time. The Board is also thankful to all its stakeholders, including bankers, investors,

members, customers, consultants, auditors, contractors, vendors, etc., for their continued support and confidence reposed in the Company.

The Board would like to place on record its appreciation for the valuable guidance and significant contribution made by Shri M.P. Mall, Shri Sachin Chaturvedi, Shri C.R. Sundaramurti and Ms. Sarita Deshpande, during their tenure on the Board of the Company.

**For and on behalf of Board of Directors**

**(Rajni Hasija)**

Date: 12.08.2021  
Place: New Delhi

Chairman & Managing Director  
DIN: 08083674

# Management Discussion and Analysis Report

## INDUSTRY OVERVIEW - STRUCTURE & DEVELOPMENT

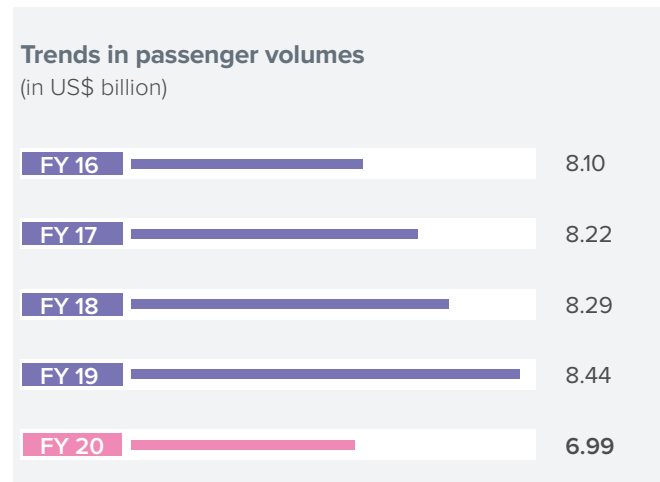
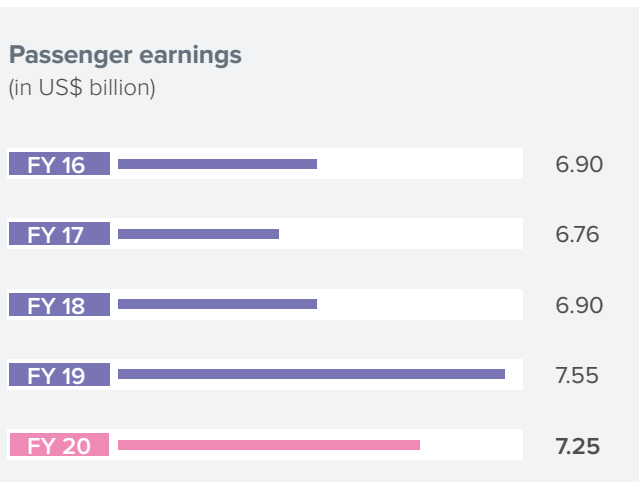
The Indian Railways (IR) is the economic artery of India spanning over a network of 67,580 route km. It operates 9,146 freight trains; 13,523 passenger trains and manages more than 8000 stations. The network is the second<sup>1</sup> largest in the world under a single management and provides an economical mode of transportation for commodities and passengers. IR employs more than 1.4 million people and is the 8<sup>th</sup> largest employer in the world. The IR contributes significantly to nation-building efforts and acts as a facilitator for urbanisation and integration of economy, culture, and polity.

During the pandemic, Indian Railways completely suspended their passenger train services due to the lockdown, only the second time since its inception in 1853. To maintain the supply of essential commodities, it introduced Special Parcel Trains which continued operations even beyond the lockdown period. Till December 25, 2020, the Indian Railways operated 7,267 special trains to transport more than 6 lakh tonne of consignment.<sup>1</sup> Shramik special trains were also introduced with the objective of helping migrant workers, pilgrims, and students stranded in various Indian states during the lockdown. 4621 such trains were deployed in the four months from May to August 2020.<sup>1</sup> In FY2021, the IR carried 924.82 million tonnes of freight and 443.3 million passengers till December 2020, making it the fourth largest freight carrier and the largest passenger carrier in the world.<sup>2</sup>

In line with making India self-reliant and a 5 trillion-dollar economy by 2025, Indian Railways has embarked on a mission to transform the industry with a focus on infrastructure development, safety, and private sector involvement. The Government, in its Union Budget FY2022 allocated ₹ 1.1 trillion for the Indian Railways with a CAPEX of ₹ 1.07 trillion.<sup>3</sup>

The IR strives to consistently improve the punctuality of its mail and passenger trains to ensure customer satisfaction and enable passengers to reach their destination on time.

Indian Railways is estimated to register a gross revenue of ₹ 2,17,460 crore in FY21<sup>4</sup>. Freight earnings, covering a significant portion of the revenue, remained at ₹ 81764.68 crore in Q3 FY2021. Passenger earnings in the same period stood at ₹ 6718.3 crore<sup>5</sup> due to the countrywide lockdown and general restrictions on movement. In November 2020, the Indian Railways acquired ₹ 10,657.66 crore (US\$ 1.44 billion) from cargo loading, reporting an increase of 4% compared to the previous year. Indian Railways also announced that 40% of the dedicated freight corridor (DFC) will be opened for traffic by the end of FY2021 and the project is expected to be completed by June 2022.



<sup>1</sup> [http://oksabhaph.nic.in/writereaddata/Updates/EventLSS\\_637507486117917184\\_Final%20Indian%20Railways.pdf](http://oksabhaph.nic.in/writereaddata/Updates/EventLSS_637507486117917184_Final%20Indian%20Railways.pdf)

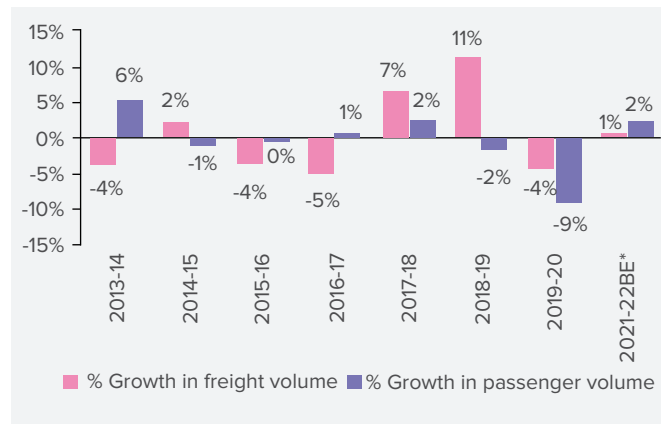
<sup>2</sup> Economic Survey of India 2020-2021

<sup>3</sup> Union Budget 2021-22

<sup>4</sup> <https://prsindia.org/budgets/parliament/demand-for-grants-2021-22-analysis-railways>

<sup>5</sup> Indian Railways Monthly Evaluation Report 2020





### Investment in Railway Sector

Major investments and developments by Indian Railways in FY2021:

**High-Speed Rail Projects:** The National High-Speed Rail Corporation Limited (NHSRCL) collaborated with L&T to plan and develop 47% of the construction work for the Mumbai-Ahmedabad bullet train project. Additionally, Jindal Steel and Power Limited (JSPL) developed heat-treated rails suitable for high-axle and high-speed load applications. These rails are used for high-speed corridors, bullet trains, and Metro rail. The Railways also intends to introduce AC coaches for trains running at a speed of more than 130kmph, to improve passenger experience in high-speed trains.

**Public-Private Partnerships:** Amazon India partnered with Indian Railways during the pandemic to operate Parcel Special

Trains for transporting consignments during the lockdown. In October 2020, Amazon India helped to complete the first train journey to deliver goods between Mumbai and Delhi as part of its logistic deal with Western Railways. The deal aims to transport an estimated 2,712 tonne of goods for 113 days in FY2021, generating a revenue of ₹ 2 crore (US\$269.93 thousand).

**Enhancement Projects:** Indian Railways completed eight major capacity enhancement projects amidst the pandemic. These included three critical development projects with a consolidated length of 68 km, upgradation of the railway line from Jhajha in Bihar to Pandit Deen Dayal Upadhyaya Junction in Uttar Pradesh, a stretch of 389 km, three other critical projects for a stretch of 45 km, and a newly-constructed port connectivity line of 82 km to Paradip.

**Additional trains during Covid-19:** During the lockdown and even when train services started, various passengers were



stranded in places where they had travelled to. Due to heavy demand for railway tickets, the waitlist was enormous. To tackle this challenge, the Indian Railways introduced the 'Clone Train Scheme' in September 2020 and intended to run these trains for waitlisted passengers.<sup>6</sup>

### Government Initiatives for Indian Railways

Even amidst the pandemic, the Indian Railways remained operational and helped to maintain the supply of essential commodities and services. To revamp its infrastructure and offer better facilities to travellers, the Government aims to enhance the capacity of the railway network and significantly improve experiences. Some of the initiatives undertaken by the Government include the following:

- The National Rail Plan aims to increase the modal share of railways in transportation through infrastructure development and capacity expansion, to fulfil increased demand for railway services by 2050.<sup>7</sup>
- The Government has allowed private participation for operating passenger trains to improve punctuality, reliability

and maintenance of the railway network. It is expected to be a revenue-sharing model and 109 pairs of origin destinations, in 12 clusters, have been selected for the bidding. It is expected to attract ₹ 30000 crore of investments from the private sector.<sup>8</sup>

- To ensure passenger safety and prevent Covid-19 infection, the Indian Railways developed Post-Covid coaches with copper-coated handles and locks, hands-free water tanks and flushes.
- To reduce the use of plastic, the Ministry of Railways is encouraging the sale of tea in earthen pots 'Kulhads'.
- The Ministry of Railways also confirmed collaborations with other modes of transport to develop a multi-modal transportation network.
- A feasibility study on seven bullet train projects was approved by the Ministry of Railways.
- To encourage FDI investments, the Government has started a Project Development Cell (PDC).

₹ in crores

	2019-20 Actuals	2020-21 Revised	2021-22 Budget	CAGR (19-20 to 21-22)
Gross Budgetary Support	67,842	29,250	1,07,300	26%
Internal Resources	1,321	3,875	7,500	138%
Extra Budgetary Resources	78,902	83,292	1,28,567	13%
<b>Total</b>	<b>1,48,064</b>	<b>1,61,692</b>	<b>2,15,058</b>	<b>21%</b>

Source: Expenditure Profile, Union Budget 2021-22; PRS.

### E-Booking Industry

In recent times, consumers prefer to make travel bookings on their own, particularly via online travel aggregators (OTA). These online companies offer the comfort of booking from home and often entice consumers with package deals and price-saving options. As a result, many travellers have turned away from traditional brick-and-mortar travel agencies to online alternatives. The Indian Railways also facilitates online ticket bookings through its e-booking portal.

The recent pandemic has affected the online travel market severely and this is likely to have an impact in the future as well. As countries implemented travel restrictions, national and international tourism came to a halt. Meanwhile, companies in the online travel industry also felt the negative effects of

the pandemic and relied on intercity taxi bookings and other essential services to hedge against declining revenues.<sup>9</sup>

### Food Catering Services

India is exhibiting high growth potential in the food delivery business due to rising income, growing consumption and changing lifestyle preferences. As more and more people enter the country's burgeoning job market, the time to prepare home-cooked meals reduces significantly. It continues to add an impetus to the food catering sector. The on-demand and on-the-go segment of food delivery is a natural extension of the services provided by this sector to people who are travelling long distance via trains. The industry is expected to grow to ₹ 5,99,784 crore at a CAGR of 9% by 2022<sup>10</sup>.

<sup>6</sup> IBEF: <https://www.ibef.org/industry/indian-railways.aspx>

<sup>7</sup> <https://pib.gov.in/PressReleasePage.aspx?PRID=1681727>

<sup>8</sup> <https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1637428>

<sup>9</sup> <https://www.mckinsey.com/~/media/mckinsey/industries/travel%20transport%20and%20logistics/our%20insights/the%20travel%20industry%20turned%20upside%20down%20insights%20analysis%20and%20actions%20for%20travel%20executives/the-travel-industry-turned-upside-down-insights-analysis-and-actions-for-travel-executives.pdf>

<sup>10</sup> NRAI

Due to the nationwide lockdown, the food catering service was severely affected. Food aggregators faced losses of up to 25% in their businesses. As per the NRAI, the restaurant and food industry suffered losses of approximately ₹ 80,000 crore in 2020. While the restaurant business struggled to stay afloat, alternatives of using healthy food on their menu helped certain restaurants to revive business after the lockdown. Demand for vegetarian and fresh food dominated and the preference for local ingredients increased considerably.

Following the closure of all refreshment rooms and food plazas in railway stations, rail catering services were deeply affected. Barring tea and coffee sales by licensed vendors, onboard catering services were completely closed. However, certain fast-food units and vending machines were available for use on railway stations and e-catering services at certain railway stations resumed in early 2021.

### Packaged Drinking Water

Packaged drinking water is one of the most common items sold across the country. No seminars or conferences are complete without packaged drinking water. The pandemic dealt a severe blow to the sector with sales reducing by 50%. Tweaking their delivery model, the bottled water companies adopted direct-to-consumer selling models and delivered packaged drinking water through online apps. Foraying into the direct selling market is not easy, but many companies took this step to acquire customers and make up for their losses. The packaged drinking water market in India is valued at \$24 billion as of 2019 and is expected to reach \$60 billion by the end of 2023<sup>11</sup>. However, a 30% contraction has been noticed in this segment due to the pandemic.



### Travel and Tourism

The pandemic is estimated to have a debilitating impact on the Indian travel and tourism sector, which includes hotels, travel agencies, tour operators, family entertainment venues, restaurants and all forms of transportation.<sup>12</sup> The global travel and tourism industry is estimated to lose US\$3.4 trillion (approx ₹ 248.37 trillion) and 121.1 million jobs for the baseline scenario are expected to be at risk. The Indian tourism industry too is anticipated to witness a loss of US\$16.7 billion (approx ₹ 116.88 billion), affecting approximately 50 million jobs.

The tourism industry in India has been an important growth driver for the economy, in terms of GDP share and employment generation. It was also the worst-hit during the pandemic. India's rich cultural heritage and diverse geographic landscape makes it an attractive destination for tourists from all over the world. The country is bestowed with 38 UNESCO - World Heritage sites, beautiful beaches and snow clad mountains that offer the perfect mix of travel options. With an ever-increasing millennial population, higher disposable incomes, and more affordable options for travel and accommodation, tourism trends have largely shifted from destination-based tourism to experience-based tourism. The lockdowns and restrictions on international arrivals to India coincided with the peak travel season between March and April. Being largely integrated with the local economy, the spill-over effects were felt across broad business segments.

The number of foreign tourist arrival to India between January and March 2020 was 2.46 million, down by 22.6% in comparison to the same period in 2019. A total of 8,37,721 tourists arrived on e-Tourist Visa during the same period, registering a negative growth of 7.7% in comparison to 2019.<sup>13</sup>

Tourism is a significant source of foreign exchange earnings (FEE) for the economy. During the reference period (January-March 2020), the foreign exchange earnings from the tourism industry stood at ₹ 44,203 crore, compared to ₹ 52,378 crore in the same period in 2019.

After the lockdown was lifted, demand revived as people yearned for short trips after months of staying at home. The Ministry of Tourism constituted a National Tourism Taskforce comprising concerned stakeholders, to meet the challenges posed by the Covid-19 pandemic. The Ministry has also started the National Integrated Database of Hospitality Industry (NIDHI) to facilitate information exchange and ease of doing business.<sup>14</sup> Government schemes like 'Dekho Apna Desh'

<sup>11</sup> <https://www.financialexpress.com/brandwagon/how-packaged-drinking-water-brands-are-trying-reach-consumers/2093106/>

<sup>12</sup> <https://www.granthornton.in/globalassets/1.-member-firms/india/assets/pdfs/travel-and-tourism-in-times-of-covid-19.pdf>

<sup>13</sup> Ministry of Tourism – Market Research and Statistics

<sup>14</sup> <https://pib.gov.in/PressReleaselframePage.aspx?PRID=1665204>



continued even during the pandemic with a series of webinars on domestic tourist hotspots. With many western countries still restricting travel, domestic tourists are expected to bring the travel and tourism industry back on track in FY2021- 22. The Ministry of Tourism also developed the System for Assessment, Awareness & Training for Hospitality Industry or the SAATHI initiative to implement SOPs/guidelines for the safe operation of restaurants, B&Bs, hotels, and other hospitality units during the pandemic. The Government is also promoting tourism in North-Eastern India and developing infrastructure including airports and bridges to facilitate travel. Other initiatives by the Ministry of Tourism:

- Incredible India Tourist Facilitator (IITF) Certification Programme, a digital initiative of the Ministry of Tourism, was launched to create a pool of locally trained professionals to enhance the overall experience of tourists and to generate local employment opportunities.
- The Incredible India website was launched in all six UN languages – Chinese, Arabic, English, French, Russian and Spanish to attract tourists from the region.
- Ministry of Tourism has initiated photography/ videography of important tourism and cultural sites using drone cameras during the lockdown to get the best footage.
- 17 new projects are planned, including the launch of seaplane services from Ahmedabad to the Statue of Unity.
- Various projects were undertaken and inaugurated under the umbrella schemes of PRASHAD and Ek Bharat Shrestha Bharat.
- Swadesh Darshan Scheme, launched by the Ministry of Tourism, Government of India, for the integrated development of 15 theme-based tourist circuits like Buddha Circuit, Coastal Circuit, Desert Circuit, Eco Circuit, Heritage Circuit, Sufi Circuit, Himalayan Circuit, North East Circuit, Krishna Circuit, Ramayana Circuit, Rural Circuit, Spiritual Circuit, Tirathankar Circuit, Wildlife Circuit and Tribal Circuit. The scheme aims to promote, develop and harness the potential of tourism in India.

#### Initiative by IRCTC:

- Issued SOP to contain spread of Covid-19 for operation of passenger trains, Tourist trains & tour packages i.e. Thermal screening, sanitisation of coaches, luggage, etc.
- Direct tie-ups with hotels & transportations companies for launching of affordable packages.
- Safety kit consisting of sanitizer, gloves, surgical mask, etc. are provided to all tourists.
- The New normal - online training to all tourists and hospitality staff of IRCTC provided for hygiene and cleanliness after the post-Covid scenario.



## COMPANY OVERVIEW – A Smooth Run

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

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

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

### 1. E-Ticketing:

The IRCTC e-Ticketing System was migrated to the Next Generation E-Ticketing System (N-GeT) on 28-Apr-2014 to enhance the capacity of e-ticket booking. The capacity was enhanced from 2000 to 7200 tickets per minute. The Online Ticketing System has been upgraded continuously for enhanced capacity and security of the system. At present, the NGeT system has a capacity to book more than 26,000 tickets per minute with a record booking of 26,458 tickets in a minute.



IRCTC's e-ticketing services now account for 79.63% of reserved tickets on Indian Railways booked online. The remaining tickets are being booked through the Passenger Reservation System (PRS) being manned by Railway employees.

## 2. IRCTC Rail Connect App (Mobile Ticketing):

To mark further presence in mobile internet of the country, IRCTC launched the IRCTC Rail Connect Mobile App on Android Platform on the NGeT system in January 2017. Through IRCTC Rail Connect Mobile App on Android & iOS Platforms, a total of 8.08 crore tickets were booked, which is 46.45% of the total tickets booked online. The daily average booking on the Mobile App has been 2.21 Lakh tickets during FY2020-21. Mobile ticketing this year has been on the lower side due to a drop in the overall passenger traffic as a result of the Covid-19 Pandemic restrictions in the entire country, affecting rail movement.

## 3. IRCTC Payment System:

Payment options and successful transaction rates are critical for the success of the e-commerce industry. IRCTC over the years has developed and nurtured a robust system of payment gateways with various payment options such as Net Banking, Credit Card, Debit Card, Wallets, Cash Cards, BHIM/UPI, Scan and Pay, Pay-On-Delivery / Pay- Later, etc. for the IRCTC website application and other dedicated web applications and App. Even, foreign users can book tickets using their International Credit Card (Issued outside India) on the available Payment Gateways provided by Atom Technologies and ITZ Cash Card along with other Multiple Payment Options.

The transaction on IRCTC's website is completely safe and has been certified by VISA, VeriSign, RuPay, American Express, Safe Key, mVisa, UPI and Master Secure etc. Bank Account or Card Account details of users are not saved in the servers of IRCTC at the time of booking tickets, thereby ensuring prevention of any misuse.

## 4. Tatkal Scheme for Reserved Tickets:

The Tatkal charges have been fixed as a percentage of fares at the rate of 10% of the basic fare for second class and 30% of the basic fare for all other classes subject to minimum and maximum limits. Tatkal tickets are issued for the actual distance of travel, instead of end-to-end, subject to the distance restrictions applicable to the train. The same Tatkal berth/seat may be booked in multiple legs till preparation of the charts. At the time of preparation of charts, the unutilised ones are released to the General RAC/Waiting list passengers. Tatkal facility is also available in the Executive Class of Shatabdi Express trains by earmarking 10% of the accommodation available i.e. 5 seats per coach. Tatkal booking opens at 10 AM for AC Classes and 11 AM for

Non-AC Classes one day in advance of the actual date of the journey, excluding the date of the journey. The scheme is available on [www.irctc.co.in](http://www.irctc.co.in) and IRCTC Rail Connect where customers can book tickets on the Tatkal scheme seamlessly.

## 5. VIKALP Scheme:

Travellers who have been put on the waiting list, irrespective of a booking quota or concessions, can choose maximum five trains under this scheme. It does not confirm a berth, since it depends on the availability of seats in the given train. There is no refund or extra fare charged for these changed trains, including the Tatkal prices. Either all passengers of a PNR opting for this scheme will be transferred to alternate trains in the same class or none will. Once confirmed in an alternate train, the cancellation charges apply as per the usual rules. A person can be transferred to any train available within the window as per selection made by the user. The train list once selected under VIKALP can be changed or updated only once.

## 6. IRCTC – SBI Co-branded Credit Card on RuPay Platform:

In pursuance of the Hon'ble Prime Minister's vision of 'Aatma Nirbhar Bharat', 'Digital India' and towards fulfilment of mission of Hon'ble Minister of Railways in achieving greater self reliance, IRCTC and SBI have together launched a new co-branded Contactless Credit Card on the RuPay Platform of NPCI. The card was dedicated to the service of nation by the Hon'ble Minister of Railways and Minister for Commerce and Industry Sh. Piyush Goyal on 28<sup>th</sup> July, 2020.

- The Card is designed to reward Frequent Railway Travellers, wherein the new Co-branded Credit Card offers the rail passengers maximum savings proposition on their travel together with exclusive benefits on retail, dining and entertainment as well as transaction fee waivers.
- The IRCTC SBI Credit Card on RuPay platform is fully indigenous, developed by IRCTC & SBI Card on RuPay platform of NPCI.



- Equipped with Near Field Communication (NFC) technology whereby the users can expedite their transactions at the POS machines by just tapping the card on the machines without requiring to swipe the card.
- This card will be featured with Common Mobility card features which will be used for access across metros/ buses/transport system pan India.

#### 7. BHIM/UPI Payment Mode:

For those users, who make online payment for e-tickets through BHIM/UPI payment mode, Convenience Fee is charged at a reduced rate @ ₹ 10/- + GST per ticket for Non- AC Classes and ₹ 20/- + GST per ticket for AC Classes (including First Class), to promote digital payments, thereby fulfilling the Digital India mission of the Government of India.

#### 8. Travel Insurance:

IRCTC introduced the Travel Insurance for Indian Citizens (above five years) who book their e-tickets through the IRCTC Website Application only. The travel insurance provides accidental coverage to the passengers during their travel over Indian Railways. In case of an accident due to collision between trains, derailing of the train carrying passengers or any other kind of train accident, the passengers or the nominee can claim compensation. The coverage of the policy will be on a PNR basis and will include death, permanent total disability, permanent partial disability as well as hospitalisation charges during stay at hospitals. This travel insurance, up to ₹ 10 lakhs, is provided to passengers who opt for it by paying a very small premium of ₹ 0.49 per passenger.

#### 9. Senior Citizen Concession:

Indian Railways grants concession for fares of all classes of Mail/ Express/ Rajdhani/ Shatabdi/ Jan Shatabdi/ Duronto group of trains to Male Senior Citizens of minimum 60 years and Female Senior Citizens of minimum 58 years. The element of concession is 40% for men and 50% for women.

To reduce its huge subsidy burden, the Indian Railway has now given senior citizens the option of foregoing concessions on the purchase of reserved class tickets. If the user wishes to book tickets without the Senior Citizen concession, the user may select the "Forego Full Concession" option under "Option for Senior Citizen Concession" section of the Passenger Details form and if the user wishes to avail 50% concession, the user may select the "Forego 50% Concession" option under "Option for Senior Citizen Concession" section of the Passenger Details form. The facility for the Senior Citizen concession is available since the beginning of e-ticketing services of the Indian Railways.



#### 10. Concessional Bookings:

The concessional booking facility is also available for Journalists and Divyang (Physically challenged) passengers for booking of online tickets on the IRCTC Website and Mobile Apps using ID cards provided by the Indian Railways.

#### 11. Online Booking for Railway Pass Holders:

Online booking of Reserved Rail ticket using the Railway Pass has been implemented for Railway employees who are in service. Convenience Fee and Travel Insurance is not applicable for these bookings.

#### 12. Bus Integration:

IRCTC has launched a Bus Service on its microsite [www.bus.irctc.co.in](http://www.bus.irctc.co.in) on January 29, 2021. The booking of State Road Transport buses as well as Private Operators are now available through IRCTC with more than 50,000 bus operators covering 22 states and three Union Territories, including the Kashmir region. This service will also enable last mile connectivity to the Railway passengers. It is expected that this business will grow substantially and provide multimodal transport system on a single platform viz. trains, flights and bus for customers' convenience and choice of mode of travel through IRCTC.

#### 13. Rail Catering:

Indian Railways issued the New Catering Policy in 2017, which has now been implemented and the entire mobile catering of trains has been transferred to IRCTC for improvement in quality of catering services and on-board meal experience of the passengers. However, due to Covid-19, the Company served Ready-to-Eat (RTE) foods in trains through the Pantry Car or Train Side Vending contracts, as mentioned elsewhere in the Directors' Report.

#### 14. Water Vending Machine:

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

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

#### 15. Vistadome Coach:

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

#### 16. Executive Lounges at Railway Stations:

The New Delhi Railway Station already has a plush and revamped executive lounge, equipped with a massage centre, 5D movie theatre, business centre, recliners, complimentary drinks and buffet, and a spa and health centre. The Indian Railway Catering and Tourism Corporation (IRCTC) had to launch 50 such executive lounges at various railway stations across the country, out of which six have been commissioned and have been received very well by the passengers and the travel and hospitality fraternity.

A foreigner can also book his ticket using an International Credit Card (Issued outside India) on the available Payment Gateways provided by Atom Technologies and also through ITZ Cash Card Multiple Payment Options.

### CORE COMPETENCIES/STRENGTHS

- IRCTC is the only Company authorised to sell railway tickets online;
- It has become a 'One-Stop Solution' in the travel industry, offering a range of services including online ticketing, tour packages, packaged drinking water and catering;
- IRCTC is the only company to distribute packaged drinking water across all stations as well as trains in India. The Company has also installed ATVM's for selling mineral water at lower prices;

- IRCTC is the only authorised entity to provide catering services in trains. To expand its services, the company has installed food plazas/stalls across all stations in India in a bid to increase its market share. The company's relentless focus on quality food drives it to deliver hygienic food prepared by professionals;
- The company has a strong presence in the travel and tourism industry with special trains running for domestic and international travellers, showcasing India's rich cultural heritage. The company has also tied up with private entities to position itself as a one-stop solution for customers in the tourism and hospitality industry;
- The Company's strong leadership and expert management team offers strength to deliver strong financial results and constant growth, year after year.

### CONSTRAINTS/THREATS

- Any adverse change in policy of the Ministry of Railways;
- Any failure to maintain or enhance consumer awareness of our brand;
- Inability to implement our growth strategy successfully including in relation to Catering, Travel and Tourism, internet – ticketing business;
- Declines or disruptions in the travel industry;
- Fluctuations in operating costs and impact on our financial results;
- Any non-compliance with, or changes in, regulations applicable to us may adversely affect our business;
- Seasonal changes that may affect the demand for our products and services;
- Any adverse claims, media speculation and other public statements relating to the food quality, catering facilities and service;
- Prevailing regional or global economic conditions and political situation in India or in countries in the region or globally; and
- Increase in competition and other factors affecting the industry segments in which our Company operates.

### OPPORTUNITIES

- High growth rate in Hospitality & Tourism segment;
- Growth in online business;
- IT and E-Governance;
- Joint Venture with other Government bodies;
- Benchmarking international standards in mobile catering through multilateral collaborative agreements with foreign railways and mobile catering players.

## BUSINESS SEGMENT OVERVIEW – Core Strength

**1. Internet Ticketing:** IRCTC currently has a monopoly on online ticketing services for the Indian Railways. It was introduced to make ticket bookings safe, easy and convenient for customers, to completely remove the hassle of waiting in queues. With a transaction volume of more than 14.5 million per month and 2.6 million logins per day, the Company operates one of the most highly populated and transacted websites in the Asia-Pacific region. As of March 31, 2021, more than 0.83 million passengers travelled on Indian Railways on a daily basis, which consisted of approximately 79.63% of Indian Railways' tickets booked online. Online ticket bookings on IRCTC can be carried out at any time of the day, throughout the year.

**NGeT System:** The next generation e-ticketing (NGeT) system interface of IRCTC has been launched with numerous passenger-friendly features, offering a clutter-free experience with easier log-in, site navigation and enhanced security. Therefore, ticket bookings have increased from 7200 per minute in 2014 to more than 26,000 tickets per minute, as on March 31, 2021. The Company has also built a new data centre to increase the capacity and inflow of daily bookings. The internet – ticketing system is designed and operated in conjunction with the Centre for Railway Information Systems (CRIS), the IT arm of Indian Railways. The Company has a strong customer database and leverages the same to cross-sell and add value to its products to enhance customer engagement and derive top-line growth.

**New User Interface (UI):** IRCTC has been constantly contributing to enhance the customer experience and convenience while booking reserved rail e-tickets through its Website and Rail Connect Mobile App with the aim of retaining its customer base. Keeping in mind the same, IRCTC has launched the New User Interface of e-ticketing Website and Mobile App with modified functionalities and some additional features. Revamping of IRCTC e-ticketing user interface is a Digital India initiative, which promises to transform the service delivery experience offered to travellers. Further, the New Interface for e-ticketing enhances user personalisation and facilitation of the IRCTC Website [www.irctc.co.in](http://www.irctc.co.in) and the IRCTC Rail Connect Mobile Apps (Android & iOS Platforms) with user-friendly features and more comfortable navigation, which is secured with advanced data systems and processes. The look-and-feel of the interface has been changed with a simplified and appealing design. This work has been carried out despite Covid-19 pandemic restrictions.

**2. Catering Business:** It is the continuous endeavour of Indian Railways to provide quality and hygienic food to

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

- **Mobile Catering:** This business segment involves catering services on trains, offering meals booked through the mobile app or website. Services are provided on trains like Rajdhani, Shatabadi, Duronto, Gatiman, Tejas and Vande Bharat trains and on express trains with or without pantry cars. In trains without pantry cars, meals are served through train-side vending services. A network of base kitchens support the supply of meals on mobile trains, in accordance with the Catering Policy 2017. As of March 31, 2021, e-catering is available at approximately 202 stations and served by more than 650 food outlets.
- **Static Catering:** This segment includes off-board catering services offered to stations with fast food units, food plazas, Jan Ahaars, refreshment rooms, base kitchens, and at executive lounges and other facilities at station premises, including budget hotels and Rail Yatri Niwas. As of March 31, 2021, the company managed 56 Jan Ahaars, 176 refreshment rooms, 17 cell kitchens and 11 base kitchens. The company also operates 134 food plazas and 146 fast food units and increased the total number of operational units to 287.





**3. Packaged Drinking Water (Rail Neer):** The Company has a monopoly to manufacture and distribute packaged drinking water at all railway stations and in trains across India. The Company sells its packaged drinking water under the brand 'Rail Neer'. Currently, the company operates 14 'Rail Neer' plants located at Nangloi, Danapur, Palur, Ambernath, Amethi, Parassala, Bilaspur, Hapur, Ahmedabad, Bhopal, Guwahati, Nagpur, Jabalpur and Sankrail. With an installed production capacity of approximately 1.41 million litres per day, it caters to approximately 70% of the current demand of packaged drinking water at railway premises and in trains.

To increase its market share and to meet the growing demand, the company has been authorised to construct new Rail Neer plants at Una, Bhusawal and Vijayawada. Of which, the Rail Neer plant at Una (Himanchal Pradesh) has been set up and its commercial operation has already started on 31<sup>st</sup> July, 2021. Further, three new Rail Neer plants have been approved at Bhubaneswar, Visakhapattanam and Kota. Rail Neer plant at Visakhapattanam will be commissioned by 2021-22 and Rail Neer Plants at Bhubaneswar and Kota are likely to be commissioned by 2022-23.

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

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

IRCTC is a reputed brand in the travel industry in our country, and as a team, is in all preparedness to gradually commence tourism activities from October 20 onwards adhering to and ensuring all safety health protocols issued by the Government of India and travel restrictions issued by the respective state governments and guidelines from time to time. Travel advisories have been uploaded in the IRCTC tourism portals [www.irctctourism.com](http://www.irctctourism.com) and are periodically updated as a ready reckoner to our valued guests. A periodical review on the pandemic situation across the country and outside along with the feedback from our valued guests, all necessary changes in the tour operations will be facilitated to foray & enter the new norm for travel & tourism in the post Covid scenario.

## FUTURE OUTLOOK – Chugging Ahead

The Vision and Mission of the Company are as follows:

### Vision

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

### Mission

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

The Company is recognised by the Indian market as one of the leading brands in railway catering and internet ticketing. The Company's goal is to continue to establish itself as the leader in other business segments including travel and tourism packages and packaged drinking water. With value-added products and services for passengers, tourists and other customers, targeting both railway and non-railway related services and the like, IRCTC continues to build a business portfolio based on its core competencies in offering catering and related services to Indian Railways.

To provide value-added services to its stakeholders, IRCTC has planned various initiatives in financial year 2021-22, including, monetisation of Chatbot Services & Train Information Enquiry Services through Third-Party Organisations/Operators, National Rail Museum booking website and Mobile App, provisions for issuance of digital bills and cashless payments in trains, ticket booking through Chatbot, EMI-based payment on the e-Ticketing Mobile App, online corporate travel services for Govt./PSUs, automated payments to hotels & bus aggregators/vendors to reduce payment time, launch of wellness packages and tie-ups with five wellness institutions/yoga centres/hotels, etc, agent booking module for luxury tourist trains (Maharajas', Golden Chariot and Buddhist tours) etc.



## RISK AND CONCERNS – Robust Strategies

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

Risk Type	Definition of Risk	Mitigation Strategies
<b>Pandemic Risk</b>	After the outbreak of Covid-19 in 2020, there were global lockdowns and restrictions on travel and various operations imposed by the respective governments worldwide. The second wave has further brought about uncertainty of the duration of this phenomenon, and threatens people and businesses worldwide.	IRCTC has systems in place due to the experience of the pandemic in 2020, beginning with the strict adherence to Covid-19 protocols to maintain safe and operational environments. Special training to ensure maximum protection from Covid-19 infections are given to employees serving in segments with duties involving contact with customers or passengers. We have also in place detailed Standard Operating Procedures to aid in combating the risks along with automation of several manual processes.
<b>Dependence Risk</b>	The Company's business and its revenues are substantially dependent on the policies of the Ministry of Railways and operations of Indian Railways. Any policy change or any adverse decision may affect the revenue of the Company for e.g. in 2016 the decision to scrap service fee affected the Company's revenue.	As a Central Public Sector Enterprise (CPSE), the company is authorised by the Government to offer various products and services to the public on behalf of Indian Railways, as well as receive operative support from the Ministry of Railways from time to time. Any work related to railways is offered to IRCTC on a priority basis due to its reach and scale of operations. Therefore, regular supply of orders and contracts from Gol has a positive impact on the company and its revenue streams remain diversified owing to its extensive service portfolio.
<b>Competition Risk</b>	If the Gol or the Ministry of Railways opens up the market for private players then the Company can lose its market monopoly. Intense competition may have an adverse impact on the Company's operation and profitability.	The experienced management of IRCTC is perfectly poised to make strategic decisions that augur well for the Company and also guides the Company to efficiently deal with competition from private players.
<b>Human Resource Risk</b>	The Company operates in a labour intensive industry and hires contract labour to provide certain services. Worker strikes or demand for increased wages and benefits may adversely affect the profitability of the Company. Further, the loss of Key Managerial Personnel or difficulty in retaining talented employees may affect the business operation of the company.	The Company considers its human resource as a key asset and, therefore, follows a policy to encourage, retain and promote talented employees through performance evaluations at regular intervals. It also offers competitive remuneration packages and opportunities for professional growth. To mitigate the risk of inadequate manpower, the Company has also collaborated with third-party contractors to provide human resources as and when needed.
<b>Cyber Security Risk</b>	Security breaches, whether instigated internally or externally, could materially and adversely harm the business. Secured transactions over the internet are essential for the Company's business operations. Hacking of customer data or cyber threats can result in massive loss of revenue and hurt the Company's brand image significantly.	The company relies on state-of-the-art technologies to ensure that the Confidentiality, Integrity and Availability of all its online services and its data are adequately secured from prevailing cyber security threats. The Company safeguards its data with advanced security systems and successfully defends the system against malicious virus or other cyber threats. Regular Information Security Audits are conducted through CERT-In empanelled external Information Security Audit Agencies.
<b>Business Continuity Risk</b>	Loss of business due to unscheduled withdrawal of passenger rail services for considerable period of time for reasons such as regional or national lockdown to curb the spread of a pathogenic contagious outbreak.	The company's management team continuously monitors key local and global developments to identify Covid 19 associated risk. The company has deliberated on its learnings from interventions taken in the backdrop of covid 19 situation in India in 2020, and is now better equipped to deal with the subsequent waves. Moreover, the company has identified few market adjacencies and market diversification.

Risk Type	Definition of Risk	Mitigation Strategies
<b>Financial Risk</b>	Financial mismanagement or negligence could negatively impact the business operations, financials and any ongoing projects.	The Company has a dedicated team of professionals which monitors all financial transactions entered into by the company. The company follows financial prudence and scientific methodologies for any project evaluation and keeps a close watch on financial markets to anticipate any risk and adapt accordingly.
<b>Technology Risk</b>	The Company relies on advanced technology to smoothly operate its systems. Any technical glitch, interruption, or system failure may result in loss of revenue as nearly 26000 tickets are booked through its website, every minute. It is likely to affect the Company's brand image and may result in lower revenues.	The Company relies on world-class technology to mitigate such risks and its next generation, e-ticketing website has the capability to book more than 26000 tickets per minute with record booking of 26,458 tickets per min. The Company also has back-up systems and contingency plans to prevent critical data losses and ensures smooth operations and services across its business processes.
<b>Quality Risk</b>	The food and catering service must adhere to quality standards prescribed by the authorities. Any adverse claims, media speculation or other public statements related to the food and service quality could materially and adversely affect the Company's reputation and corporate image, or otherwise affect its ability to efficiently conduct business operations.	The Company has started selling only RTE (Ready to Eat meals) to make available hygienic & quality meals in pandemic situation. The Company has quality control checks in place to ensure service of hygienic food.
<b>Risk from counterfeit products</b>	Counterfeit products, passed off by others using our brand name could decrease market share and negatively impact the brand image.	The Company has a strong policy against using its brand for any purpose without its permission and legal actions are taken against those violating the trademark. The company keeps a strong vigil by spreading awareness, providing complaint centre by toll free number or written complaint and surprise inspections.
<b>Consumer Preference Risk</b>	A significant portion of the Company's revenue is derived from the sale of food that is characterised as North Indian, Punjabi, or South Indian. Any change in consumer preference could have an adverse effect on the Company's operations.	With the introduction of RTE only policy, it has become easier to change and modify the menu from time to time, to meet consumer preferences, tastes and purchasing habits.
<b>Environment Risk</b>	The Company's packaged drinking water is served in plastic bottles and non-biodegradable wraps are also used for food packaging. The choice of the ingredients poses an environmental threat that needs to be efficiently mitigated.	Indian Railways has been instructed to take steps to minimize plastic waste and ensure proper disposal of such products. As an effort to reduce its environmental impact, the Company has installed ATVMs to collect plastic water bottles for recycling purposes.
<b>Regulatory Risk</b>	The Company operates in industries that are subject to extensive national and state environmental laws and regulations which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from its business operations. It also includes health and hygiene requirements for disposal of food waste.	The Company continuously keeps track of regulatory norms and accordingly obtains licences, approvals, permits and registrations to undertake its business activities. Application for renewal licences and registrations are also carried out from time to time to carry out business as usual.

## FUTURE STRATEGIES TO MEET THE CHALLENGES

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

### 1. Travel and Tourism

While it is predicted that domestic and international tourism is likely to resume any time once the restrictions are reviewed & lifted as well as vaccination done in countries, starting from August 2021. Tourism department have been initiated following preparatory measures to prepare the IRCTC staff and the infrastructure to meet with the new set of demands/expectations of guests and regulatory framework:

- **Standard Operating Procedure (SOP) for taking preventive measures:** Standard Operating Procedure (SOP) based on the guidelines issued by MHA & MHFW on preventive measures for Tourist Trains / Tours to contain spread of COVID-19 & dealing with emergencies have also been issued and implemented.
- **Employees Training:** 300 members including Executives & staff at all levels are undergoing online training on various aspects related to workplace hygiene, personal hygiene, sanitation protocols, guest handling, etc. The training programmes have been organised through reputed organisations viz. TUV Nord India, Bureau Veritas and Indian Tourism Development Corporation (ITDC).
- **Vaccination to officers & Staff:** In tie-up with M/s Appollo Hospital, a special drive has been conducted to vaccinate officers and staff along with relatives.
- **Safety Kits and sanitisation:** Provided safety kit to passengers of tourist trains which includes facemask, hand sanitizer, gloves, etc. and sanitisation of luggage, passenger and cabins of the train are done at every entry level for safety of passengers.
- **Guidelines for the new normal:** A Handbook has been created incorporating broad guidelines for tourism segment within IRCTC. This handbook is being circulated among the existing database of IRCTC to keep the patrons informed of the changes/modifications proposed for the new normal and also uploaded as a travel advisory in the tourism portal [www.irctctourism.com](http://www.irctctourism.com).
- **Infrastructure changes:** While it is difficult to bring much infrastructure changes in trains, an exercise is underway to plan changes to reduce touch points, install UV lights, UV sanitisation, air-conditioning filters etc. in the Tourist Trains viz. Maharajas' Express, Golden Chariot and Deluxe Tourist Trains.

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

- a. **Essential, Corporate & Pilgrimage Travel:** Direct Tie-up with hotels, transportation companies is being done across various categories within India, promotion of online bus booking will be done, Tie ups for Road bridging (Fleet operators for Charters, journey Tickets for standalone /small family groups etc) and with Self Driven Car companies, Defining Sanitization Protocols based on Govt. Guidelines, capitalizing on PSU/Govt. business. Promotion of pilgrim special train along with Bharat Darshan tourist trains for future as best affordable product with all inclusive services.
- b. **Non-Essential & Leisure Travel:** Planning to launch more customised packages as well as adventure tour packages. "Work from Hotel" concept will be promoted with competitive pricing due to direct tie-ups. Ties ups with hotels at destinations in IRCTC's zones, needs to be made to plan fixed departure programs, promotion of customized travel with air tickets, local transport, sight-seeing and hotels, Tie ups with mid segment players both in transport, hotels and ground arrangements, promotion of "PLAN YOUR OWN TRIP", where guests are given options of destinations, followed by flights, followed by hotels, followed by local transport, followed by local tours etc.

### 2. Internet Ticketing

Despite continuity of COVID 19 Pandemic for 2<sup>nd</sup> year with more intense 2<sup>nd</sup> wave, IRCTC with its optimistic outlook has planned to bring into its system some new projects which not only promise to promote IRCTC Brand name but also proves the company's expertise and adaptability to latest innovative technologies in vogue in the market place. At the same time, it is also anticipated to earn revenues through new businesses for IRCTC.

**Following are some future projects to be undertaken by Internet Ticketing :**

- a. **Monetisation of Chatbot Services by extending to Third Party Organisations.** Having gained experience in running Chatbot enquiry service on its e-ticketing platform, IRCTC will now extend AI based Chatbot services (like AI Chatbots, VoiceBots, VideoBots, Virtual Assistants, Intelligent RPA, and Bots etc) to government and private organizations across various verticals & functions.

AI powered multi-format, multi-lingual and multi-channel Virtual Assistant will help organisations save operational/support cost and generating additional revenue, besides enhancing customer adoption, engagement and satisfaction.

- b. **National Rail Museum Booking Website and Mobile App:** IRCTC will develop a Website and Mobile App along with integration of multiple payment gateways



for the online ticket booking of National Rail Museum entry/ride tickets. (Presently physical ticket booking is under the management of NRM). Online ticketing for entry to NRM will avoid long queues at the entry gates, reduce the cash handling at NRM, fetch the visitors data automatically and also promote digitalization and cash free transactions. It will also provide various MIS reports as per the requirement of NRM.

IRCTC will also develop a Mobile application for validity/confirmation by scanning the QR code tickets. IRCTC will also facilitate booking at the different ride counters through Point of Sale machines. Museum ticketing for Railways and verification of rides by QR code, will be a new venture for IRCTC and will also earn additional revenue to IRCTC.

- c. **Ticket Booking Through Chatbot:** Ask DISHA (Digital Interaction to Seek Help Any Time) is an AI powered multi-format, multi-lingual and multi-channel Virtual Assistant, presently providing enquiry services to IRCTC users. This platform will be extended for booking e-tickets by IRCTC users. This channel will enable IRCTC to further permeate online ticket booking to its users and envisages to become a more user friendly platform. This type of ticket booking will help the users to new business adoption & also enhance customer satisfaction. This may add new set of users on IRCTC E-ticketing platform which at present are not able to book tickets in online mode. The following features will be made available on e-ticketing through AI based Chatbot Ask DISHA:

- Ticket Booking
- Ticket Cancellation
- Availability Check
- Fare Check
- Trains Between Stations

- d. **EMI Based Payments on e-Ticketing Mobile App:** In this Service, the high value tickets purchased by the customer on IRCTC, using their credit card/debit card, can be converted into EMI payments by converting transaction amount into a number of equal monthly instalments (EMIs). This essentially means that customers have converted the transaction amount (dues) into a loan and have opted to pay it via EMIs over a fixed number of months as chosen. EMI amount includes a portion of the principal outstanding and interest component, which customer need to pay every month until the full amount is paid. This may help more number of customers to purchase high value tickets (upper classes) on IRCTC as the customer need not pay total fare of the ticket immediately in one go at the time of ticket booking. Service will be provided through integration of EMI payment service providers for booking reserved rail e-tickets on IRCTC Rail

Connect Mobile App. This may help users financially in the current market scenario, badly impacted by Covid-19 Pandemic

- e. **Automated Payments to Hotels & Bus Aggregators/Vendors to reduce payment time:** With the increase in Hotel integrations on Tourism portal, manual process of making payments to Hotel Aggregators/Bus Vendors has become cumbersome and time consuming. There is need to automate the process of payments to the Hotels and Bus providers on a timely basis for the circulation of money in the existing market scenario and to keep the Service Providers' trust on IRCTC. The payment automation solution for the timely payments would also enable IRCTC to bring in automation of the reconciliation and payment process to its vendors. This would help the Hotel and Bus booking business ventures of IRCTC to be viable and enhance the IRCTC Tourism brand.

- f. **Train Information Enquiry Services to Third Party Operators:** Train Information Services will be provided to Third Party Operators for dissemination of Authentic Train information (Availability and fare, Trains between Stations, Cluster Station List, Train Schedule, Boarding Stations List, PNR Enquiry, etc.) on their respective platforms to the customers. This service will be integrated with those firms who do not intend to provide online rail ticket booking service, but are interested in providing train related information to their customers. This will not only enhance the customer convenience and satisfaction but also enable to create a new revenue stream for IRCTC, without levying any cost to the customers.

### 3. RAILNEER

To overcome current situation, to increase its market share and to meet the growing demand, the company is planning to setup new Rail Neer Plants. Construction of new Rail Neer plants at Bhusawal, Vijayawada, and Vishakhapattanam is underway. Further, three new Rail Neer plants have been approved at Bhubaneswar, Visakhapattanam and Kota. Rail Neer plant at Visakhapattanam will be commissioned by 2021-22 and Rail Neer Plants at Bhubaneswar and Kota are likely to be commissioned by 2022-23.

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

### 4. CATERING

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

discussion like:

1. Discontinuation of inclusion of catering charges and services in the fare of premium trains like Rajdhani, Shatabdi, Duranto, Gatiman. Vande Bharat, Tejas etc. Passengers will be able to pick options from available alternatives like buying RTE food on the train, bringing in their own food, order from e-catering, take away from static units at railway stations etc. None of the currently operational trains have meals included in the fare.
2. Conversion of pantry cars into point of sales for various customer amenities and travel needs.
3. Aggressively working on the E-catering segment, which might see an upward trend if prepaid trains are converted into post paid trains.
4. Gradually opening its Refreshment Rooms, Cell Kitchens, Food Plaza & Fast Food Units in a phased manner, strictly following SOPs as prescribed by Ministry of Health and Family Welfare (MoHFW) from time to time
5. Training of Employees in order to sensitise the frontline as well as supervisory staff of Catering Department, online training programs have been designed

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

## INTERNAL CONTROL SYSTEMS - Process Excellence

Internal Controls are systematic and procedural steps adopted by an organisation to mitigate risks, primarily in the areas of financial accounting and reporting, operational processing and compliance with laws and regulations.

Internal Controls (ICs) are essentially risk mitigation steps taken to strengthen the organisation's systems and processes, as well as help to prevent and detect errors and irregularities. The actual steps of mitigation (e.g., review, approval, physical count, segregation of duty, etc.) are referred to as 'Control Activities'.

The Company has engaged an independent external firm, comprising Chartered Accountants as Internal Auditor. The internal audit assignments are carried out on a half-yearly basis. The Internal Audit carries out extensive audits throughout the year covering each and every aspect of the business. The Company has also hired another firm of Chartered Accountants to issue the Independent Auditor's Report on the Internal Financial Controls over Financial Reporting for the Company under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013.

The report issued thereupon has been attached along with the Standalone Financial Statements. The Audit Committee reviews the internal control systems with the Internal Auditor and Statutory Auditor before the Financial Statements are placed before it for recommending to the Board for approval.

## DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

### FINANCIAL HIGHLIGHTS

The total Revenue decreased by 62.91% from ₹ 2342.41 Crores to ₹ 868.68 Crores in financial year 2020-21. Profit before tax reduced by 64.24% from ₹ 729.58 Crores to ₹ 260.89 Crores in financial year 2020-21. The profit after tax reduced by 62.99% from ₹ 513.11 Crores to ₹ 189.90 Crores in financial year 2020-21. The comparative performance of major financial parameters during the financial years 2020-21 and 2019-20 is given below:

Particulars	₹ in Crores)		
	F.Y. 2020-21	F.Y. 2019-20	Change (%)
Revenue from operations	783.05	2264.31	(65.42)
Profit before interest, depreciation, exceptional items and tax (EBIDTA)	275.43	778.44	64.61
Less: Interest and Finance Charges	8.15	9.76	(16.50)
Less: Depreciation	46.28	40.21	15.10
Profit before tax (PBT) before exceptional items	221.49	728.47	(69.60)
Exceptional items : Loss(-)/Gain(+)	39.40	1.11	3449.54
Profit before tax (PBT) after exceptional items	260.89	729.58	(64.24)
Less: Provision for taxation	70.99	216.48	(67.21)
Profit after tax (PAT)	189.90	513.11	(62.99)
Dividend (as a % of Equity share capital) on cash basis	25%	38.98	35.87
Final dividend – on cash basis (as a % of Equity share capital)	25%	38.75%	(35.48)
Net-worth	1466.95	1313.82	11.66
Earnings Per Share (₹)	11.87	32.07	(62.99)

## SEGMENT-WISE PERFORMANCE

(₹ in Crores)

Particulars	F.Y. 2020-21	F.Y. 2019-20	Change (%)
<b>Segmental Operative Revenue</b>			
Catering	223.41	1033.23	(78.38)
Railneer	57.24	221.96	(74.21)
Internet Ticketing	448.56	619.80	(27.63)
Tourism	53.85	295.24	(81.76)
State Teertha	0	94.09	(100)
<b>Segmental Profit</b>			
Catering	(84.30)	107.33	(178.54)
Railneer	(5.36)	51.40	(110.42)
Internet Ticketing	353.22	492.68	(28.31)
Tourism	(70.38)	10.58	(765.55)
State Teertha	0	14.38	(100)

## ANALYSIS OF FINANCIAL RATIOS:

Details of significant changes (i.e. change of 25% or more as compared to the FY 2020-21) in key financial ratios, along with detailed explanations thereof is as follows:

Particulars	F.Y. 2020-21	FY 2019-20	Change (%)
Debtors Turnover (No. of Days)	251.73	125.40	(100.74)
Inventory Turnover (No. of Days)	3.05	1.57	(94.26)
Interest Coverage Ratio	NA	NA	-
Current Ratio	1.77	1.61	9.96
Debt Equity Ratio	NA	NA	-
EBIDTA Margin (%)	31.76	33.23	(4.42)
Net Profit Margin (%)	21.86	21.91	(0.20)
Return on Net Worth	12.95	39.05	(66.85)

## MATERIAL DEVELOPMENT IN HUMAN RESOURCES – Asset Watch

Our human capital is our most important asset. To retain the best talent, the Human Resource department of your Company focuses on designing and implementing various HR policies, procedures and programmes to develop and upgrade knowledge, skills, creativity, aptitude and talent of the employees

IRCTC believes that only a motivated workforce can mitigate the challenges put to the business environment. Your Company firmly believes that “**Leadership and Learning are indispensable to each other.**” Preparing employees for tomorrow is being given a major thrust for effectively taking up challenges. Focus is now on discharging new roles and responsibilities. Employees in the mid-level and senior managerial positions are also encouraged to enrol in various programmes conducted by renowned institutes like IIM and MDI.

Overall 2128 employees were trained during the Financial Year 2021 on various contemporary technical and managerial modules. IRCTC also aspires to ensure the health and safety of its employees along with maintaining a conducive work environment.

The Company took all the requisite steps to create an enabling environment for the employees to enhance their domain knowledge as well as to help them to work from home due in light of the Covid-19 pandemic.

The Company has successfully maintained an attractive employee attrition rate, by offering competitive remuneration packages, acknowledging and rewarding talented employees and providing opportunities for growth. As on 31<sup>st</sup> March 2021, the Company has a total of 1372 full time regular employees across all its business segments.

## Disclaimer

Certain statements in the MDA section concerning future prospects may be forward-looking statements which involve a number of underlying identified / non-identified risks and uncertainties that could cause actual results to differ materially. In addition to the foregoing changes in the macro-environment, a global pandemic like Covid-19 may pose an unforeseen, unprecedented, unascertainable and constantly evolving risk(s), inter-alia, to the Company and the environment in which it operates. The results of these assumptions made, relying on available internal and external information, are the basis for determining certain facts and figures stated in the report. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based are also subject to change accordingly. These forward-looking

statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events, or otherwise.

**For and on behalf of Board of Directors**

Date: 12.08.2021  
Place: New Delhi

**(Rajni Hasija)**  
Chairman & Managing Director  
DIN: 08083674



# Report on Corporate Governance

## 1.0 COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

**“Good Corporate Governance, it’s about being proper and prosper” - Toba Beta**

Corporate Governance in the business context refers to the systems of rules, practices, and processes by which companies are governed. The Corporate Governance model followed by a specific company is the distribution of rights and responsibilities by all participants in the organisation.

Indian Railway Catering and Tourism Corporation Limited (IRCTC) believes that Corporate Governance is a set of guidelines to help fulfil its responsibilities towards its stakeholders i.e. investors, customers, vendors, the Government, employees, associates and society.

It is a voluntary code of self-discipline to ensure transparency, accountability and integrity. The Company has taken the initiatives to develop and establish a reliable system of Corporate Governance to enhance the long-term value of the Company’s stakeholders. At IRCTC, Corporate Governance is not solely restricted to regulatory or structural remedies but is considered as an approach to sustainable development. At IRCTC, it is a culture, which is based on trusteeship, transparency, empowerment, accountability and corporate ethics.

The Company meets its legal duties under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), in addition to the provisions of the Companies Act, 2013 and Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by Department of Public Enterprises (DPE), Ministry of Finance, Government of India.

The purpose of corporate governance is to help build an environment of trust, transparency and accountability necessary for fostering long-term investment, financial stability and business integrity, thereby supporting stronger growth.

Governance ensures everyone in an organisation follows appropriate and transparent decision-making processes and that the interests of all stakeholders are protected. On the basis of above mentioned, the Company’s philosophy on Corporate Governance is:

*“To enhance stakeholders’ value in the long run by ensuring fairness, transparency, disclosures and reporting that not only comply with statutory regulations but also promote ethical conduct throughout the organisation”.*

IRCTC, in its governance framework, strives to attain the highest standards of ethical and responsible conduct of business to create value for all stakeholders. We believe that any meaningful policy on Corporate Governance must empower the executive management of the Company. At the same time, governance should create a mechanism of checks and balances to ensure that the decision-making powers vested in the executive management are used with care and responsibility to meet stakeholders’ aspirations and societal expectations. To attain the goals and targets of Corporate Governance, your Company is guided by the following **key values**:

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

## 2.0 BOARD OF DIRECTORS

Companies with a good corporate governance system, together with an experienced board that has a growth-mindset and sustainability concerns, are better positioned to prosper, both in the short term and on the long run. The Board of Directors of the Company comprises Executive, Nominee and Independent Directors of varied professional backgrounds. Independent Directors help maintain the independence of the Board and separate the Board functions of governance from that of business management. The Board of Directors of the Company constantly endeavours to set goals to align with the Company’s Mission and Vision and functions in accordance with the provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015, Articles of Association, Guidelines issued by Department of Public Enterprises (DPE) and other directions/ guidelines

issued by the Government of India from time to time, as applicable to the Company.

IRCTC is a "Government Company" under the administrative control of the Ministry of Railways, Government of India, with 67.40% of the total paid up share capital of the Company being held by the President of India (through the Ministry of Railways). As per the Articles of Association of the Company, the power to appoint/nominate Directors on the Board of the Company vests with the President of India, Government of India, acting through the Administrative Ministry.

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

## Composition of the Board

As on 31<sup>st</sup> March, 2021, the Company's Board consisted of four Directors, of whom two are Executive Directors (with one woman director) and the remaining two are Government nominee Directors (representing Ministry of Railways). The Company complied with the mandatory requirements of the SEBI (LoDR) Regulations 2015, Companies Act, 2013 and the DPE Guidelines on Corporate Governance during the year 2020-21, except the requirement pertaining to the Composition of the Board and their Committees with respect to requisite number of independent directors on the Board of the Company w.e.f 31<sup>st</sup> January 2020. The Company has taken up the issue with the Ministry of Railways, Government of India, i.e., the appointing authority, from time to time, for appointment of the requisite number of independent directors, including Independent Women Director on the Board.

### a. Composition and category of the Board of Directors as on March 31, 2021

Sl. No. Name of Directors along with Director Identification No. Number (DIN)	Position
<b>Whole Time Directors (Functional) (Executive)</b>	
1. <b>Smt. Rajni Hasija</b> (DIN: 08083674)	Director (Tourism & Marketing) & Chairman & Managing Director (Additional Charge) Director (Finance) & CFO
2. <b>Shri Ajit Kumar</b> (DIN: 07247362)	
<b>Government nominee Directors (Non-Executive)</b>	
3. <b>Shri Neeraj Sharma</b> (DIN: 08177824)	Executive Director (Passenger Marketing), Ministry of Railways
4. <b>Shri Vinay Srivastava</b> (DIN: 08638850)	Executive Director (PSU), Ministry of Railways

During financial year 2020-21, the following changes occurred in the composition of the Board of the Company:

- Shri Sanjeeb Kumar, ED/F(PPP), Railway Board, relinquished the additional charge of Director (Finance), IRCTC w.e.f 5<sup>th</sup> May 2020, on being appointed as Director (Finance)/RVNL on immediate absorption basis.
- Shri Ajit Kumar (DIN: 07247362) was appointed as Director (Finance)/IRCTC (Additional Director) w.e.f. 29<sup>th</sup> May, 2020, in accordance with Ministry of Railways' Order dated 29<sup>th</sup> May, 2020.
- Shri Sachin Chaturvedi (DIN: 07960871), Independent Director on the Board of IRCTC, completed his tenure of three years on 9<sup>th</sup> October, 2020.
- Shri Comal Ramachandran Sundaramurti (DIN: 07965899), Independent Director on the Board of

IRCTC, completed his tenure of three years on 12<sup>th</sup> October, 2020.

- Shri Mahendra Pratap Mall (DIN: 02316235), Chairman & Managing Director, IRCTC, superannuated on 31<sup>st</sup> January, 2021.
- In accordance with the Ministry of Railways' letter dated 3<sup>rd</sup> February, 2021, Smt. Rajni Hasija (DIN: 08083674), Director (T&M), IRCTC took over the additional charge of the post of CMD, IRCTC, in addition to her own duties, for a period of 3 months w.e.f. February 3, 2021 or till appointment of the regular incumbent to the post or until further orders whichever is the earliest. The additional charge has been further extended by the Ministry of Railways, Government of India vide its letter dated 30<sup>th</sup> April, 2021 until further orders.
- Ms. Sarita Deshpande (DIN: 08098222), Independent Director on the Board, completed her tenure of three years on 28<sup>th</sup> March, 2021.



Sl. Type of director No.	Required expertise/skill
<p><b>iii) Director (Tourism &amp; Marketing)</b></p>	<p><b>Experience:</b></p> <p>(i) The applicant should have at least five years of cumulative experience at a senior level during the last ten years, in various aspects of Corporate Financial Management and Accounts in an organization of repute.</p> <p>(ii) Applicants from Organized Group 'A' Accounts Services should have at least five years cumulative experience at a senior level during the last ten years in the area of Corporate Financial Management/Accounts.</p> <p>(iii) 'The relevant experience' in respect of applicants from Central Government/ Armed Forces of the Union/All India Services would include at least seven years of cumulative experience at a senior level during the last ten years in the area of Corporate Financial Management/Accounts.</p> <p><b>Mandatory:</b> The applicant should be a graduate with good academic record from a recognized University/ Institute.</p> <p><b>Desirable:</b> Applicants with Tourism/ Travel/ MBA qualifications will have added advantage.</p> <p><b>Experience:</b> The applicant should have at least five years of cumulative experience in marketing/ business development in rail tourism/ travel/ hospitality sector during the last ten years in an organization of repute</p>
<p><b>iv) Director (Catering Services)</b></p> <p>2. Government Nominee Director (Part-time Official) Director (2 Directors)</p> <p>3. Independent Directors (Part-time non-Official) Director (6 Directors)</p>	<p><b>Mandatory:</b> The applicant should be a graduate with good academic record from a recognized University/ Institution.</p> <p><b>Desirable:</b> Applicants with Technical/ MBA qualifications will have added advantage.</p> <p><b>Experience:</b> The applicant should have adequate experience at a senior level of management in an organization of repute, out of which at least five years during the last ten years should have been in Services and Hospitality Industry. Applicants with experience in management of rail catering services, management of transport and travel related business, on board services, F&amp;B proven, ability in managing multidisciplinary teams, HRD and contract related activities will have added advantage.</p> <p>Experience in modern management techniques, use of information technology and ability of enhancing productivity through economies of scale, logistics management, procurement and inventory control and Outsourcing is desirable.</p> <p>As may be decided by the Government of India (Ministry of Railways)</p> <p>As may be decided by the Government of India (Ministry of Railways)</p>



**d. List of core skills /expertise/competencies actually available with the Board**

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

In the table below, the specific areas of focus or expertise of individual Board Members (as on March 31, 2021 and thereafter) have been highlighted:

Name of Director	Key qualifications of the Board						
	Area of expertise						
	Financial Management	Travel & Tourism / Catering & Hospitality/ IT Sector expertise	Corporate Planning & Strategy	Risk Management	Leadership	Board Practices and Governance	Business Development
<b>Smt. Rajni Hasija,</b> Director (Tourism & Marketing) & CMD (Additional Charge)	✓	✓	✓	✓	✓	✓	✓
<b>Shri Ajit Kumar,</b> Director (Finance)	✓	✓	✓	✓	✓	✓	✓
<b>Shri Neeraj Sharma,</b> ED (PM), Railway Board	✓	✓	✓	✓	✓	✓	✓
<b>Shri Vinay Srivastava,</b> ED (PSU), Railway Board	✓	✓	✓	✓	✓	✓	✓

**e. Age limit and tenure of Directors**

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

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

Independent Directors are appointed by the Ministry of Railways, Government of India usually for tenure of three (3) years. As required under Regulation 46(2) (b) of the Listing Regulations, the terms and conditions of appointment of Independent Directors are available on the Company's website at web-link <https://www.irctc.com/assets/images/T&C-for-Appointment-of-Independent-Directors.pdf>.

**f. Procedure Adopted For Board Meetings/Committee Meetings**

The Company Secretary, in consultation with the Chairman of the Company and Chairman of the respective Board Committees, prepares the agenda and supporting papers for discussion at each Board meeting and Committee meetings, respectively.

Members of the Board or Committees are free to suggest any item to be included in the agenda, in addition to their right to bring up matters for discussion at the meeting with the permission of the Chairman. Information and data that is important to the Board to understand the business of the Company in general and related matters are tabled for discussion at the meeting. Agenda is circulated in writing to the members of the Board well in advance of the meeting.

Additional meetings are also convened as and when required. In case of exigency, resolutions are passed by circulation as provided under the Companies Act, 2013, which are noted at a subsequent meeting of the Board or Committee thereof.

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

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

permission of Chairperson and all Directors present during the meeting.

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

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

#### g. Information placed before the Board of Directors

The Board has complete access to all information pertaining to the Company. If required, senior management officials are also called during the meeting to provide additional inputs on the matters being discussed by the Board/Committee. The information usually provided to the Board for its consideration includes the following:

- i. Annual operating plans and budgets and any updates.
- ii. Capital budgets and any updates.
- iii. Quarterly results and its operating divisions or business segments.
- iv. Minutes of meetings of audit committee and other committees of the board of directors.
- v. The information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
- vi. Show cause, demand, prosecution notices and penalty notices, which are materially important.
- vii. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- viii. Any material default in financial obligations to and by the listed entity, or substantial non-payment for goods sold by the listed entity.
- ix. Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- x. Compliance of various laws by the Company.

- xi. Action taken report on matters desired by the Board.
- xii. Disclosure of interests made by directors to the Company.
- xiii. Quarterly report on Corporate Governance filed with the Stock Exchanges.
- xiv. Quarterly report on investors Grievance redressal filed with the Stock Exchanges. All other information required to be presented to the Board for information or approval.
- xv. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

#### h. Disclosure of Relationship between directors inter-se

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

#### i. Number of shares and convertible instruments held by non-executive directors

As disclosed by them, none of the non-executive directors held any share of IRCTC during FY 2020-21.

#### j. Web-link for Familiarization Programme/Training programme for Directors

Upon appointment, the newly appointed Directors are provided a welcome kit detailing their roles and responsibilities and necessary information on their legal and regulatory obligations and orientation with respect to the Company's vision, mission, strategic direction, core values, financial matters and business operations is given through necessary documents/brochures, reports and internal policies including Annual reports, Memorandum and Articles of Association, MOUs between IRCTC and Ministry of Railways which help familiarise them with the Company's procedures, practices and risk profile. Orientation is mandatory for newly-appointed Directors on the Company's Business and its activities. The details of such familiarisation programmes are disclosed on the company's website <https://www.irctc.com/assets/images/DETAILS-OF-FAMILIARIZATION-PROGRAMMES-TO-IRCTC'S-BOARD-OF-DIRECTORS.pdf>.

In addition, the Company has formulated a Training Policy for Board Members of the Company, which is available at web link [https://www.irctc.com/assets/images/training\\_policy\\_for\\_directors\\_irctc-new.pdf](https://www.irctc.com/assets/images/training_policy_for_directors_irctc-new.pdf). The Company's Directors are nominated from time to time to attend on various relevant topics organized by DPE, SCOPE and other prestigious institutions.

k. The attendance of each director at the Board Meetings held during the year 2020-21 and at the last AGM

Sl. No.	Directors Name alongwith Director Identification Number (DIN)	Number of Board meetings		Attendance at the last AGM* (held on 27.10.2020)
		Meeting held during respective tenures of Directors	Meetings Attended	
1.	<b>Shri Mahendra Pratap Mall (DIN 02316235)</b> Chairman & Managing Director (up to 31.01.2021)	5	5	Present
2.	<b>Smt. Rajni Hasija (DIN 08083674)</b> Director (Tourism & Marketing) and Chairman & Managing Director (Additional Charge w.e.f. 03.02.2021)	6	6	Present
3.	<b>Shri Ajit Kumar (DIN: 07247362)</b> Director (Finance) (w.e.f. 29.05.2020)	6	6	Present
4.	<b>Shri Neeraj Sharma (DIN 08177824)</b> Executive Director (PM), Railway Board	6	5	Absent
5.	<b>Shri Vinay Srivastava (DIN 08638850)</b> Executive Director (PSU), Railway Board	6	5	Present
6.	<b>Prof. Sachin Chaturvedi (DIN: 07960871)</b> (up to 9 <sup>th</sup> October, 2020)	3	3	NA
7.	<b>Shri Comal Ramachandran Sundaramurti (DIN: 07965899)</b> (up to 12 <sup>th</sup> October, 2020)	3	3	NA
8.	<b>Ms. Sarita Despande (DIN: 08098222)</b> (up to 28 <sup>th</sup> March, 2021)	6	6	Present

\*Pursuant to the General Circular dated May 5, 2020 read with Circulars dated April 8, 2020 and April 13, 2020 issued by the Ministry of Corporate Affairs ("MCA Circulars") and SEBI Circular dated May 12, 2020, the 21<sup>st</sup> Annual General Meeting of IRCTC was held through Video Conferencing/Other Audio Visual Means.

l. Details of Directorships, and Memberships/ Chairpersonships of Committee in other companies as on 31<sup>st</sup> March 2021

Sl. No.	Directors Name along with Director Identification Number (DIN)	Number of Directorships held in other Companies as on 31.03.2021*	Number of Committee Membership(s) held in Other companies as on 31.03.2021 (including IRCTC)	
			As Chairman**	As Member**
1.	<b>Shri Mahendra Pratap Mall (DIN 02316235)</b> Chairman & Managing Director (up to 31.01.2021)	NIL	NA	NA
2.	<b>Smt. Rajni Hasija (DIN 08083674)</b> Director (Tourism & Marketing) and Chairman & Managing Director (Additional Charge) w.e.f. 03.02.2021)	NIL	NIL	2 (Audit Committee) & (Stakeholders Relationship/ Grievance Committee) IRCTC

S. Directors Name along with Director No. Identification Number (DIN)	Number of Directorships held in other Companies as on 31.03.2021*	Number of Committee Membership(s) held in Other companies as on 31.03.2021 (including IRCTC)	
		As Chairman**	As Member**
3. <b>Shri Ajit Kumar (DIN: 07247362)</b> Director (Finance) (w.e.f. 29.05.2020)	NIL	NIL	NIL
4. <b>Shri Neeraj Sharma (DIN 08177824)</b> Executive Director (PM), Railway Board	NIL	1 (Audit Committee) IRCTC	1 (Stakeholders Relationship Committee) IRCTC
5. <b>Shri Vinay Srivastava (DIN 08638850)</b> Executive Director(PSU), Railway Board	i) Rites Limited ii) Rail Vikas Nigam Limited iii) Konkan Railway Corporation Limited iv) Railtel Corporation of India Limited	3 (Stakeholders Grievance Committee) IRCTC Audit Committee & Stakeholders Grievance Committee of RITES Limited	2 (Audit Committee of Railtel Corporation of India Limited and IRCTC Limited)
6. <b>Prof. Sachin Chaturvedi (DIN: 07960871)</b> (up to 9 <sup>th</sup> October, 2020)	i) Reserve Bank Information Technology Private Limited	NA	NA
7. <b>Shri Comal Ramachandran Sundaramurti (DIN: 07965899)</b> (up to 12 <sup>th</sup> October, 2020)	NIL	NA	NA
8. <b>Ms. Sarita Deshpande (DIN: 08098222)</b> (up to 28 <sup>th</sup> March, 2021)	NIL	NA	NA

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

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

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

Name of Director	Name of listed entity	Category of Directorship
Shri Vinay Srivastava	1. RITES Limited 2. Rail Vikas Nigam Limited 3. Railtel Corporation of India Limited	Government Nominee

#### Notes:

- The Company being a CPSE, all Directors are appointed/ nominated by the Government of India.
- Directors/KMPs do not have any pecuniary relationships or transactions with the Company (except remuneration, including sitting fees, as they are entitled) ;
- None of the directors of the Company held office of director at any point of time in more than ten (10) public companies including seven (7) listed companies.
- None of the directors of the Company is a member in more than ten (10) committees or a chairperson of more than five (5) committees across all the companies in which he is a director.
- None of the whole-time directors of the Company serve as an independent director in any other listed company.
- Video-conferencing facilities are also used to facilitate Directors at other locations to participate in Board/Committee meetings as per Secretarial Standards.



### m. Number of Board meetings along with the dates

The Board of Directors met six times during financial year 2020-21. The details of Board Meetings held during 2020-21 are given below:

Sl. Board Meeting No. Number	Date of Meeting	Board Strength	No. of Directors present		% of Attendance of Board Meeting
			In Person	Through Video Conferencing	
1. *107 <sup>th</sup>	10 <sup>th</sup> July, 2020	8	3	5	100
2. 108 <sup>th</sup>	18 <sup>th</sup> August, 2020	8	3	5	100
3. 109 <sup>th</sup>	11 <sup>th</sup> September, 2020	8	3	5	100
4. 110 <sup>th</sup>	12 <sup>th</sup> November, 2020	6	4	0	66.6
5. 111 <sup>th</sup>	28 <sup>th</sup> January, 2021	6	5	1	100
6. 112 <sup>th</sup>	24 <sup>th</sup> March, 2021	5	3	2	100

\* In view of the difficulties arising due to resurgence of Covid-19, 107<sup>th</sup> Board meeting was held in accordance with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/110 dated June 26, 2020 read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated March 19, 2020 and MCA General Circular No. 11/2020 dated March 21, 2020.

During the financial year 2020-21, no meeting could have been held in tourist destinations in accordance with the requirement of Department of Public Enterprises OM F. NO. 18(17)/2005-GM dated 18<sup>th</sup> July, 2018 due to the surge in Covid-19 cases across India.

### n. Board Independence

During FY2020-21, all the Independent Directors on the Board of IRCTC provided a declaration that they met the criteria of independence in accordance with the provisions of Section 149(7) of Companies Act, 2013, Schedule IV and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations. In the opinion of the Board, the Independent Directors have requisite integrity, expertise, specialised knowledge, experience and proficiency.

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

### o. Detailed reasons for resignation of an independent director

None of the Independent Directors have resigned from the Company before the expiry of his/her tenure during the financial year 2020-21. However, the tenure of all the three independent directors, namely, Prof. Sachin Chaturvedi, Shri Comal Ramachandran Sundaramurti and Ms. Sarita Deshpande was completed on 9<sup>th</sup> October, 2020 12<sup>th</sup> October, 2020 and 28<sup>th</sup> March, 2021 respectively.

## 3.0 COMMITTEES OF BOARD

To facilitate the expeditious consideration and arriving at decisions with focus on the affairs of the company, the

Board has delegated certain matters to the committees of the Board set up for the purpose. The details of Committees of the Board are mentioned below:

1. Audit Committee;
2. Nomination & Remuneration Committee;
3. Stakeholders Relationship/Grievance Committee
4. CSR and SD Committee;
5. Risk Management Committee;
6. Investment Committee;
7. Share Transfer Committee;

During the year, the Committees of the Board of Directors as mentioned above were reconstituted from time to time due to the change in composition of the Board of Directors of the Company.

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

## 4.0 AUDIT COMMITTEE

### a. Terms of reference

The terms of reference of the Audit Committee specified by the Board are in accordance with the Section 177 of Companies Act, 2013 read with Regulation 18 and Part C of Schedule II of SEBI (LODR) Regulations, 2015, are as under:

- (i) oversight of the Company financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (ii) recommendation to the Board for remuneration of statutory auditors

- (iii) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (iv) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause c of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report;
- (v) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (vi) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (vii) reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- (viii) approving or any subsequent modification of transactions of the listed entity with related parties;
- (ix) scrutinising inter-corporate loans and investments;
- (x) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (xi) evaluating internal financial controls and risk management systems;
- (xii) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (xiii) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xiv) discussing with internal auditors of any significant findings and follow up there on;
- (xv) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (xvi) discussing with statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern;
- (xvii) looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xviii) reviewing the functioning of the whistle blower mechanism;
- (xix) approving the appointment of the chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (xx) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- (xxi) reviewing the utilisation of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date.

#### Review of Information by Audit Committee

The audit committee reviews the following information:

1. management discussion and analysis of financial condition and results of operations;
2. statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. management letters / letters of internal control weaknesses issued by the statutory auditors;
4. internal audit reports relating to internal control weaknesses;

5. appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. statement of deviations:
  - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (LODR) Regulations, 2015.
  - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (LODR) Regulations, 2015.

**b. Composition of the Committee**

The Committee has been reconstituted as and when there has been a change in directors. The Committee was reconstituted latest on 29<sup>th</sup> March, 2021. As on 31<sup>st</sup> March, 2021, the Audit Committee comprised of the following members:

S. No.	Name of Members	Position
1.	<b>Shri Neeraj Sharma</b> Part-time Government Director	Chairman
2.	<b>Shri Vinay Srivastava</b> Part-time Government Director	Member
3.	<b>Smt. Rajni Hasija</b> Director (Tourism & Marketing) & CMD (Additional Charge)	Member

**c. Meetings and Attendance during the year**

The Audit Committee met 6 (six) times during the financial year 2020-21. As per Companies Act, DPE's Guidelines on Corporate Governance and SEBI LODR, not more than 120 days was elapsed between two consecutive meetings during the year.

The details of Audit Committee Meetings held during the year 2020-21 are given below:

S. No.	Audit Committee Meeting No. Number	Date of Meeting	Committee Strength	No. of Members present
1.	*54 <sup>th</sup>	10 <sup>th</sup> July, 2020	4	4
2.	55 <sup>th</sup>	18 <sup>th</sup> August, 2020	4	4
3.	56 <sup>th</sup>	11 <sup>th</sup> September, 2020	4	4
4.	57 <sup>th</sup>	12 <sup>th</sup> November, 2020	4	3
5.	58 <sup>th</sup>	28 <sup>th</sup> January, 2021	4	4
6.	59 <sup>th</sup>	24 <sup>th</sup> March, 2021	4	4

\* In view of the difficulties arising due to resurgence of Covid-19, 54<sup>th</sup> Meeting of Audit Committee was held in accordance with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/110 dated June 26, 2020 read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated March 19, 2020 and MCA General Circular No. 11 /2020 dated March 21, 2020."

Attendance of each member at the Audit Committee meetings held during 2020-21 is as under:

Sl. No.	Name of Members	Position	Number of Meetings			% of Attendance
			Held during the tenure of Director	Attended		
				In person	Through video conferencing	
1.	<b>Shri C.R. Sundaramurti</b> Independent Director	Chairman (upto 12.10.2020)	3	0	3	100%
2.	<b>Prof. Sachin Chaturvedi</b> Independent Director	Member (upto 09.10.2020)	3	0	3	100%
3.	<b>Ms. Sarita Deshpande</b> Independent Director	Chairperson (since 13.10.2020 to 28.03.2021)	6	3	3	100%
4.	<b>Shri Neeraj Sharma</b> Part-time Government Director	Chairman (w.e.f 29.03.2021)	6	0	5	83%
5.	<b>Shri Vinay Srivastava</b> Part-time Government Director	Member (w.e.f 13.10.2020)	3	0	3	100%
6.	<b>Smt. Rajni Hasija</b> Director (Tourism & Marketing) & CMD (Additional Charge)	Member (w.e.f 13.10.2020)	3	3	0	100%

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

Director (Finance) & CFO is a permanent invitee to the meetings of Audit Committee.

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

All the recommendations of the Audit Committee were accepted by Board of Directors during 2020-21.

## 5.0 NOMINATION AND REMUNERATION COMMITTEE

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

IRCTC has constituted a Nomination and Remuneration Committee (NRC) to review and approve pay and allowances including Performance Related Payments (PRP) payable to Board level and below Board level executives within the framework of the DPE Guidelines.

### a. Terms of reference

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

- (i) identifying persons who may be appointed in senior management<sup>#</sup> in accordance with the criteria laid down, recommend to the Board, their appointment and removal;
- (ii) Recommending to the board, all remuneration, in whatever form, payable to senior management;
- (iii) Deciding the Annual Bonus/ Variable pay pool/ Performance related pay and policy for its distribution across the executives and non-unionized supervisors, within the prescribed limits and as per the guidelines issued in this regard by the Government of India.

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

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

### b. Composition of the Committee

The Committee has been reconstituted as and when there has been a change in directors. The Committee was reconstituted latest on 29<sup>th</sup> March, 2021. As on 31<sup>st</sup> March, 2021, the Nomination and Remuneration Committee comprised the following members:

S. No.	Name of Members	Position
1.	<b>Shri Neeraj Sharma</b> Part-time Government Director	Chairman
2.	<b>Shri Vinay Srivastava</b> Part-time Government Director	Member
3.	<b>Smt. Rajni Hasija</b> Director (Tourism & Marketing) & CMD (Additional Charge)	Member

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

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



**c. Meeting and Attendance during the year**

The Nomination and Remuneration Committee met once during the financial year 2020-21. The details of which are given below:

S. No.	Nomination & Remuneration Committee Meeting Number	Date of Meeting	Committee Strength	No. of Members present
1.	18 <sup>th</sup>	9 <sup>th</sup> July, 2020	4	4

The details of the meetings of the committee held during the financial year 2020-21 and attendance by the members are as under:

Sl. No.	Name of Members	Position	Number of Meetings			% of Attendance
			Held during the tenure of Director	Attended		
				In person	Through video conferencing	
1.	<b>Shri C.R Sundaramurti</b> Independent Director	Chairman (upto 12 <sup>th</sup> October, 2020)	1	0	1	100%
2.	<b>Prof. Sachin Chaturvedi</b> Independent Director	Member (upto 9 <sup>th</sup> October, 2020)	1	0	1	100%
3.	<b>Ms. Sarita Deshpande</b> Independent Director	Chairperson (w.e.f 13 <sup>th</sup> October, 2020 upto 28 <sup>th</sup> March, 2021)	1	0	1	100%
4.	<b>Shri Neeraj Sharma</b> Part-time Government Director	Chairman (w.e.f. 29.03.2021)	1	0	1	100%
5.	<b>Shri Vinay Srivastava</b> Part-time Government Director	Member (w.e.f 13 <sup>th</sup> October, 2020)	0	0	0	-
6.	<b>Smt. Rajni Hasija</b> Director (Tourism & Marketing) & CMD (Additional Charge)	Member (w.e.f 29 <sup>th</sup> March, 2021)	0	0	0	-

**d. Performance Evaluation of Board Members**

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

Details with respect to Performance Evaluation of Board Members are mentioned elsewhere in the Directors Report.

**6.0 REMUNERATION OF KEY MANAGERIAL PERSONNEL (KMPs)**

**i. Remuneration of Whole-time (Executive) & KMPs**

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

The details of the remuneration paid to Key Managerial Personnel (KMPs) of the Company during the financial year 2020-21 are given below:

S. No.	Name of Directors	Salary	Perks	Other Benefits	Performance Award	Contribution to PF	Contribution to NPS/ FSC	Total
1.	<b>Shri Mahendra Pratap Mall</b> Chairman & Managing Director (upto 31.01.2021)	60,41,561	-	3,89,955	14,52,879	3,21,014	2,56,196	84,61,605

(in ₹)

(in ₹)

S. No	Name of Directors	Salary	Perks	Other Benefits	Performance Award	Contribution to PF	Contribution to NPS/ FSC	Total
2.	<b>Smt. Rajni Hasija</b> Director (Tourism & Marketing)	39,06,484	9,60,364	3,79,219	13,54,786	3,77,873	3,01,558	72,80,284
3.	<b>Shri Ajit Kumar</b> (Director Finance) (w.e.f. 29.05.2020)	32,13,630	7,15,270	2,54,719	-	3,10,412	2,47,711	47,41,742
4.	<b>Smt. Suman Kalra</b> Company Secretary & Compliance Officer	23,08,772	1,84,393	-	6,05,560	1,93,721	1,54,240	34,46,686
5.	<b>Shri Ajai Sirivastava</b> CFO (up to 09.07.2020)	7,24,666	2,05,226	32,903	1,37,742	44,093	-	11,44,630
	<b>Total</b>	<b>1,61,95,113</b>	<b>20,65,253</b>	<b>10,56,796</b>	<b>35,50,967</b>	<b>12,47,113</b>	<b>9,59,705</b>	<b>2,50,74,947</b>

## ii. Remuneration to Government nominee Directors

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

## iii. Remuneration of Independent Directors

The independent Directors are not paid any remuneration except sitting fees of ₹ 15,000/- for attending each meeting of the Board or Committee thereof as fixed by Board which is within the limits prescribed under the Companies Act, 2013 and rules thereunder. The details of the sitting fee paid to Independent directors during the year 2020-21 are given below:

(in ₹)

Sl. No.	Name of Independent Director	Sitting fee*		Total
		Board Meetings	Committee Meetings	
1.	<b>Prof. Sachin Chaturvedi</b> Independent Director (up to 09.10.2020)	45,000/-	75,000/-	1,20,000/-
2.	<b>Shri Comal Ramachandran Sundaramurti</b> Independent Director (up to 12.10.2020)	45,000/-	1,05,000/-	1,50,000/-
3.	<b>Ms. Sarita Deshpande</b> Independent Director (up to 28.03.2021)	90,000/-	2,25,000/-	3,15,000/-
	<b>Total</b>	<b>1,80,000/-</b>	<b>4,05,000/-</b>	<b>5,85,000/-</b>

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

## 7.0 STAKEHOLDERS RELATIONSHIP/ GRIEVANCE COMMITTEE

### a. Terms of Reference

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

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

dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

### b. Composition, Meeting and Attendance

The Committee has been reconstituted as and when there has been a change in directors. The Committee was reconstituted latest on 29<sup>th</sup> March, 2021. As on 31<sup>st</sup> March, 2021, the Stakeholders Relationship/ Grievance Committee comprised of the following members:

S. No.	Name of Members	Position
1.	<b>Shri Vinay Srivastava</b> Part-time Government Director	Chairman
2.	<b>Shri Neeraj Sharma</b> Part-time Government Director	Member
3.	<b>Smt. Rajni Hasija</b> Director (Tourism & Marketing) & CMD (Additional Charge)	Member

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

The Committee met once during the year 2020-21. The details of which are given below:

S. No. /Stakeholders Relationship /Grievance Committee Meeting Number	Date of Meeting	Committee Strength	No. of Members present
1. 2 <sup>nd</sup>	12 <sup>th</sup> November, 2020	3	3

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

S. No.	Members	Position	Number of Meetings			% of Attendance
			Held during the tenure of Director	Attended		
				In person	Through video conferencing	
1.	<b>Prof. Sachin Chaturvedi</b> Independent Director	Chairman (up to 09.10.2020)	0	-	-	-
2.	<b>Shri Vinay Srivastava</b> Part-time Government Director	Chairman (w.e.f. 10.10.2020)	1	0	1	100%
3.	<b>Ms. Sarita Deshpande</b> Independent Director	Member (up to 28.03.2021)	1	1	0	100%
4.	<b>Smt. Rajni Hasija</b> Director (Tourism & Marketing)	Member	1	1	0	100%
5.	<b>Shri Neeraj Sharma</b> Part-time Government Director	Member (w.e.f 29.03.2021)	0	-	-	-

### c. Redressal of Investors' Grievance

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

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

37 grievances were received from the shareholders and all of them were disposed off during the Financial Year 2020-21

### d. Settlement of Grievances

Investors may register their complaints in the manner stated below:

Sl. No.	Nature of Complaint	Contact	Action to be taken
1.	Dividend (Interim Dividend) and matters pertaining to IPO/OFS; For Physical Shares- Change of address, status, Bank account, mandate, ECS mandate etc.	Alankit Assignments Limited, Address: 4E/2 Jhandewalan Extension New Delhi – 110055 Phone No.011- 42541234/ 011- 42541954 Fax No: 011- 42541201 Web site : <a href="http://www.alankit.com">www.alankit.com</a> e-mail: <a href="mailto:virenders@alankit.com">virenders@alankit.com</a> <a href="mailto:rt@alankit.com">rt@alankit.com</a> and <a href="mailto:jksingla@alankit.com">jksingla@alankit.com</a>	Letter on plain paper stating the nature of complaint and shall mention Folio/ DPID/ Client ID No; lodging of original shares and other documents/ instruments as the case may be.
2.	For shares held in Demat- Change of address, status, Bank account, mandate, ECS mandate etc.	Depository Participant (DP) with the Shareholder is maintaining his/her account.	As per instructions of respective DP.
3.	Complaints of any other category	Company Secretary Indian Railway Catering and Tourism Corporation Limited. Phone: 011-23327746 <a href="mailto:investors@irctc.com">investors@irctc.com</a>	On plain paper stating nature of complaint, folio/DPID/Client ID No., Name and address, email ID and contact details.

## 8.0 CSR AND SD COMMITTEE

### a. Terms of Reference

The Terms of Reference of CSR and SD Committee as specified in Companies Act, 2013 and Rules made thereunder is placed below:

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

### b. Composition, Meeting and Attendance

The Committee has been reconstituted as and when there has been a change in directors. During the year, The Committee was reconstituted latest on 29<sup>th</sup> March, 2021. As on 31<sup>st</sup> March, 2021, the CSR & SD Committee comprised of the following members:

S. No.	Members	Position
1.	<b>Smt. Rajni Hasija</b> Director (Tourism & Marketing) & CMD (Additional Charge)	Chairperson
2.	<b>Shri Neeraj Sharma</b> Part-time Government Director	Member
3.	<b>Shri Ajit Kumar</b> Director (Finance)	Member



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

Mr. Sandip Trivedi (GGM HRD), being the nodal officer of the CSR & SD Committee is permanent invitee to the meetings of the Committee.

The Committee met 4 (Four) times during the year 2020-21. The details of which are given below:

S. No.	CSR & SD Committee Meeting No. Number	Date of Meeting	Committee Strength	No. of Members present
1.	29 <sup>th</sup>	9 <sup>th</sup> July, 2020	4	4
2.	30 <sup>th</sup>	11 <sup>th</sup> November, 2020	4	3
3.	31 <sup>st</sup>	28 <sup>th</sup> January, 2021	4	4
4.	32 <sup>nd</sup>	24 <sup>th</sup> March, 2021	4	4

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

Sl. No.	Name of Members	Position	Number of Meetings			% of Attendance
			Held during the tenure of Director	Attended		
				In person	Through video conferencing	
1.	<b>Shri Mahendra Pratap Mall</b> Chairman & Managing Director	Chairman (up to 31.01.2021)	3	3	0	100%
2.	<b>Smt. Rajni Hasija</b> Director (Tourism & Marketing) & Chairman & Managing Director (Additional Charge)	Chairperson (w.e.f 01.02.2021)	1	1	0	100%
3.	<b>Shri Ajit Kumar</b> Director (Finance)	Member (w.e.f. 13.10.2020)	3	3	0	100%
4.	<b>Shri Neeraj Sharma</b> Part-time Government Director	Member	4	0	3	75%
5.	<b>Prof. Sachin Chaturvedi</b> Independent Director	Member (up to 09.10.2020)	1	0	1	100%
6.	<b>Ms. Sarita Despande</b> Independent Director	Member (up to 28.03.2021)	4	3	1	100%

## 9.0 RISK MANAGEMENT COMMITTEE

### a. Terms of Reference

The Terms of Reference of Risk Management Committee in accordance with provisions of SEBI (LODR) Regulations, 2015, in brief, is mentioned below:

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

## b. Composition, Meeting and Attendance

The Committee has been reconstituted as and when there has been a change in directors. During the year, The Committee was reconstituted latest on 29<sup>th</sup> March, 2021. As on 31<sup>st</sup> March, 2021, the Risk Management Committee comprised the following members:

S. No.	Members	Position
1.	<b>Smt. Rajni Hasija</b> Director (Tourism & Marketing) & CMD (Additional Charge)	Chairperson
2.	<b>Shri Neeraj Sharma</b> Part-time Government Director	Member
3.	<b>Shri Ajit Kumar</b> Director (Finance)	Member

Shri Gaisingam Kabui, GGM (Finance) as Chief Risk Officer and Law Officer are permanent invitees to the meetings of the Committee.

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

The Committee met twice during the year 2020-21. The details of which are given below:

S. No.	Risk Management Committee Meeting Number	Date of Meeting	Committee Strength	No. of Members present
1.	9 <sup>th</sup>	9 <sup>th</sup> July, 2020	5	5
2.	10 <sup>th</sup>	10 <sup>th</sup> November, 2020	4	3

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

Sl. No.	Name of Members	Position	Number of Meetings			% of Attendance
			Held during the tenure of Director	Attended		
				In person	Through video conferencing	
1.	<b>Shri Mahendra Pratap Mall</b> Chairman & Managing Director	Chairman (up to 31.01.2021)	2	2	0	100%
2.	<b>Smt. Rajni Hasija</b> Director (Tourism & Marketing) & Chairman & Managing Director (Additional Charge)	Chairperson (w.e.f 01.02.2021)	2	2	0	100%
3.	<b>Shri Neeraj Sharma</b> Part-time Government Director	Member	2	0	1	50%
4.	<b>Prof. Sachin Chaturvedi</b> Independent Director	Member (up to 09.10.2020)	1	0	1	100%
5.	<b>Ms. Sarita Deshpande</b> Independent Director	Member (up to 28.03.2021)	2	1	1	100%
6.	<b>Shri Ajit Kumar</b> Director (Finance)	Member (w.e.f 29.03.2021)	0	-	-	-

## 10.0 OTHER FUNCTIONAL COMMITTEES

### 10.1 Investment Committee

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

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

### 10.2 Executive Board Committee

The Committee of Executive Board has been constituted to prepare and draft the policy (ies) of recruitment, absorption and channels of promotion in IRCTC for employees up

to E-6 and other issues including new ventures, growth of business segments, operational performance of the Company for the purpose of internal analysis etc.

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

The Executive Board met 7 (seven) times during the financial year 2020-21 on 24<sup>th</sup> June, 2020, 30<sup>th</sup> June, 2020 27<sup>th</sup> October, 2020, 12<sup>th</sup> November, 2020, 26<sup>th</sup> November, 2020, 12<sup>th</sup> January, 2021 and 29<sup>th</sup> January, 2021. The meetings were attended by all the members of the Committee.

Mrs. Suman Kalra, Company Secretary is the Secretary to the Committee.

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

### 10.3 Administrative Committee

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

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

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

During the financial year 2020-21, 3 (Three) meeting of Administrative Committee were held on 12<sup>th</sup> June, 2020, 28<sup>th</sup> August, 2020 and 21<sup>st</sup> September, 2020 and all members of the Committee attended the meeting.

### 10.4 Share Transfer Committee

The Share Transfer Committee considers the requests for transfer/transmission of shares, issue of duplicate share certificate, re-materialisation, split, consolidation, renewal and issue of duplicate share certificates etc.

The Committee comprises of Director (Finance), Director (Tourism & Marketing) and Company Secretary.

During the financial year 2020-21, 1 (one) meeting of Share Transfer Committee was held on 5<sup>th</sup> November, 2020 and all members of the Committee attended the meeting.

## 11.0 SEPARATE MEETING OF INDEPENDENT DIRECTORS

In terms of provisions mentioned under SEBI (LODR) Regulations, 2015, Section 149 and Code of Independent Directors of the Companies Act, 2013, and DPE Guidelines, a separate meeting of Independent Directors was held on 9<sup>th</sup> October, 2020.

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

## 12.0 GENERAL BODY MEETINGS

### Annual General Meeting (AGM)

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

AGM	Financial Year	Date	Day	Time	Location	Whether any Special Resolution Passed
19 <sup>th</sup>	2017-18	27.09.2018	Thursday	1500 Hrs.	Committee Room (Room No.237), 2 <sup>nd</sup> Floor, Rail Bhawan, New Delhi - 110001	Yes i. To approve amendment in object clause of Memorandum of Association of the Company. ii. To adopt the new set of Articles of Association of the Company.
20 <sup>th</sup>	2018-19	28.08.2019	Wednesday	1630 Hrs.	Committee Room (Room No.237), 2 <sup>nd</sup> Floor, Rail Bhawan, New Delhi - 110001	Yes i. To alter the objects clause of MoA
21 <sup>st</sup>	2019-20	27.10.2020	Tuesday	1130 Hrs.	Through video conferencing ("VC")/ other Audio Visual Means("OAVM") (IRCTC Board Room)	No

Pursuant to the pursuant to General Circular dated January 13, 2021, read with Circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 issued by the Ministry of Corporate Affairs (“MCA Circulars”) and SEBI Circular dated January 15, 2021 red with Circular dated May 12, 2020, and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [“SEBI (LODR) Regulations”], the 22<sup>nd</sup> Annual General Meeting of IRCTC is proposed to be held through Video Conferencing/ Other Audio Visual Means. The Company will provide the facility to shareholders to attend the said AGM electronically and also enable shareholders to exercise their right to vote through electronic means at the said AGM. Details regarding participation in the said AGM and other relevant information is appearing in the Notice of the 22<sup>nd</sup> AGM of the Company.

**Postal Ballot:** During the financial year 2020-21, no postal ballot process was conducted and no special resolution was passed through postal ballot. No special resolution is proposed to be conducted through postal ballot on immediate basis.

### 13.0 MEANS OF COMMUNICATION

The Company communicates with its stakeholders through Annual Reports, Quarterly/ Annual Financial Results, news releases, presentations etc. and disclosures made on the Company’s website i.e. [www.irctc.com](http://www.irctc.com) from time to time.

- **Annual Reports:** The Annual Report containing, inter-alia, Audited Financial Statements, Board’s Report, Auditor’s Report, and other important information is circulated to members and others entitled thereto. The Company’s Annual Report is also available in downloadable form on the Company’s website i.e. [www.irctc.com](http://www.irctc.com).
- **Quarterly/ Annual Financial Results:** The Company regularly intimates un-audited as well as audited financial results to the Stock Exchanges, immediately after approval of the Board in accordance with the time frame specified in SEBI LODR. The results are also hosted on the website of the Company [www.irctc.com](http://www.irctc.com) for wider circulation.
- **News Releases, Presentations:** Official news releases and official media releases are generally sent to the Stock Exchanges and are also available on the website of the Company.

- **Newspaper publication:** These financial results as mentioned are normally published in the leading English and vernacular newspapers having nationwide circulation. During 2020-21, quarterly results have been published as follows:

Quarter	Date of Publication	Newspaper edition
Q1 ended 30 <sup>th</sup> June, 2020	12-09-2020	Hindustan Times (English version), Mint (English version), Hindustan (Hindi version)
Q2 and half year ended 30 <sup>th</sup> September, 2020	13-11-2020	Hindustan Times (English version), Mint (English version), Hindustan (Hindi version)
Q3 and Nine Month ended 31 <sup>st</sup> December, 2020	29-01-2021	Hindustan Times (English version), Mint (English version), Hindustan (Hindi version)
Q4 and Year ended 31 <sup>st</sup> March, 2021	30-06-2021	Hindustan Times (English version), Mint (English version), Hindustan (Hindi version)

- **Print / Digital Media:** During the Offer for sale, campaigns were run through print / digital media, creating investor awareness.
- **Website:** The Company’s website [www.irctc.com](http://www.irctc.com) contains a separate dedicated section ‘Investor Relations’ where the information for shareholders is available. Full Annual Report, Shareholding Pattern, Policies, MOUs and Corporate Governance Report etc. are also available on the web-site. Information, latest updates and announcements regarding the Company can be accessed at company’s website as mentioned below:
  - Quarterly/ Half-yearly/ Annual Financial Results
  - Quarterly Shareholding Pattern
  - Quarterly Corporate Governance Report
  - Transcripts of conferences with analysts
  - Intimations made to the stock exchanges from time to time.
  - E-mail ID of the Company Secretary and Compliance Officer and RTA exclusively for the purpose of registering complaints by investors has been displayed on the website under the head “Investor Relations Investor Contact.”
- **Webcast of Annual General Meeting:** The Company has provided live webcast of the proceedings of the 21<sup>st</sup> Annual General Meeting held on 27<sup>th</sup> October, 2020.
- **NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web-based application



designed by the NSE for corporates. All periodical/ event-based compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are filed electronically on the NEAPS.

- **BSE Corporate Compliance & Listing Centre (“Listing Centre”):** BSE's Listing Centre is a web-based application designed for corporates. All periodical/ event-based compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are filed electronically on the Listing Centre.
- **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralised web-based complaints redressal system. The salient features of this system are: centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.
- **Designated exclusive email-IDs:** The Company has designated email id [investors@irctc.com](mailto:investors@irctc.com) for Investor services.

## 14.0 GENERAL INFORMATION FOR SHAREHOLDERS

### a. Annual General Meeting of the Current Year

Day: Wednesday

Date: 29<sup>th</sup> September, 2021

Time: 12:30 p.m. (IST)

Venue: **Through Video Conferencing (VC)/Other Audio Visual Means (OAVM)**

### b. Financial Year

The Company's Financial Year is from 1<sup>st</sup> April to 31<sup>st</sup> March.

### c. Financial Calendar (Tentative) Results for the quarter ending

June 30, 2021 – Second week of August, 2021

September 30, 2021 – Second week of November, 2021

### g. Dividend History

Financial Year	Total paid-up capital (₹ in Crore)	Total amount of Dividend paid (₹ in Crore)	Date of Board Meeting/ AGM in which Dividend was declared	Interim / Final
2009-10	20.00	4.00 (₹ 2.00 per share)	24 <sup>th</sup> November, 2009	Interim
		8.61 (₹ 4.305 per share)	28 <sup>th</sup> September, 2010	Final
2010-11	20.00	12.16 (₹ 6.08 per share)	22 <sup>nd</sup> September, 2011	Final
2011-12	20.00	4.00 (₹ 2.00 per share)	29 <sup>th</sup> March, 2012	Interim
		5.71 (₹ 2.855 per share)	27 <sup>th</sup> September, 2012	Interim
2012-13	20.00	11.77 (₹ 5.885 per share)	27 <sup>th</sup> September, 2013	Final

December 31, 2021 – Second week of February, 2022

March 31, 2022 – Fourth week of May, 2022

Annual General Meeting - September, 2022

### d. Book Closure

The register of members and share transfer books of the Company will remain closed from Thursday, the 23<sup>rd</sup> day of September, 2021 to Wednesday, the 29<sup>th</sup> day of September, 2021 (both days inclusive).

### e. Dividend Distribution Policy

The Company has a Dividend Distribution policy approved by its Board of Directors. The objective behind the policy is to broadly specify the parameters that shall be considered while declaring dividend and the circumstances under which shareholders of the Company may/ may not expect dividend and how the retained earnings shall be utilised. As per the requirement of Regulation 43A of SEBI (LODR) Regulations, 2015, the policy is uploaded on the Company's website at link, [https://irctc.com/assets/images/irctc\\_dividend\\_distribution\\_policy\\_31.07.2019\\_cb\\_comments\\_\[05.08.2019\].pdf](https://irctc.com/assets/images/irctc_dividend_distribution_policy_31.07.2019_cb_comments_[05.08.2019].pdf) and is annexed to the Board's Report at **Annexure-"D"**.

### f. Payment of Dividend

The Board of Directors of the Company has recommended a final dividend of ₹ 5/- per equity share for the financial year 2020-21 subject to approval by the shareholders in General Meeting.

In respect of physical shares, the final dividend will be paid to the members or their mandates, whose names appearing the Register of Members of the Company on 22<sup>nd</sup> September, 2021. In respect of dematerialized shares, the final dividend will be payable to the “beneficial owners” of the shares whose names appear in the Statement of Beneficial Ownership provided by National Securities Depository Limited and Central Depository Services (India) Limited as at the close of business hours on September 22<sup>nd</sup> September, 2021. Final Dividend would be paid within 30 days of AGM.

Financial Year	Total paid-up capital (₹ in Crore)	Total amount of Dividend paid (₹ in Crore)	Date of Board Meeting/ AGM in which Dividend was declared	Interim / Final
2013-14	20.00	14.40 (₹ 7.20 per share)	11 <sup>th</sup> September, 2014	Final
2014-15	20.00	26.13 (₹ 13.065 per share)	18 <sup>th</sup> September, 2015	Final
2015-16	20.00	75.45 (₹ 37.725 per share)	27 <sup>th</sup> September, 2016	Final
2016-17	40.00	37.50 (₹ 9.375 per share)	10 <sup>th</sup> March, 2017	Interim
		47.18 (₹ 11.795 per share)	20 <sup>th</sup> September, 2017	Final
2017-18	40.00	88.81 (₹ 22.202 per share)	27 <sup>th</sup> September, 2018	Final
2018-19	160.00	60.00 (₹ 3.75 per share)	20 <sup>th</sup> December, 2018	Interim
		62.37 (₹ 3.898 per share)	28 <sup>th</sup> August, 2019	Final
2019-20	160.00	160.00 (₹ 10 per share)	12 <sup>th</sup> February, 2020	Interim
		40 (₹ 2.5 per share)	27 <sup>th</sup> October, 2020	Final

#### h. Listing on Stock Exchanges

The Company is listed on the following Stock Exchanges.

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

The payment of annual listing fee for the Financial Year 2020-21 has been paid to National Stock Exchange of India Limited and BSE Ltd. Custodian Fee to NSDL and CDSL for Company's equity, bearing the code INE335Y01012, has also been paid for the Financial Year 2020-21.

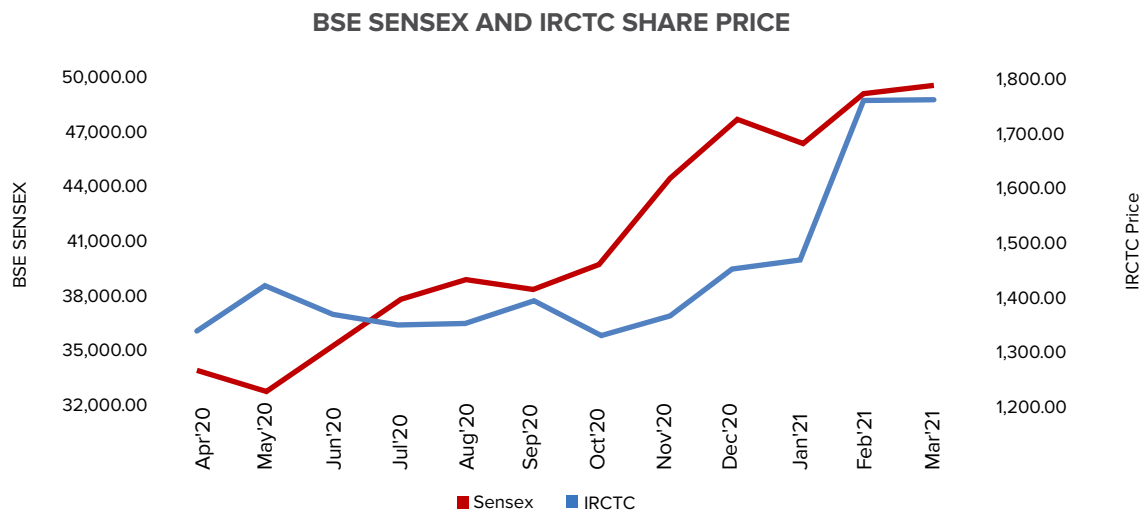
#### i. IRCTC's Market Price Data and performance in comparison to indices

Comparison of IRCTC share price (from 01.04.2020 to 31.03.2021) with BSE Sensex and NSE Nifty is given below:

##### i. BSE Sensex and IRCTC Share Price

Month	BSE SENSEX			IRCTC Share Price at BSE		
	High	Low	Close	High (₹)	Low (₹)	Close (₹)
Apr-20	33887.25	27,500.79	33,717.62	1,509.30	1,031.50	1,323.60
May-20	32845.48	29,968.45	32,424.10	1,484.00	1,190.00	1,409.90
Jun-20	35,706.55	32,348.10	34,915.80	1,594.00	1,250.00	1,359.20
Jul-20	38,617.03	34,927.20	37,606.89	1,462.80	1,331.65	1,336.40
Aug-20	40,010.17	36,911.23	38,628.29	1,413.90	1,313.70	1,342.70
Sep-20	39,359.51	36,495.98	38,067.93	1,459.95	1,321.20	1,382.10
Oct-20	41,048.05	38,410.20	39,614.07	1,410.00	1,296.00	1,315.55
Nov-20	44,825.37	39,334.92	44,149.72	1,417.70	1,291.00	1,353.75
Dec-20	47,896.97	44,118.10	47,751.33	1,793.00	1,335.95	1,437.25
Jan-21	50,184.01	46,160.46	46,285.77	1,523.00	1,417.35	1,457.00
Feb-21	52,516.76	46,433.65	49,099.99	1,810.00	1,451.15	1,758.65
Mar-21	51,821.84	48,236.35	49,509.15	2,072.95	1,701.45	1,756.20

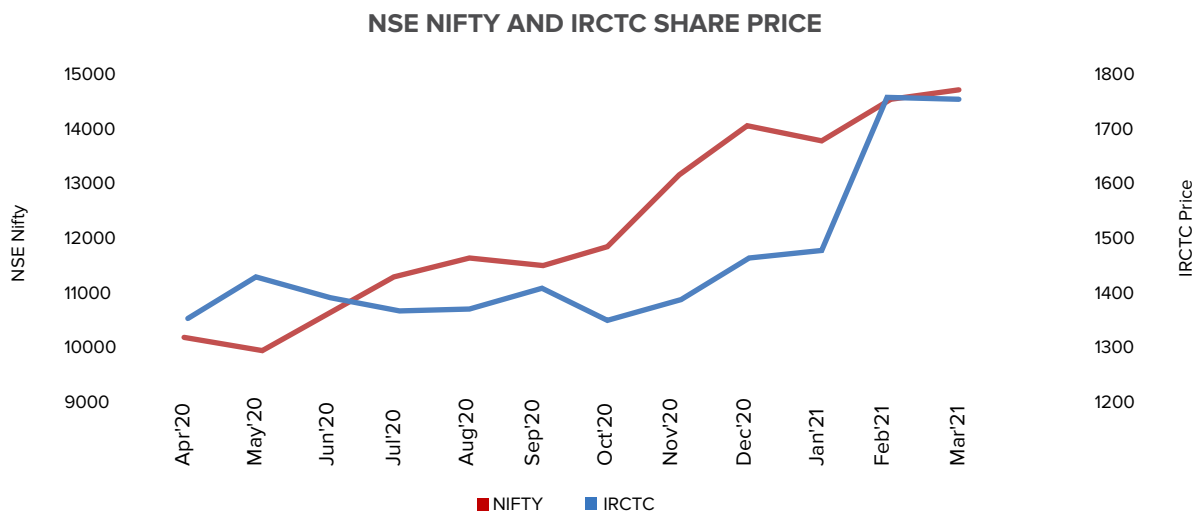
ii. Performance of IRCTC Share price in comparison to BSE SENSEX



iii. NSE NIFTY and IRCTC Share Price

Month	NSE NIFTY			IRCTC Share Price at NSE		
	High	Low	Close	High (₹)	Low (₹)	Close (₹)
Apr-20	9889.05	8055.8	9859.9	1509	1031.65	1324.35
May-20	9598.85	8806.75	9580.3	1475	1190	1410.35
Jun-20	10553.15	9544.35	10302.1	1595	1340	1358.65
Jul-20	11341.4	11151.4	11073.45	1467.8	1332.15	1335.85
Aug-20	11794.05	10882.25	11387.5	1414	1315.05	1344.25
Sep-20	11618.1	10790.2	11247.55	1459.9	1321.15	1384
Oct-20	12025.45	11347.05	11642.4	1410	1297.05	1315.20
Nov-20	13145.85	11557.4	12968.95	1416.85	1290.05	1353.45
Dec-20	14024.85	12962.8	13981.75	1800	1336.45	1437.80
Jan-21	14753.55	13596.75	13634.6	1514.90	1417.05	1456.10
Feb-21	15431.75	13661.75	14529.15	1809.95	1451.15	1759.65
Mar-21	15336.3	16264.4	14690.7	2073	1703	1757

iv. Performance of IRCTC Share price in comparison to NSE NIFTY



- j. The Company's securities have not been suspended from trading, during 2020-21.

**k. Registrar and Transfer Agent for Shares**

Alankit Assignments Limited,  
Address: 4E/2, Alankit House,  
Jhandewalan Extension,  
Near Jhandewalan Metro Station,  
New Delhi-110055  
Email id: [rtat@alankit.com](mailto:rtat@alankit.com)  
Phone Number: 011-42541234

**i. Share Transfer System**

Alankit Assignments Limited is the Registrar and Share Transfer Agent (RTA) of the Company. The transfer of shares received in physical form is overseen by the RTA along with the shares received for transfer, transmission, and dematerialisation etc. The shares for transfer received in physical form are transferred within the prescribed timelines, provided the documents are complete and the share transfer is not under any dispute.

The request received for re-materialisation, consolidation and issue of duplicate shares are overseen by Committee for Issue of share certificate. A summary of transfer/

transmission of securities so reviewed are placed at Board Meetings along with minutes of the Committee for issue of share certificate. The share certificates duly endorsed are sent to the shareholders by RTA. Confirmation in respect to the requests for dematerialisation of shares is sent to the respective depositories i.e. NSDL and CDSL, expeditiously.

With a view to further expedite the process of transfer and transmission of shares in physical mode, the Board of Directors has authorised the Share Transfer Agent to attend to the transfer/ transmission requests received from the shareholders.

Pursuant to the Regulation 40 (10) of Listing Regulation-2015, certificates on a half-yearly basis confirming due compliance of share transfer formalities by the Company, certificate for timely dematerialisation of the shares as per SEBI (Depositories and Participants) Regulations, 1996 are sent to the stock exchanges.

In addition, a Reconciliation of Share Capital Audit confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL, is placed before the Board on a quarterly basis. A copy of the Reconciliation of Share Capital Audit is submitted to the stock exchanges.

**m. Shareholding Pattern as on March 31, 2021**

**i. Shareholding of various categories as on 31<sup>st</sup> March, 2021**

Category	No. of Shareholders	Total No. of Shares	% of shareholding
President of India (Government of India)	1	107834434	67.40
Mutual Funds	22	12580350	7.86
Alternative Investment Fund	12	271178	0.17
Foreign Portfolio Investors	98	13078368	8.17
Financial Institutions/ Banks	2	261775	0.16
Insurance Companies	14	3417772	2.14
Resident Individuals	549421	19564653	12.23
NBFC registered with RBI	3	64650	0.04
Bodies Corporate	834	1217250	0.76
Clearing Members	269	536660	0.34
Employees	244	47021	0.03
Non-Resident Indian (NRI)	6020	644096	0.40
HUF	5884	467587	0.29
Trusts	12	14206	0.01
<b>Total</b>	<b>562836</b>	<b>160000000</b>	<b>100</b>



ii) Distribution of IRCTC's shares according to size of holding as on March 31, 2021

Category	No. of Shareholders			% of holder	No. of Shares			% of Share Holding
	Ph. Holders	Demat holders	Total holder		Ph. Shares	Demat shares	Total holding	
1 to 500	3	559080	559083	99.33	12	16122900	16122912	10.08
501 to 1000	0	2321	2321	0.41	0	1699698	1699698	1.06
1001 to 2000	0	828	828	0.15	0	1192703	1192703	0.75
2001 to 3000	0	214	214	0.04	0	529239	529239	0.33
3001 to 4000	0	97	97	0.02	0	345739	345739	0.22
4001 to 5000	0	42	42	0.01	0	190376	190376	0.12
5001 to 10000	0	98	98	0.02	0	711708	711708	0.44
10001 to Above*	0	153	153	0.03	0	139207625	139207625	87.00
<b>Total</b>	<b>3</b>	<b>562834</b>	<b>562836</b>	<b>100</b>	<b>12</b>	<b>159999988</b>	<b>160000000</b>	<b>100.00</b>

\*Includes President of holding of 107834434 equity shares

iii) Top 10 Shareholders as on March 31, 2021

Category	Total No. of Shares	% of shareholding
The President of India	107834434	67.40
Government of Singapore	2805365	1.75
Life Insurance Corporation of India	1763435	1.10
Government Pension Fund Global	1520000	0.95
Monetary Authority of Singapore	1352426	0.85
Kotak Funds - India Midcap Fund	801741	0.50
Nippon Life India Trustee Ltd-A/C Nippon India Focused Equity Fund	781507	0.49
Canara Robeco Mutual Fund A/C Canara Robeco Emerging Equities	752028	0.47
Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Flexi Cap Fund	750000	0.47
Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds	701013	0.44
<b>Total</b>	<b>119061949</b>	<b>74.42</b>

iv.) Geographical Distribution of Shareholders as on 31<sup>st</sup> March, 2021

City Name	No of Folios/holders	% age	Holding	% age
New Delhi*	31614	5.49	109423307	68.39
Mumbai	54962	9.55	33940862	21.21
Chennai	12750	2.21	608707	0.38
Calcutta	15843	2.75	793882	0.50
Ahmedabad	13831	2.40	639402	0.40
Bangalore	21600	3.75	1124400	0.70
Pune	21649	3.76	761111	0.48
Hyderabad	14334	2.49	620975	0.39
Other Cities	376253	67.57	12087354	7.44
<b>Total</b>	<b>562836</b>	<b>100</b>	<b>160000000</b>	<b>100</b>

\*Includes President of holding of 107834434 equity shares

**n. Dematerialization of Shares**

The shares of the Company are in dematerialised format and are available for trading under systems of both the depositories i.e. National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL).

Reconciliation of share capital audit confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL, is placed before the Board on a quarterly basis and is also submitted to stock exchanges within stipulated timelines.

**No. of shares held in dematerialised and physical mode as on March 31, 2021**

Category	Total Shares	% to Equity
Shares held in physical mode	12	Negligible
Shares in dematerialized form with NSDL	149074884	93.17
Shares in dematerialized form with CDSL	10925104	6.83
<b>Total</b>	<b>160000000</b>	<b>100</b>

The names and addresses of the depositories are as under:

National Securities Depository Limited	Central Depository Services (India) Limited
Trade World, A-Wing, 4 <sup>th</sup> Floor, Kamala Mills Compound, Lower Parel, Mumbai – 400 013	Marathon Futurex, A-Wing, 25 <sup>th</sup> Floor, NM Joshi Marg, Lower Parel, Mumbai - 400 013

**Liquidity:** The Company's Equity Shares are liquid and actively traded on BSE & NSE. IRCTC shares consistently rank among the top frequently traded shares. Relevant data for the average daily turnover for the financial year 2020-21 is given below:

Particulars	BSE	NSE
Shares (Nos.)	101552	1491559
Value (₹)	15,53,28,162.5	21,19,81,835.8

[Source: This information is compiled from the data available on the websites of BSE and NSE]

**o. Commodity price risk or foreign exchange risk and hedging activities**

The disclosure under this clause is not applicable to the Company

**p. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments**

The Company has not issued any GDRs/ADRs/warrants or any convertible instruments which has impact on equity. Therefore, there are no GDRs/ADRs/warrants/convertible instruments outstanding as on 31<sup>st</sup> March 2021.

**q. Plant Locations/ Operating Units**

The Company's registered and corporate office is situated in Delhi. Apart from that, the Company operates through various zonal and regional offices across India along with its Rail Neer plants. A list of Rail Neer plants and Zonal offices in different states is available on the website of the Company.

**r. Address for correspondence with the Registered Office (Regarding Corporate Governance matters covered under this report)**

Mrs. Suman Kalra,  
Company Secretary & Compliance Officer  
11<sup>th</sup> Floor, B-148, Statesman House,  
Barakhamba Road, New Delhi 110001  
Telephone: 91-11-23327746  
E-Mail ID: [companysecretary@irctc.com](mailto:companysecretary@irctc.com)  
Website: [www.irctc.com](http://www.irctc.com)

**s. List of all credit ratings obtained by the Company**

The Company has not obtained any credit rating during financial year 2020-21.

**15.0 OTHER DISCLOSURES**

- (i) The Company has complied with all requirements of SEBI (LODR) Regulations, 2015, the Companies Act, 2013, applicable Secretarial Standards and DPE Guidelines on Corporate Governance, as amended from time to time, except for the appointment of requisite number of Independent Directors for the year, due to which Company was non-compliant with respect to composition of Board of Directors and their committees. The Company has already requested the Ministry of Railways, Government of India, i.e., the appointing authority, to expedite the appointment of the requisite number of Independent Directors including Woman Independent Director on the Board of the Company, to enable compliance with the applicable statutory provisions.
- (ii) **Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large:** The transactions with related party are in the ordinary course of business on arms' length basis and the disclosure of the same has been made as per requirement of Companies Act, 2013, SEBI (LODR) Regulation, 2015 and relevant Accounting Standard (in notes to Financial Statement of the Company). The Company has formulated a Related Party Transaction (RPT) Policy to set out the materiality thresholds for related party transactions and the manner of dealing with the transactions between the Company and its related parties based on the Act and Listing Regulations. The policy on related party transactions as approved by the Board can be accessed on the Company's website at the link: [https://irctc.com/assets/images/IRCTC\\_Related\\_Party\\_Transactions\\_03.08.2019\\_CB\\_Comments\\_05.08.2.pdf](https://irctc.com/assets/images/IRCTC_Related_Party_Transactions_03.08.2019_CB_Comments_05.08.2.pdf)

(iii) **Details of non-compliance, penalties structure imposed by stock exchange or any statutory authority or any matter related to capital markets, during last three years:** The Company got listed on 14<sup>th</sup> October, 2019. During the financial year ended on 31.03.2020, the Company did not receive any notice from the stock exchanges. However, there have been two instances of penalties imposed on the Company by stock exchanges (BSE & NSE) owing to non-compliance of SEBI (LODR) Regulations, 2015. Details of which are tabled hereunder:

Sl. No.	Notice from stock exchange or any statutory authority	Non-compliance of SEBI (LODR) Regulations, 2015	Relevant Quarter	Penalty Amount including tax (in ₹)	Action taken by the Company	Response of stock exchange or any statutory authority on the request of Company
1.	BSE	Regulation 17, of SEBI (LODR), 2015	for the 3 <sup>rd</sup> quarter ended on 31 <sup>st</sup> December, 2020	5,42,800/-	Considering the Exchange's Policy for exemption of fines levied as per the provisions of SEBI SOP Circular, Company has requested for waiver of penalty due to the reasons explained in detail in secretarial audit report.	BSE vide its email dated April 19, 2021 conveyed that the "Committee for Reviewing Representations for Waiver of Fines Levied under Standard Operating Procedure (SOP)" after considering the facts of the case and the company's representation decided to waive the fines levied for non compliance of regulation 17 of SEBI (LODR), 2015 for the 3 <sup>rd</sup> quarter ended on 31 <sup>st</sup> December, 2020.
2.	NSE	Regulation 17, of SEBI (LODR), 2015	for the 3 <sup>rd</sup> quarter ended on 31 <sup>st</sup> December, 2020	5,42,800/-	Considering the Exchange's Policy for exemption of fines levied as per the provisions of SEBI SOP Circular, Company has requested for waiver of penalty due to the reasons explained in detail in secretarial audit report.	Request of IRCTC for waiver of penalty is under consideration before the "Committee for Reviewing Representations for Waiver of Fines Levied under Standard Operating Procedure (SOP)"
3.	BSE	Regulation 17, 18 and 19 of SEBI (LODR), 2015	for the 4 <sup>th</sup> quarter ended on 31 <sup>st</sup> March, 2021	₹ 9,18,040/-.	Considering the Exchange's Policy for exemption of fines levied as per the provisions of SEBI SOP Circular, Company has requested for waiver of penalty due to the reasons explained in detail in secretarial audit report.	Request of IRCTC for waiver of penalty is under consideration before the "Committee for Reviewing Representations for Waiver of Fines Levied under Standard Operating Procedure (SOP)"
4.	NSE	Regulation 17, 18 and 19 of SEBI (LODR), 2015	for the 4 <sup>th</sup> quarter ended on 31 <sup>st</sup> March, 2021	₹ 9,18,040/-.	Considering the Exchange's Policy for exemption of fines levied as per the provisions of SEBI SOP Circular, Company has requested for waiver of penalty due to the reasons explained in detail in secretarial audit report.	Request of IRCTC for waiver of penalty is under consideration before the "Committee for Reviewing Representations for Waiver of Fines Levied under Standard Operating Procedure (SOP)"

The company has systems in place for monitoring statutory and procedural compliances. The Board is reported the status of the same on a quarterly basis to ensure proper compliances of all laws applicable to the company.

(iv) **Vigil mechanism:** Pursuant to Section 177 of the Companies Act, 2013, the Company affirms that a vigil mechanism is in place for all its employees and clients to report about any illegal or unethical behaviour, actual or suspected fraud to the CVO or the Chairman & Managing Director directly through the IRCTC's Whistle-Blower Policy. The Vigilance Department is at present headed by a full-time Chief Vigilance Officer. The Vigilance Department of IRCTC consists of 12 officials including CVO. During the year, emphasis continued on 'Preventive Vigilance' to improve the system and procedures, thereby increasing transparency, accountability and reducing the scope for discretion.

The IRCTC's Whistle-Blower Policy also promotes ethical behaviour in all its business activities. The Company further affirms that no personnel are denied access to the Audit Committee. The Whistle-blower policy is aimed to provide a working atmosphere where employees feel safe to raise concerns about any wrong-doings and unacceptable practices that they feel are being followed by the Company. Its objective is to protect its employees who raise a concern about irregularities in the Company. The Whistle-blower policy is available on the website of the Company with weblink [https://www.irctc.com/assets/images/Whistle\\_Blowers\\_new.pdf](https://www.irctc.com/assets/images/Whistle_Blowers_new.pdf)

(v) **Web link where policy for determining 'material' subsidiaries is disclosed:** The Company, at present, has no subsidiary. The weblink for policy for determining material subsidiary is uploaded at <https://irctc.com/assets/images/IRCTCPolicy%20for%20determining%20Material%20Subsidiary.pdf>

(vi) **Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of SEBI LoDR:** During the year, no funds have been raised through preferential allotment or qualified institutions placement.

(vii) **Certificate for disqualification of Directors: Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015:** A Certificate from M/s Amit Agrawal & Associates, a Company Secretary Firm that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is placed as **Appendix –“B-4”**.

(viii) **Recommendations of the Committees of the Board:** During 2020-21, the Board has accepted all the recommendations made by the committees of the Board from time to time.

(ix) **Total fees for all services paid by the Company on a consolidated basis, to the statutory auditor:** The details of payment made to Statutory Auditor during financial year 2020-21 on consolidated basis is mentioned below:

S. No.	Particulars	Amount ( ₹ in cr)
1.	Statutory Audit Fee, Tax Audit Fee and Limited Review Fee	0.23

(x) **Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the year 2020-21:** The Company is committed towards prevention of sexual harassment of women at the workplace and takes prompt action in the event of reporting of any such incidents.

Details of the complaints received during the year under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are mentioned below:

Number of Complaints filed during the year	Number of Complaints disposed off during the year	Number of Complaints pending during the year
NIL	NA	NA

(xi) **Code of Conduct for Members of the Board and Senior Management**

As per requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE Guidelines on Corporate Governance, all the members of Board and senior management have affirmed compliance with the code of conduct of the Company for the financial year 2020-21.

Declaration signed by the Chairman & Managing Director affirming receipt of compliance with the Code of Conduct and Key Values from Board of Directors and Members of Senior Management during 2020-21 have been placed as **Appendix-“B-1”**.

(xii) **Code for prevention of Insider Trading in securities of IRCTC Limited**

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, the Company has formulated and implemented 'Code of Conduct to Regulate, Monitor and Report Trading by Insiders' and 'Code of Fair Disclosure Practices for Prevention of Insider Trading'.

The objective of the Code is to prevent purchase and/ or sale of shares of the Company by an Insider on the basis of unpublished price sensitive information. Under this Code, Designated employees /Insiders (all Directors and Chief



Vigilance Officer, Key Managerial Personnel, all Group General Managers, all General Managers, all Heads of Finance of Units/Divisions/Regions, Heads of all Zones/Regions/Plants (irrespective of their designation), all employees of the level of DGM and above, all employees working in Books, Budget, Financial Service and Direct Taxation Sections of Corporate Finance, all employees working in the Company Secretariat & Legal Department, all employees working in Secretariat of CMD/Functional Directors, any support staff such as IT staff who have access to UPSI and any other key person, who in the opinion of Compliance Officer be covered in the "Designated Employee" and their immediate relatives are prohibited to deal in the Company's shares/derivatives of the Company during the closure of Trading Window and other specified period(s).

As per the laid down code, to deal in IRCTC's securities, beyond specified limit, permission of the Compliance Officer is required. All designated employees are also required to disclose related information periodically as defined in the Code. The violation of the above said Code by designated employees were reported to exchanges, as required.

Copy of the insider trading code is available on the website of the Company at the link: <https://www.irctc.com/assets/images/IRCTC%20code%20of%20Conduct%20for%20regulating%20%20Reporting%20by%20designated%20employees%20Updated%20policy.pdf>

(xiii) The Company has complied with the requirements of Regulation 17 to 27 of SEBI (LODR) Regulations relating to Board, Committees and Corporate Governance, as amended from time to time; and maintaining & updating the Website of the Company as required under Regulation 46 of SEBI (LODR) Regulations, except for the appointment of requisite number of Independent Directors for the year, due to which Company was non-compliant with respect to composition of Board of Directors and their committees. The Company has also complied with the disclosure requirements under Corporate Governance Report as per Part C of Schedule V of the SEBI (LODR) Regulations. Further, in compliance of Regulation 46 of SEBI (LODR) Regulations, the Company has inter-alia disclosed the relevant information such as details of the Company's business, composition of various Committees of the Board of Directors, Code of Business Conduct and Ethics for Board Members and Senior Management etc., on its website [www.irctc.com](http://www.irctc.com).

(xiv) **Disclosure with respect to Demat Suspense Account/ Unclaimed suspense account:** The Company has 40 shares in the Demat suspense account or unclaimed suspense account since its IPO. A request in this regard has been received and the same is being processed by Alankit Assignments Limited, Registrar and Share Transfer Agent of the Company.

(xv) **Unclaimed Dividend:** The amount of Dividend remaining unpaid/unclaimed for seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. As of now, no amount is due for transfer to the Investor Education and Protection Fund. However, the amount of the unpaid /unclaimed dividend for Interim Dividend of 2020-21 is uploaded on company's website with weblink [https://www.irctc.com/assets/images/Unpaid\\_Unclaimed%201st%20Interim%20Dividend%20for%20FY%202019-20.pdf](https://www.irctc.com/assets/images/Unpaid_Unclaimed%201st%20Interim%20Dividend%20for%20FY%202019-20.pdf)

(xvi) **Details of administrative and office expenses as a percentage of total expenses vis-à-vis financial expenses:** The administrative expenses and office expenses were 14.89% of total expenses in the year 2020-21

Particulars	₹ in Crore	
	2020-21	2019-20
Other Expenses	96.37	124.97
Finance Cost	8.15	9.76
Total Expenses	647.20	1613.94
Other Expenses/Total Expenses (%)	14.89	7.74
Finance Cost/Total Expenses (%)	1.26	0.60

(xvii) **Audit qualifications:** The Company has been putting in all efforts to ensure a regime of unqualified financial statements. For Audit observations/remarks, the Independent Auditor's Report submitted by M/s P.R. Mehra & Co., Chartered Accountants on the financial statements for the year ending 31<sup>st</sup> March 2021 is unmodified

(xviii) **Reporting of Internal Auditor:** The Internal Auditors has direct access to the Audit Committee.

(xix) The Company has not entered into any material, financial and commercial transactions, with the Director(s) or the Management or their relatives or the companies and the firms, etc. in which they are either directly or through their relatives interested as Directors and/or partners.

(xx) No item of expenditure has been debited in books of accounts, which are not for the purposes of the business during the year 2020-21.

(xxi) **Expenses incurred which are personal in nature and incurred for the Board of Directors and Top Management:** During the year, no expenses have been incurred by the Company which are personal in nature for the directors and top management except for the remuneration paid to them in accordance with the Government of India's pay scales as disclosed in this report and in Note No. 44 forming part of the standalone financial statement.

(xxii) The Financial Statements for the financial year 2020-21 have been prepared as per the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013.

(xxiii) The Company periodically informs the Board about the risks associated with its projects in risky areas. Details pertaining to risk management have been given in Management Discussion and Analysis Report under the heading 'Risks and Concerns'.

## 15.0 DISCRETIONARY REQUIREMENT

- a) **The Board:** Subsequent to superannuation of Shri M.P. Mall, as Chairman & Managing Director on 31<sup>st</sup> January, 2021, the Company is being headed by Smt. Rajni Hasija, Director (Tourism & Marketing), who is looking after the additional charge of Chairman & Managing Director w.e.f. 3<sup>rd</sup> February, 2021.
- b) **Shareholders' Rights:** The Company's quarterly / half-yearly / annual financial results are published in Hindustan Times (English version), Mint (English version) & Hindustan (Hindi version) and are also put on the website of the Company. Notice of investors'/analysts meets, call transcripts are posted on the Company's website and the intimations related to material events are communicated to Stock Exchanges as well as hosted on company's website to make the shareholders and public at large aware about such events.

## 16.0 CEO/CFO CERTIFICATION

In terms of Regulation 17 (8) of SEBI LODR, a certificate duly signed by Smt. Rajni Hasija, Director (Tourism & Marketing) & Chairman & Managing Director (Additional Charge) and Shri Ajit Kumar, Director (Finance) & CFO was placed before the Audit Committee in its meeting held on 29.06.2021 and then Board of Directors in its meeting held on same day. The duly signed certificate as presented to the Audit Committee and Board of Directors is placed as **Appendix – "B-2"**.

## 17.0 RATING ON CORPORATE GOVERNANCE BY DEPARTMENT OF PUBLIC ENTERPRISES

Your Company has submitted report on Corporate Governance in specified format(s) to Ministry of Railways

and DPE within the stipulated time provided for the same as required under the Department of Public Enterprises (DPE) Guidelines on the Corporate Governance, 2010 for CPSEs.

Department of Public Enterprises has rated IRCTC as "Excellent" under the category of Corporate Governance during 2019-20. On the basis of self-evaluation, the Company expects to achieve an "**Excellent**" rating for the year 2020-21 also.

## 18.0 SECRETARIAL AUDIT

The Secretarial Audit has been conducted by M/s Amit Agrawal & Associates, a Company Secretary Firm with respect to compliance to the applicable provisions of Companies Act, 2013, Listing Regulations and DPE Guidelines. Secretarial Audit Report in the prescribed Form MR-3 is placed as **Annexure-"F"** of the Boards' Report.

In terms of requirements of the SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 08.02.2019, M/s. Amit Agrawal & Associates has examined the compliances in relation to applicable SEBI Guidelines and has issued Annual Secretarial Compliance report, which were submitted to stock exchanges on 21<sup>st</sup> June, 2021.

## 19.0 COMPLIANCE ON CORPORATE GOVERNANCE

This Report duly complies with the legal requirements in respect of data that should be disclosed in a Corporate Governance Report for the year 2020-21 Certificate obtained from a Practising Company Secretary regarding compliance of the conditions of Corporate Governance is placed as **Appendix-"B-3"** to this Report.

For and on behalf of Board of Directors

(Rajni Hasija)

Chairman & Managing Director  
DIN: 08083674

Date: 12.08.2021  
Place: New Delhi

## DECLARATION BY CHAIRMAN & MANAGING DIRECTOR REGARDING COMPLIANCE WITH THE CODE OF CONDUCT BY BOARD MEMBERS AND SENIOR MANAGEMENT DURING THE FINANCIAL YEAR 2020-21.

I, Rajni Hasija, Chairman & Managing Director, Indian Railway Catering and Tourism Corporation Limited, do hereby declare that all the members of the Board of Directors and the Senior Management Team of the Company have affirmed their compliance of the Code of Conduct and Key Values of the Company during 2020-21.

Date: 12.08.2021  
Place: New Delhi

**(Rajni Hasija)**  
Chairman & Managing Director  
DIN: 08083674

## CHAIRMAN & MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To,  
The Board of Directors  
**Indian Railway Catering and Tourism Corporation Limited**  
New Delhi

- (a) We have reviewed financial statements and the cash flow statement of Indian Railway Catering and Tourism Corporation Ltd for the year ended 31<sup>st</sup> March, 2021 and that to the best of our knowledge and belief:
- i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2020-21 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee that to the best of our knowledge and belief there are no deficiencies in the design or operation of such internal control.
- (d) We have indicated to the auditors and the Audit Committee:
- i. That there have been no significant changes in internal control system during the year.
  - ii. That there are no significant changes in accounting policies. The change in the accounting policies which have no significant financial implication have been approved by the Board of Directors during the year and the same have been disclosed in the noted to the financial results.
  - iii. There have been no instances of fraud of which we have become aware.

**(Rajni Hasija)**  
Chairman & Managing Director  
DIN: 08083674

**(Ajit Kumar)**  
Director (Finance) & CFO  
DIN: 07247362

Date: 29.06.2021  
Place: New Delhi

## CERTIFICATE ON CORPORATE GOVERNANCE COMPLIANCE

To,  
The Members,  
**Indian Railway Catering and Tourism Corporation Limited**  
11<sup>th</sup> Floor, B-148, Statesman House  
Barakhamba Road New Delhi-110001,

We have examined the compliance of the conditions of Corporate Governance by **Indian Railway Catering and Tourism Corporation Limited**, (herewith referred as ‘the Company’) for the period ended on 31<sup>st</sup> March, 2021 as stipulated in Regulations 17 to 27, clauses (b) to (i) of Sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR) Regulations, 2015”) and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, Ministry of Finance Government of India, to the extent applicable during the year.

The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance as stipulated in above mentioned guidelines. It is neither an audit nor an expression of opinion on the financial statement of the company.

We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of certification and have been provided with such records, documents, certification, etc. as had been required by us.

In our opinion and to the best of our knowledge and information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (LODR) Regulations and in the guidelines on corporate governance issued by the ‘Department of Public Enterprises’ except that the Company has not complied with the provisions of regulation 17, 18 & 19 of the SEBI (LODR), Regulations, 2015 relating to the composition of the Board and its Committees due to non-appointment of requisite number of independent directors including women director on the Board of Company.

We further report that the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) have levied monetary fines for non-compliance with the provisions of Regulation 17 of the SEBI (LODR), Regulations, 2015 for the 3<sup>rd</sup> quarter ended on December 31, 2020, which has been waived off by the BSE Limited. However, the response from NSE on the waiver request is awaited.

We further report that the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) have also levied monetary fines for non-compliance with the provisions of Regulation 17, 18 and 19 of the SEBI (LODR), Regulations, 2015 for the 4<sup>th</sup> quarter ended on March 31, 2021, for which, the Company has made representations to BSE & NSE.

We further state that such compliance is neither an assurance to the future viability of the Company nor the efficiency of the effectiveness with which the Management has conducted the affairs of the company.

**Note:** In view of the situation emerging out of the outbreak of COVID-19 Pandemic, we could not examine physical documents, records & other papers etc. of the Company for the period ended March 31<sup>st</sup> 2021 and the documents/information required by us were provided through electronic Mode

For **Amit Agrawal & Associates**  
(Company Secretaries)

**CS Amit Agrawal**  
(Proprietor)  
M. No. F5311

Place: Delhi  
Date: 01.07.2021

Peer Review Cert. No.: 853/2020  
UDIN: F005311C000563770

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

[Pursuant to Regulation 34(3) and Schedule V Para C Clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015].

To,  
The Members,  
**Indian Railway Catering and Tourism Corporation Limited**  
11<sup>th</sup> Floor, B-148, Statesman House  
Barakhamba Road New Delhi-110001, IN

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Indian Railway Catering and Tourism Corporation Limited having CIN L74899DL1999GOI101707 and having registered office at 11<sup>th</sup> Floor, B-148, Statesman House Barakhamba Road New Delhi-110001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs.

S. No.	Name of the Director	DIN	Date of Appointment in Company
1	Rajni Hasija	08083674	18.05.2018
2	Ajit Kumar	07247362	29.05.2020
3	Neeraj Sharma	08177824	12.07.2018
4	Vinay Srivastava	08638850	20.03.2020

Ensuring the eligibility of the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Amit Agrawal & Associates**  
(Companies Secretaries)

**CS Amit Agrawal**  
(Proprietor)

M. No. F5311

C.P. No. : 3647

UDIN: F005311C000504238

Place: Delhi  
Date: 23.06.2021



# Annual Report on CSR Activities

## 1. Brief outline on CSR Policy of the Company

IRCTC’s commitment towards stakeholders is confirmed through its Corporate Mission, Vision and the policies being adopted by the organization. The CSR Vision Document applies to all CSR initiatives and activities taken up at the various zones and locations of IRCTC, for the benefit of different segments of the society, in alignment of Company’s Vision and Mission, IRCTC’s statement for CSR & SD Policy is mentioned below:

### CSR Vision

**“To remain a frontrunner for impacting the lives of socially and economically deprived and working towards a sustainable, inclusive developmental change over a horizon of time through the corporate social responsibility activities at IRCTC”**

IRCTC strives to keep its commitment towards the society. The thrust areas for the CSR activities by the Company during FY 21 remained Education, Health, Sanitation, Contribution to Covid-19 and development of Aspirational Districts.

Your Company played a pivotal role during the Covid-19 pandemic and was on the move to help people in this hour of need. IRCTC worked tirelessly to mobilize meals and water for the effected ones.

IRCTC achieved 100% Corporate Social Responsibility (CSR) budget utilization for the third year in a row exemplifying its CSR commitment legacy and successfully spent the entire CSR budget allocation of ₹ 10.44 crore for the year 2020-21.

The CSR projects of the Company are undertaken mostly for improving the quality of life of various communities, which normally include underprivileged section of the society. IRCTC undertakes CSR activities all across the country including aspirational/ backward districts.

In compliance to Department of Public Enterprises (DPE) guideline issued from time to time for CSR Expenditure by Central Public Sector Enterprises (CPSE), the Company spent ₹ 9,03,82,478 crore on thematic areas i.e. Education and Health Care in FY 2020-21.

## 2. Composition of CSR Committee

S. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Mahendra Pratap Mall	Chairman & Managing Director (Chairman up to 31.01.2021)	3	3
2.	Smt. Rajni Hasija	Director (Tourism & Marketing) & Chairman & Managing Director (Additional Charge) (Chairperson w.e.f. 01.02.2021)	1	1
3.	Shri Ajit Kumar	Director (Finance) (Member w.e.f. 13.10.2020)	3	3
4.	Shri Neeraj Sharma	Part-time Government Director	4	3
5.	Prof. Sachin Chaturvedi	Independent Director (Member upto 13.10.2020)	1	1
6.	Ms. Sarita Deshpande	Independent Director (Member upto 28.03.21)	4	4

**3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company**

<https://www.irctc.com/assets/images/CSR-Vision-Document.pdf>

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report)**

Since the Company doesn't have average CSR obligation of rupees ten crore or more in pursuance of sub-section (5) of section 135 of the Act, in the three immediately preceding financial years, requirement of impact assessment of its CSR projects, through an independent agency, is not applicable on IRCTC. Further, the Company did not have any CSR projects having outlays of rupees one crore or more, and which have been completed not less than one year. However, all the partner NGO/Organizations are required to submit utilization certificates of the funds received by them for the projects of IRCTC. For Impact assessment, company has its internal Implementation Surveillance Group (ISG) in each Zone to monitor the implementation of CSR projects in their areas. Also, the Company is planning to rope in external agencies for impact assessment of the CSR projects.

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

S. Financial Year No.	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1. 2018-19	24,29,000	-Nil-
2. 2019-20	-Nil-	-Nil-
3. 2020-21	-Nil-	-Nil-
<b>TOTAL</b>	<b>-Nil-</b>	<b>-Nil-</b>

**6. Average net profit of the company as per section 135(5): ₹521.89 crores**

**7. (a) Two percent of average net profit of the company as per section 135(5): ₹10.44 crore**

**(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: -Nil-**

**(c) Amount required to be set off for the financial year 2020-21, if any: -Nil-**

**(d) Total CSR obligation for the financial year 2020-21 (7a+7b- 7c) : ₹10,44,00,000/-**

**8. (a) CSR amount spent or unspent for the financial year 2020-21:**

Total Amount Spent for the Financial Year 2020-21 (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹ 12,50,32,878/-	₹ 8,72,000/-	11/08/2021	N/A	N/A	N/A

**(b) Details of CSR amount spent against ongoing projects for the financial year 2020-21:**

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No)	(5) Location of the project.		(6) Project duration	(7) Amount allocated for the project (in ₹)	(8) Amount spent in the current financial Year (in ₹)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	(10) Mode of Implementation - Direct (Yes/No).	(11) Mode of Implementation - Through Implementing Agency	
				State.	District						Name	CSR (Registration number.)
1.	Procurement of 01 number of E-Tempo/ Customised Vegetable Van to assist towards social welfare and self employment for educated youth from poor families.	Education	No	Gujarat	Ahmedabad	More than one Year	7,44,000	3,72,000	3,72,000	No	Navchetna Charitable Foundation	Awaited
2.	Financial Assistance towards procurement of Sports Equipment to enhance technical knowledge and to help youth of villages in Shujalpur Block to help improve their performances.	Sports	No	Shujalpu	Madhya Pradesh	More than one Year	3,00,000	0	3,00,000	No	Sathiya Welfare Society	Awaited
3.	Financial Assistance towards procurement of 01 number of LED projector, for organisation of nutrition campaigns for children and pregnant women	Healthcare Awareness	No		Madhya Pradesh	More than one Year	2,00,000	0	2,00,000	No	Saathi Janshikshan Evam Sanskriti Samiti	Awaited
<b>Total</b>							<b>12,44,000</b>	<b>3,72,000</b>	<b>8,72,000</b>			

**(c) Details of CSR amount spent against other than ongoing projects for the financial year 2020-21:**

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No)	(5) Location of the project.		(6) Amount spent in the current financial Year (in ₹).	(7) Mode of Implementation - Direct (Yes/No).	(8) Mode of Implementation - Through Implementing Agency	
				State.	District			Name	CSR (Registration number.)
1	IRCTC financially supported the Construction of toilet facilities for Govt. Schools at Aspirational District Siddharthnagar, Uttar Pradesh.	Education	No	Uttar Pradesh	Siddharthnagar	10,30,000	No	District Administration, Siddharthnagar	-
2	IRCTC financially supported the Construction of toilet facilities for Govt. Schools at Aspirational District Koraput, Odisha	Education	No	Odisha	Koraput	10,00,000	No	District Administration, Koraput	-

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Amount spent in the current financial Year (in ₹).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District			Name	CSR (Registration number.)
3	IRCTC financially supported Railway Children India to provide nutritional and recreational support to vulnerable children protected at Ghaziabad Railway Station. The project aims to provide nutritious diet (4 meals a day) and proper sanitation along with regular health check up and counselling.	Healthcare	No	Uttar Pradesh	Ghaziabad	4,47,275	No	Railway Children India	CSR00003904
4	IRCTC procured and delivered 30 Computer systems to "Rajkiya Mahila Polytechnic, Amethi, Uttar Pradesh through GeM.	Education	No	Uttar Pradesh	Amethi	14,40,000	No	Direct Purchase	-
5	Under the broad theme of Education, IRCTC financially supported the provision of Toilet facilities for the following 02 number of govt. schools near Railneer Plant, Amethi, U.P: (i) Primary School, Saray Hirmati (ii) Junior High School, Narauli	Healthcare	Yes	Uttar Pradesh	Amethi	10,00,000	No	School Principals	-
6	IRCTC procured and delivered 10 number of computers through GeM for 05 number of govt. schools in the Parliamentary Constituency Jaunpur District, Uttar Pradesh. IRCTC financially supported the construction of toilet complexes in 03 number of market spaces in Parliamentary Constituency Jaunpur District, Uttar Pradesh	Education	No	Uttar Pradesh	Jaunpur	5,11,186	No	Direct Purchase	-
7	IRCTC financially supported the construction of toilet complexes in 03 number of market spaces in Parliamentary Constituency Jaunpur District, Uttar Pradesh	Healthcare	No	Uttar Pradesh	Jaunpur	21,48,000	No	Rural Engineering Department, Jaunpur	-

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No)	(5) Location of the project.		(6) Amount spent in the current financial Year (in ₹).	(7) Mode of Implementation - Direct (Yes/No).	(8) Mode of Implementation - Through Implementing Agency	
				State.	District			Name	CSR (Registration number.)
8	IRCTC initiated a tree plantation drive in and around Rail Neer Plant, Amethi and nearby villages. A total of 200 plant saplings were sown.	Environment and Sustainability	Yes	Uttar Pradesh	Amethi	1,98,400	Yes	Direct	-
9	Expenditure incurred on supplying rail neer packaged drinking water to central hospital, railway hospital and leisure valley runner foundation c/o red cross society, under the broad theme, 'relief to covid-19 pandemic under csr'	Drinking Water	No	Delhi	Delhi	7,99,719	Yes	Direct	-
10	Mandatory requirement of 33% of total CSR Budget Swacch Bharat and Ganga Rejuvenation Kosh i.e. 33% of ₹10.44 Cr.	Environment Sustainability	No			3,44,52,000	No	Government of India	-
11	Financial Support towards PM CARES Fund for assistance towards COVID-19	Health Care	No			6,50,00,000	No	Government of India	-
12	Community Meals of various Zones	Healthcare	No.			1,66,34,298	Yes	Direct	-
<b>Total</b>						<b>12,46,60,878</b>			

(d) Amount Spent in Administrative Overheads : Nil

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 12,50,32,878/-

(g) Excess amount for set off, if any

S. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	10,44,00,000
(ii)	Total amount spent for the Financial Year	12,50,32,878
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2,06,32,878 *
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	2,06,32,878*

\*Though Excess amount for the FY is ₹2,06,32,878/- . However, during the year 2020-21, ₹3,18,269/- has been taken as Tax Credit under GST. In view of above, amount to be set off for FY 2021-22 would be ₹2,03,14,610/-.



9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. Preceding Financial No.Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
			Name of the Fund	Amount (in ₹)	Date of transfer.	
1. 2017-18	Nil	543.67 Lacs	NA	NA	NA	24.29Lacs
2. 2018-19	24.29Lacs	688.29 Lacs	NA	NA	NA	Nil
3. 2019-20	Nil	767Lacs	NA	NA	NA	Nil
<b>TOTAL</b>		<b>1998.96 Lacs</b>	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

- Date of creation or acquisition of the capital asset(s) : N/A
- Amount of CSR spent for creation or acquisition of capital asset: N/A
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : N/A
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : N/A

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): N/A

Date: 12.08.2021  
Place: new Delhi

(Rajini Hasija) (Ajit Kumar) (Sandip Trivedi)  
Chairperson/ CSR & SD Committee Director (Finance) & CFO GGM (HRD) as Nodal Officer for CSR

# Business Responsibility Report (BRR)

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

<ol style="list-style-type: none"> <li>1. Corporate Identity Number (CIN) of the Company</li> <li>2. Name of the Company</li> <li>3. Registered address</li> <li>4. Website</li> <li>5. E-mail id</li> <li>6. Financial year reported</li> <li>7. Sector(s) that the company is engaged in (industrial activity code- wise);</li> </ol>	<p>L74899DL1999GO1101707</p> <p>Indian Railway Catering and Tourism Corporation Limited (IRCTC)</p> <p>11<sup>th</sup> Floor, B-148, Statesman House, Barakhamba Road, New Delhi-110001</p> <p><a href="http://www.irctc.com">www.irctc.com</a></p> <p><a href="mailto:investors@irctc.com">investors@irctc.com</a></p> <p>2020-21</p>																																												
	<table border="1"> <thead> <tr> <th>Group</th> <th>Class</th> <th>Sub Class</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td rowspan="6">631</td> <td rowspan="6">6311</td> <td></td> <td>Data processing, hosting and related activities</td> </tr> <tr> <td>63111</td> <td>Data processing activities including report writing</td> </tr> <tr> <td>63112</td> <td>Web hosting activities</td> </tr> <tr> <td>63113</td> <td>Providing general time-share mainframe facilities to clients</td> </tr> <tr> <td>63114</td> <td>Providing data entry services</td> </tr> <tr> <td>63119</td> <td>Other data processing, hosting and related activities n.e.c.</td> </tr> <tr> <td rowspan="3">6312</td> <td rowspan="3"></td> <td></td> <td>Web portals</td> </tr> <tr> <td>63121</td> <td>Operation of web sites that use a search engine to generate and maintain extensive databases of internet addresses and content in an easily searchable format</td> </tr> <tr> <td>63122</td> <td>Operation of other websites that act as portals to the Internet, such as media sites providing periodically updated content</td> </tr> <tr> <td>561</td> <td>5610</td> <td>-</td> <td>Restaurants and mobile food service activities</td> </tr> <tr> <td>562</td> <td>5621</td> <td>56210</td> <td>Event catering and other food service activities</td> </tr> <tr> <td rowspan="2">791</td> <td rowspan="2">7911</td> <td>79110</td> <td>Travel agency activities</td> </tr> <tr> <td>79120</td> <td>Tour operator activities</td> </tr> <tr> <td>110</td> <td>1104</td> <td>11043</td> <td>Manufacture of mineral water</td> </tr> </tbody> </table>	Group	Class	Sub Class	Description	631	6311		Data processing, hosting and related activities	63111	Data processing activities including report writing	63112	Web hosting activities	63113	Providing general time-share mainframe facilities to clients	63114	Providing data entry services	63119	Other data processing, hosting and related activities n.e.c.	6312			Web portals	63121	Operation of web sites that use a search engine to generate and maintain extensive databases of internet addresses and content in an easily searchable format	63122	Operation of other websites that act as portals to the Internet, such as media sites providing periodically updated content	561	5610	-	Restaurants and mobile food service activities	562	5621	56210	Event catering and other food service activities	791	7911	79110	Travel agency activities	79120	Tour operator activities	110	1104	11043	Manufacture of mineral water
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<p><b>8. List three key products/services that the Company manufactures/provides (as in balance sheet)</b></p>	<p>As per the Balance sheet, following are the key products/ services of IRCTC for the year 2020-21 :</p> <ul style="list-style-type: none"> <li>● Catering &amp; Hospitality</li> <li>● Travel &amp; Tourism</li> <li>● Internet Ticketing</li> <li>● Packaged Drinking Water (Rail Neer)</li> </ul>
<p><b>9. Total number of locations where business activity is undertaken by the Company</b></p> <p><b>(a) Number of International Locations (Provide details of major 5)</b></p> <p><b>(b) Number of National Locations</b></p>	<p>(a) Number of International Locations: NIL</p> <p>(b) Number of National Locations:</p> <p>IRCTC is headquartered at New Delhi, India and has following sub-offices to support and manage its business operations throughout India:</p> <ul style="list-style-type: none"> <li>● Five Zonal Offices at New Delhi, Mumbai, Kolkata, Chennai &amp; Secundrabad</li> <li>● Ten Regional Offices at Lucknow, Chandigarh, Jaipur, Bhopal, Ahmadabad, Guwahati, Bhubaneswar, Patna, Ernakulam and Bangalore.</li> <li>● One Internet Ticketing Office at New Delhi</li> <li>● One Tourism office at New Delhi</li> <li>● Fourteen Rail Neer Plants at Nangloi (Delhi), Danapur(Bihar), Palur(Tamil Nadu), Ambernath (Maharashtra), Amethi (Uttar Pradesh), Parassala-, (Kerala), Bilaspur (Chhatisgarh.) Hapur (Uttar Pradesh), Sanand (Gujarat), Mandideep (Madhya Pradesh), Jagiroad (Assam), Maneri (Madhya Pradesh), Nagpur, (Maharashtra) and Sankrail (West Bengal).</li> <li>● 11 Base Kitchens at located at New Delhi, Howrah, Ahmedabad, Patna, Mumbai Central, Mumbai CST, Ballarshah, Nagpur, Balasore, Sealdah and Kharagpur Jn.</li> </ul>
<p><b>10. Markets served by the Company – Local/State/ National/International</b></p>	<p>IRCTC have got nationwide operations and the Company's services are available across India. The Company also provides services into booking of international tour and travel packages.</p>

## SECTION B: FINANCIAL DETAILS OF THE COMPANY (2020-21)

<p><b>1. Paid up Capital (₹)</b></p>	<p>₹ 160 crore</p>
<p><b>2. Total Turnover (₹)</b></p>	<p>₹ 868.69</p>
<p><b>3. Total profit after taxes (₹)</b></p>	<p>₹ 189.90</p>
<p><b>4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)</b></p>	<p>The Company has spent ₹ 12,50,32,878/- crore which is more than 2% of net profit as computed in accordance with the provisions of Section 135 &amp; 198 Companies Act, 2013 and also the allocated budget on CSR activities for FY 2020-21.</p>
<p><b>5. List of activities in which expenditure in 4 above has been incurred:-</b></p>	<p>As per IRCTC's Board approved CSR Vision Document, CSR projects are undertaken in various thrust areas, viz., healthcare, sanitation, education, empowerment of women, Environment Sustainability and other marginalized group. The details of the expenditure incurred on CSR activities during FY 2020-21 are mentioned in the "CSR and Sustainability Report" annexed to the Directors' Report.</p>

## SECTION C: OTHER DETAILS

<p>1. Does the Company have any Subsidiary Company/ Companies?</p> <p>2. Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)</p> <p>3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]</p>	<p>No</p> <p>Not Applicable, as IRCTC does not have any Subsidiary Company.</p> <p>The Company does not mandate its suppliers/ distributors to participate in the BR initiatives, but encourages them to adopt such practices that are relevant to conducting responsible business. The suppliers, vendors, agents, consultants, contractors and third parties, who have business relationships with the Company, are contractually bound to abide by the Code of Conduct, Whistle Blower Policy and performance standards benchmarks.</p> <p>They are involved in this capacity to make a positive impact towards our Business Responsibility initiatives.</p>
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## SECTION D: BR INFORMATION

### 1. Details of Director/Directors responsible for BR

<p>(a) Details of the Director/Director responsible for implementation of the BR policy/policies</p>	<table border="1"> <thead> <tr> <th>No.</th> <th>Particulars</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>DIN Number</td> <td>08083674</td> </tr> <tr> <td>2.</td> <td>Name</td> <td>Mrs. Rajni Hasija</td> </tr> <tr> <td>3.</td> <td>Designation</td> <td>Director (Tourism &amp; Marketing) with additional charge of CMD</td> </tr> </tbody> </table>	No.	Particulars	Details	1.	DIN Number	08083674	2.	Name	Mrs. Rajni Hasija	3.	Designation	Director (Tourism & Marketing) with additional charge of CMD						
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### 2. Principle-wise (as per NVGs) BR Policy/ policies

Principle No.	Principles
P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the well being of all employees
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote human rights
P6	Business should respect, protect, and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

**(a) Details of compliance (Reply in Y/N)**

No. Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1. Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	No	Y	Y
2. Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	-	Y	Y
3. Does the policy conform to any National / International standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	-	Y	Y
4. Has the policy been approved by the Board? If yes, has it been signed by MD/owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	-	Y	Y
5. Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	-	Y	Y
6. Indicate the link for the policy to be viewed online?	The Policies of the Company are available on the website of the Company at the below mentioned link:- <a href="https://www.irctc.com/policies.html">https://www.irctc.com/policies.html</a> -								
7. Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	-	Y	Y
8. Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	-	Y	Y
9. Does the company have a grievance redressal mechanism related to the policy/ policies to address stakeholder's grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	-	Y	Y
10. Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Policies of the Company as such are not audited by external agencies, however Policies have been amended from time to time as per regulatory/ business/ environmental requirements.								

**(b) If answer to the questions at serial number 1 against any principle, is 'No', please explain why : (Tick up to 2 options)**

No. Questions	Principle 7 – Regarding Responsible Public Advocacy
1. The company has not understood the principles.	-
2. The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.	-
3. The company does not have financial or manpower resources available for the task.	-
4. It is planned to be done within next 6 Months.	-
5. It is planned to be done within the next 1 year.	-
6. Any other reason (please specify).	IRCTC is a member of various industrial and trade bodies and participates in these forums on issues and policy matters that impact the interest of our stakeholders. Wherever felt necessary, we give our comments on various consultation papers and draft regulations etc. issued by Ministry of Railways, Ministry of Tourism and other authorities, as required.  Being a public sector enterprise, though, the Company has established different set of internal regulations related to Principle 7 but has not made any specific policy on this subject.



### 3. Governance related to BR

<p>(a) <b>Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year</b></p>	<p>Being integral aspect of business sustainability, the principles of Business Responsibility are reviewed by the Board / Board level Committee(s) as per the requirement. During FY 21, Board Level Committee for CSR &amp; SD met four times for assessment and review of CSR activities of the Company while the Board of Directors met six times during the year.</p> <p>The Business Responsibility Report, however, gets reviewed annually by the Board of Directors of the Company.</p>
<p>(b) <b>Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently is it published?</b></p>	<p>Based on the market capitalization as on 31.03.2021, IRCTC is among the top 200 listed companies. The Company publishes CSR &amp; Sustainability Report as well as Business Responsibility Report annually. The CSR &amp; Sustainability Report for the year 2020-21 can be accessed at the following link: <a href="https://www.irctc.com/annual-report.html">https://www.irctc.com/annual-report.html</a></p> <p>The BRR forms part of the Integrated Annual Report.</p>

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

#### 1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs / Others?

IRCTC is a listed Government Company and a Central Public Sector Enterprise (CPSE) under administrative control of Ministry of Railways. Being a CPSE, it is committed to observe transparency and accountability in all its operations. The Company has adopted a number of policies/ rules to strengthen ethical conduct at all levels including the following:

- a) IRCTC's Conduct and Discipline Appeal rules:** IRCTC CDA Rules define the desirable and non-desirable acts and conduct for the employees and extend to all its employees. CDA rules also laid down procedure for actions in the case of non-compliance with the defined terms as well as for any misconduct.
- b) Code for Prevention of Insider Trading:** Further, the company endeavors to preserve the confidentiality of unpublished price sensitive information and prevent abuse of such information. Towards this, a Board approved policy 'Code of Conduct for Regulating & Reporting Trading by Insiders and for Fair Disclosure' in line with SEBI (Prohibition of Insider Trading) Regulations - 2015 and Listing Regulations directs that Board members and other Designated persons of the company have a duty to safeguard the confidentiality of all such information obtained in the course of their work at the company. The Code also provides for practices and procedures for fair disclosure of unpublished price sensitive information.

- c) Vigilance Department:** The Company has a well-structured vigilance department, aiming at better transparency, integrity and to inculcate good governance within the organization. IRCTC has implemented the integrity pact program in line with the recommendations of Central Vigilance Commission, with an objective to ensure that all activities and transactions between a Company or Government departments and their Suppliers are handled in a fair, transparent and corruption free manner. One Independent External Monitor (IEM) has been appointed to oversee implementation of Integrity Pact in the Company, with due approval of Central Vigilance Commission. A coordinator has also been appointed for Integrity Pact which is now being used in all the tenders which are beyond the identified threshold values.

- d) Whistle Blower and Fraud Prevention Policy:** The Company has in place Whistle Blower Mechanism and Fraud Prevention & Detection Policy. The whistle blower mechanism has been laid down for employees to raise any ethical issues within the organization.

The Fraud Prevention & Detection Policy provides a system of disclosure for any fraud or suspected fraud involving employees (all full time, part time or employees appointed on adhoc/ temporary/contract basis ) of IRCTC as well as representatives of vendors, suppliers, contractors, consultants, service providers or any outside agency(ies) doing any type of business with IRCTC.

- e) Code of Business Ethics & Conduct:** IRCTC has laid down two separate codes, i.e., Code of Business Ethics & Conduct for Board Members and Senior Management Personnel and Code of Conduct for employees of IRCTC in alignment with Company's Vision & Mission.

**f) Compliance with provisions of Right to Information**

**Act, 2005:** As IRCTC is a designated public authority, the provisions of the Right to Information Act, 2005 are applicable on us. The Company ensures smooth access to information in a timely manner.

In addition, several initiatives have been taken/are being taken by IRCTC to strengthen Integrity, transparency and fairness in its business practices which such as, well defined “**Schedule of Powers**” defining the powers of the top executives and below for carrying out work in prescribed manner, implementation of “**Integrity Pact Program**” considered as a useful tool in ensuring transparency in the procurement process, Implementation of **E-procurement** mechanism for most of the procurements etc.

Links for all the relevant policies/documents is tabled hereunder for ready reference:

Code of Conduct for Regulating & Reporting Trading by Insiders and for Fair Disclosure’ in line with SEBI (Prohibition of Insider Trading) Regulations – 2015	<a href="https://www.irctc.com/assets/images/IRCTC%20code%20of%20Conduct%20for%20regulating%20&amp;%20Reporting%20by%20designated%20employees%20updated%20policy.pdf">https://www.irctc.com/assets/images/IRCTC%20code%20of%20Conduct%20for%20regulating%20&amp;%20Reporting%20by%20designated%20employees%20updated%20policy.pdf</a>
Whistle Blower Policy	<a href="https://www.irctc.com/assets/images/Whistle_Blowers_new.pdf">https://www.irctc.com/assets/images/Whistle_Blowers_new.pdf</a>
Fraud Prevention Policy	<a href="https://www.irctc.com/assets/images/fraud-prevention-policy.pdf">https://www.irctc.com/assets/images/fraud-prevention-policy.pdf</a>
Code of Ethics and Business Conducts for Employees	<a href="https://www.irctc.com/assets/images/code_conduct%20employees.pdf">https://www.irctc.com/assets/images/code_conduct%20employees.pdf</a>
Code of Ethics and Business Conducts for Board Members & Senior Management Personnel	<a href="https://www.irctc.com/assets/images/code-of-conducts-for-board-members-and-senior-management.pdf">https://www.irctc.com/assets/images/code-of-conducts-for-board-members-and-senior-management.pdf</a>
Compliance with provisions of Right to Information Act, 2005	<a href="https://www.irctc.com/rti.html">https://www.irctc.com/rti.html</a>

Since, the Company has no active joint ventures and subsidiary, the extension of these policies to them is not applicable.

**2. How many stakeholders complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

As per requirement of SEBI (LODR) Regulations, 2015 and provisions of Section 178 of the Companies Act, 2013, the Company has a Stakeholders Relationship Committee specifically to look into various aspects of interest of

shareholders. As reported by Alankit Assignments Limited (Registrar & Transfer Agent of the Company), 37 grievances were received from the shareholders and all of them were disposed off during the year 2020-21.

During the year 2020-21, the vigilance department has received a total of 38 complaints. Out of these 33 complaints were disposed off and 5 are under investigation as on 31<sup>st</sup> March, 2021.

No case of whistle blower complaint was received and no complaint under sexual harassment was reported during the year.

During FY 2020-21, one complaint was filed by the MSEs, on MSME SAMADHAN- Delayed Payment Monitoring System, which has been duly closed.

**Arbitration cases and legal cases**

The details of arbitration and legal cases being dealt by IRCTC during FY 2020-21 is mentioned below:

**Supreme Court**

SN	Particulars	Cases
1	Pending cases as on 01.04.2020	7
2	New cases during the year	0
3	Disposed Off	0
4	Balance cases	7

**High Court**

SN	Particulars	Cases
1	Pending cases as on 01.04.2020	192
2	New cases during the year	26
3	Disposed off	23
4	Balance cases	195

**Civil Court**

SN	Particulars	Cases
1	Pending cases as on 01.04.2020	127
2	New cases during the year	14
3	Disposed off	11
4	Balance cases	130

**Arbitration Matters**

SN	Particulars	Cases
1	Pending cases as on 01.04.2020	36
2	New cases during the year	7
3	Disposed off	7
4	Balance cases	36

**Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

**1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

In its endeavour to promote sustainability from a holistic perspective, IRCTC is keen to address social and environmental concerns through its catering and water packaging services. It aims to employ environment-friendly packaging and processes to ensure sustainability in its operations.

**Rail Neer**

**a. 600 kW Solar Power Generation:**

IRCTC has installed solar PV power plant of total 600 KW capacity. 120 KW each at five of its' company owned Rail Neer plants located at Nangloi (Delhi), Danapur (Bihar), Palur (Tamil Nadu), Ambernath (Maharashtra) and Bilaspur (Chhattisgarh).

This has reduced the energy bill of Rail Neer Packaged Drinking Water Plants, besides generating revenue from the sale of surplus power to the grid. The yearly consumption of KWh units has reduced by approx 7.2 lakh units, resulting in cost savings of approx ₹ 50 lakhs per annum.

**b. Solar Evaporation Ponds:**

Rail Neer Plants have been provided with solar evaporation ponds, enabling high total dissolved solid (TDS) reject water released during water treatment processes from reverse osmosis (RO) unit to be naturally evaporated through the solar evaporation pond.

**c. Tree Plantation:**

As a part of the business model of Rail Neer, the plants source underground water for further purification and processing. We also engage in afforestation activity, thereby initiating a cycle for prospective rainfall and improvement in ground water levels. During the year, more than 1,000 saplings have been planted in areas surrounding Rail Neer Plants at Jagiroad, Maneri, Hapur, Nangloi, Palur, Danapur, Ambernath and Bilaspur.

**Internet Ticketing**

- a. IRCTC E-Ticketing System has resulted in capacity of per minute ticket booking increase from 2000 tickets to 7200 tickets per minute. The system has capacity to book more than 26,000 tickets per minute. 79.63% of Reserved Rail Tickets were booked online in FY 2020-21 with an average of 4.80 Lakh tickets booked per

day. Few important E-ticketing statistics are as under:

- Registered Users - 10.05 Crores (6.67 Crores Active Users)
- Online Booking - 79.63 % of total reserved tickets
- Highest Ticket in a day (2020-21) - 11,70,842 (09/03/2021)

- b. IRCTC Rail Connect Mobile Apps:** In FY 2020-21, total average mobile ticket booking was 2.21 Lakhs per day as compared to 3.87 lakhs tickets in 2019-20. The decrease in ticket booking is due to the lockdown and restrictions imposed on public movement and also due to suspension of passenger train operations by Indian Railways.

There are a total of 5.91 Crore downloads of the Mobile App with daily Mobile Logins of 19.10 Lakhs. IRCTC Rail Connect Mobile is one of the Top Most Rated Mobile App of India in Google play store. Now Rail Connect Mobile App is available on both Android and iOS platforms.

**c. Revamping of IRCTC User Interface of NGeT System:**

During the year, New User Interface was made available to users on IRCTC's Website and Mobile Apps from 31<sup>st</sup> December, 2021, for better single quick enquiry. The look and feel of the interface has been changed with simplified and appealing design. This work has been carried out despite COVID 19 pandemic restriction in proper working of office.

**d. IRCTC Bus Service:** IRCTC also launched Bus Service

on its microsite [www.bus.irctc.co.in](http://www.bus.irctc.co.in) w.e.f 29-Jan-2021. Buses booking of State Road Transports as well as Private Operators are now available through IRCTC with more than 50 thousand bus operators covering 22 States and 3 Union Territories including Kashmir region.

**2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

**(a). Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?**

**Rail Neer**

Measurement of usage of water, fuel, per unit is carried out at plant level at regular intervals. As on date, specific energy consumption of 0.05 kwh per bottle and ground water extraction of 1.6 litres has been recorded for the production of 1 litre water bottles. The Company has put in place all policies and processes to conserve energy and natural resources.

To reduce the consumption of PET bottles, IRCTC reduced the weight of PET preform and HDPE cap, optimizing the weight from 22 gm to 20 gm and 2.2 gm to 1.6 gm respectively. This has resulted in reduction of plastic consumption by approx 195 metric tons annually, at current production level.

The reduced weight of PET preform has resulted in savings of approx 20 paisa per preform. IRCTC has manufactured approx 7.5 crore Rail Neer bottles in 2020-21 resulting in savings of approx ₹ 1.5 crore. Similarly, the optimized weight of caps contributed to savings of approx ₹ 0.03 per cap, translating to ₹ 0.22 crore savings in 2020-21.

#### **Internet Ticketing:**

IRCTC Internet Ticketing Centre (ITC) is not a Production Unit. It is an intermediary medium for selling reserved Rail Tickets of Indian Railways to the customers through its Website [www.irctc.co.in](http://www.irctc.co.in) and IRCTC Rail Connect Mobile App (Android and iOS Platforms). IT Centre handles all the operational activities pertaining to e-tickets - booking/ cancellation/ refunds, Payment Gateway Accounting/ Reconciliation, Settlements with banks, TDR filing/refunds, Agent Model, PG Integrations, Complaints, etc and is also an IT arm for IRCTC Services (Air-ticketing, Tourism, e-Catering).

The energy consumed is miniscule as Internet Ticketing Centre is not a production unit. The cost of energy /Infra /AMCs, etc. for IT Centre stood at about ₹ 6.97 Crores and total no. of tickets booked were 17.40 Crore in FY 2020-21. The resources consumption (energy/infra) amounted to ₹0.40 per ticket.

#### **(b). Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

The Company has installed energy efficient LED lighting and ventilation system in Base Kitchen/New Delhi. Apart from the new installations, replacement of conventional lighting with energy efficient lighting was taken up in phased manner. New plant commissioned in the year have been installed with LED lighting fixture. To reduce water consumption, secondary RO system has also been installed at Rail Neer Plant, Nangloi and Palur.

#### **3. Does the company have procedures in place for sustainable sourcing (including transportation)?**

##### **(a). If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

The Company has put in place a well-defined procedure for sustainable sourcing of raw material with a well-documented Material Management Policy.

The Company has policies of long-term contracts and rate-contracts to ensure that operations and business pursuits do not suffer due to externalities. For almost all raw materials, more than one source of supply is ensured to maintain uninterrupted supply chain.

Distribution and Sale of Rail Neer is carried out through selected agencies called Carry and Forwarding Agencies (CFA). CFA collects the product from Plant, transports it to the destination/godown at major Railway Stations mandated for sale and distribution to static and mobile units of Indian Railways. CFA also collects the sales proceeds and deposits it to the Company's account. Rail Neer is dispatched to CFA against advance recurring deposit and Distribution area for each Plant has been fixed for the CFA.

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

Further, IRCTC is in the process of implementation of getting demand generating invoice through mobile app based.

#### **4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

##### **(a). If yes, what steps have been taken to improve their capacity and capability of local and small vendors ?**

In line with extant policies of Government of India, certain categories of goods and services are procured from Micro, Small & Medium Enterprises. Thrust is given to local procurement as per "Make in India" Policy of Government of India. Additionally, during In FY 2020-21, IRCTC empanelled 20 brands promoted by MSME/Startup firms for supply of food items over IR network. Further, to the extent feasible, the Company procures goods and services through GeM Portal only.

Also, under the "New Normal", to ensure that all COVID protocols such as social distancing, highest standards of Hygiene are complied with, the Company has introduced online empanelment process for PAD and RTE products. Any applicant sitting in the comforts of his office or home can apply for empanelment of its products to IRCTC through an on-line process i.e.

[www.irctc.com.html](http://www.irctc.com.html). The applicant is informed about the outcome of application in a time bound process.

Some of the major initiatives taken by the Company to improve the capacity and capability of small vendors included, planning of vendor development programmes, launch of SC/ST hub/link to provide support to SC/ST Entrepreneurs. The Hub/link will support existing SC/ST entrepreneurs and enterprises in technological upgradation and capacity building thereby enabling them to effectively participate in IRCTC procurement processes. The aim is to provide professional support to Scheduled Caste and Scheduled Tribe Entrepreneurs to fulfil the obligations under the Central Government's Public Procurement Policy for Micro and Small Enterprises Order 2012, adopt applicable business practices and leverage the Stand-Up India initiative.

- 5. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

**Railneer:**

**Extended Producer Responsibility:**

As per Plastic Waste Management Rules, 2016 and Amendment dated March, 2018, IRCTC, as manufacturer of Rail Neer, has to fulfill its obligation towards Extended Producers Responsibility (EPR). Under EPR compliance, IRCTC has to arrange the collection and supply of scrap plastic materials, mainly PET bottles to Plastic Recycling plants. During 2020-21, IRCTC used 1650 MT of Plastics, primarily PET bottles.

To fulfill its obligation towards Extended Producers Responsibility, IRCTC has engaged an agency for arranging EPR compliance. IRCTC has registered as brand owner at Central Pollution Control Board New Delhi, and has been ensuring EPR compliances to CPCB for achieving target.

As per provisions of the Plastic Waste Management (PWM) Rules 2016, the selected agency has been entrusted to perform -

- (i) Registration/renewal with CPCB and quarterly EPR compliances to CPCB.
- (ii) collection of PET bottles and shrink-wrapping material from Railway stations or other sources to provide EPR certificate equivalent to the plastic material used by IRCTC.
- (iii) arranging the collection of crushed material generated from the bottle crushing machines.
- (iv) installation of brushing crushing machines at nearby places (beyond Railway Stations).

- (v) arranging take back credit equivalent to Metric Ton of PET/PE plastic recycled.
- (vi) making good the shortfall quantity for EPR compliances from their own collection network.

**Internet Ticketing**

Yes, the IT Department of IRCTC has in place a mechanism to recycle e-waste and dispose condemned IT infrastructure. The existing mechanism is being followed to identify all electronic/ICT/Office automation items such as Printer/Computer/UPS/ Keyboard/Mouse/mini Switches etc., that crossed their useful life or beyond serviceable condition or defunct and dispose it through auction. Such disposal is being carried out through the recognized bidders which follow the Govt. of India's e-Waste handling Rules, 2011, and other country-level regulations

Consumable items such as exhausted or empty Printer Toners and Printer Cartridges are collected by the OEM M/s Hewlett Packard under their Green IT Re-Cycle Schemes on regular basis. Major IT items such as Servers are not disposed but they are returned to OEM through Buyback scheme for new procurements. Similarly, items such as Air-conditioner units are returned under buy-back scheme to the authorized channel partners of OEMs. More than 20% of the Internet Ticketing e-waste/condemned IT Assets have been either disposed by way of auction or returned under Green IT Recycle Scheme of OEMs.

**Principle 3: Businesses should promote the well-being of all employees**

- 1. Please indicate the Total number of employees.**

The Company has 1372 regular employees on roll. In addition to this, 45 Railway officers and staff are on deputation to IRCTC.

- 2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.**

305 Contractual supervisors have been engaged for manning/supervising in train services in Catering department. In addition to these contractual staff, IRCTC is taking services of 574 outsource staff engaged through Manpower agency.

- 3. Please indicate the Number of permanent women employees.**

There are a total of 113 women employees amongst the regular employees.

- 4. Please indicate the Number of permanent employees with disabilities**

There are 12 permanent employees with different level of disabilities.



5. Do you have an employee association that is recognized by management.

The Company does not have any recognized employees association/union.

6. What percentage of your permanent employees is members of this recognized employee association?

Not applicable

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on the end of the financial year
1.	Child labour / forced labour / involuntary labour	Nil	Nil
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

The Company has in place a detailed annual plan for training employees across all levels for Corporate office as well as Zones and regional offices and project site). Also, in case of particular requirement(s), officers and employees are nominated for training on specific knowledge area for relevant discipline. The percentage of safety & skill upgradation training in FY 21 is mentioned below:

- (a) Permanent Employees : 78.15%
- (b) Permanent Women Employees : 76.99%
- (c) Casual/Temporary/Contractual Employees : 1.93%
- (d) Employees with Disabilities : 15.38%

**Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.**

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes. The Company has mapped and identified internal and external stakeholders, including disadvantaged, vulnerable and marginalized stakeholders. Our stakeholders include employees, customers, local communities, suppliers, vendors, contractors, investors and shareholders, government, regulators and peers and industry ecosystem.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

The Company has identified PwD, SC, ST, OBC and women as disadvantaged, vulnerable & marginalised stakeholders with their concerns addressed as per the government policies applicable from time to time.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

IRCTC complies with the directives and guidelines issued by Government of India from time to time, regarding reservation in services for SC/ ST/ OBC / PwD/ Economically Weaker Section (EWS) to promote inclusive growth. In compliance with the directives, Your Company keeps reservation of 15% and 7.5% for SC and ST respectively in the promotions upto DGM level. They are also given 10% relaxation in applicable qualifying marks. Differently-abled persons are given higher conveyance allowance as per Govt. directive and reservation in promotion is also given upto Executive level.

“IRCTC is committed to provide its contribution in making Governments’ initiative on **Start Up India** and **Skill Development**, a huge success and accordingly, has tied up with 39 MSEs/startups working in areas like Catering, tourism, software, Digital payments, Artificial intelligence and logistics.”

The Company has in place a CSR vision document with the vision statement, as, **“To remain a frontrunner for impacting the lives of socially and economically deprived and working towards a sustainable, inclusive developmental change over a horizon of time through the corporate social responsibility activities at IRCTC.”**

At IRCTC, CSR aims at the development of disadvantaged and marginalized sections of society. Some of the CSR initiatives include solar lighting for rural areas, skill development trainings, providing medical facilities to less privileged and in backward areas.

The Company has adopted public procurement policy for goods procured and services rendered by Micro and Small Enterprises (MSEs). Further, the Company has a Policy for Prevention, Prohibition and Redressal of Sexual Harassment at work place for providing a congenial and safe working atmosphere to women employees.

**Principle 5: Businesses should respect and promote human rights**

1. Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

The Company is committed to provide equal employment opportunities without any discrimination on the grounds of disability, gender, caste, religion, race, state, background,

colour etc. and maintaining a work environment that is free from harassment based on the above considerations.

Abiding by the provisions of the Minimum Wages Act 1971, the minimum wages paid to the employees and contractors are revised periodically. The salary paid to employees of all categories fulfils all norms of the Act as prescribed.

Being a Government Company and a Central Public Enterprise under Ministry of Railways, its HR policies and practices reflect the incorporation of Human Rights, which cover all the employees and relative aspects pertaining to Vendors/ Suppliers/Contractors through contract conditions.

Further, IRCTC "CDA Rules" also define the desirable and non-desirable acts and conduct for the employees. There is a laid down procedure for actions in case of non-compliance with the defined terms as well as for any inappropriate or unwelcome sexually-oriented behavior.

To promote fair and equitable employment relationship, a scheme for Grievance Redressal of employees is also in place which ensures a time bound redressal of grievances. Internal Complaints Committees (ICCs) have been constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints received regarding sexual harassment. The Company has a zero-tolerance policy towards sexual harassment at the workplace, which has been implemented across all locations and installations. All reported cases of sexual harassment are inquired into by an Internal Committee. If proved, disciplinary action is taken in accordance with the Conduct, Discipline and Appeal Rules (CDA Rules) against the delinquent employee.

IRCTC conducts various technical and behavioral trainings to sensitize people towards women, the differently-abled and the socially weaker sections of the society have also been imparted.

The Company has comprehensive Whistle Blower Policy in place enabling employees to report malpractices such as misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, etc. or matters affecting the interests of the Company with necessary safeguards for the protection of the Whistleblower.

During the year, no incident of human rights violations was reported. No incident involving rights of indigenous people and discriminated practices or significant disputes involving local communities was reported during the year 2020-21. No instances of forced, compulsory or bonded labour or Child Labour (Prohibition and Regulation) Amendment Act, 2016 has been reported.

IRCTC has no active joint venture and subsidiary, therefore ensures the coverage of these policies is not applicable to the Company. However, the Company ensures that

its suppliers/contractors comply with the law of the land by getting such clauses incorporated in their respective contracts/agreements.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

One complaint from Other Backward Classes (OBC) was received during last financial year and was disposed off to the satisfaction level.

**Principle 6: Businesses should respect, protect and make efforts to restore the environment.**

**1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

The Company has a CSR Vision Document to act in socially, economically and environmentally sustainable manner at all times. Since the Company has no active joint venture and has no subsidiary, the applicability of policy is not extendable to JVs/subsidiaries.

The Company ensures that its suppliers/contractors comply with the law of the land by getting such clauses incorporated in their respective contracts/agreements.

**2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

The Company does not have any exclusive policy to address global environmental issues such as climate change, global warming etc. but efforts are made to ensure that all the guidelines of the Government of India and laws of the land in respect of these issues are strictly adhered to by the company.

The Company at its Rail Neer plants has been taking clean initiatives such as Rain Water Harvesting, plastic recycling, green/clean energy by installation of solar system. Rail Neer plant, Bilaspur has adopted reject water recovery and recycling system through which around 20KL of water per day can be recovered and reused in producing Rail Neer. By adopting this procedure, 25 KL of R.O Reject water is being recovered and recycled for toilet flushing.

To address the global environment issues such as global warming and climate change, the Company's Rail Neer Plants located at Danapur, Shankrail and Jaggi Road has conducted plantation drives of more than 100 saplings covering more than 33% of the open area.

Details are available on the IRCTC website, <https://irctc.com/rail-neer-introduction.html>

**3. Does the company identify and assess potential environmental risks? Y/N**

Yes, the company takes into account the potential environmental risks within its Risk Management policy and tries to mitigate the risks as best as possible.

**4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

The company does not have any exclusive project related to clean development mechanism, but all guidelines and instructions of the government on this subject matter are followed, as and when required.

IRCTC's Rail Neer Plants have adopted Biodigester developed by the Defence Research and Developed Organisation (DRDO). Solid and Liquid Sewage waste enters the biodigester with inoculums, reduces pathogen more than 99% and generates clean water. The generated clean water is being used for gardening application.

In addition, it is ensured at all Railneer plants that the quality and quantity of liquid effluents and gaseous emissions are within the statutory limits as mentioned in the Environment Protection Act, and the rules made there under. Adequate measures are also taken for control of pollution from all sources.

The Company's all Rail Neer Plants take certificate(s)/ consent(s) from state/central government authorities in compliance of Environment Protection Act -Water (prevention and control of pollution) Act, 1974 and Air (prevention and control of pollution) Act 1981.

**5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

The Company makes efforts to use the latest and green technology, including renewable energy technology, wherever possible. For instance, solid wastes are disposed off scientifically so as to not cause any environmental pollution. Rail Neer Plant at Danapur is producing power to the tune of 120KW through solar panels and is recycling water through pumps @ 2500 LPH. Additionally, recharging of ground water is done through ponds adopted at Danapur.

Details of such initiatives taken at IRCTC Rail Neer Plants are available on the IRCTC website, <https://irctc.com/rail-neer-introduction.html>

**6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes, Emissions/Waste generated by the company are within the permissible limits given by CPCB/SPCB

**7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

Nil.

**Principle7: Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.**

**1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

Yes, IRCTC has an association with various trade chamber and associations such as Standing Conference of Public Enterprise (SCOPE), Federation of Indian Chambers of Commerce and Industry (FICCI), Confederation of Indian Industry (CII), India Habitat Center (IHC), All India Management Association (AIMA), PHD Chamber of Commerce and Industry (PHDCCI), Indian Chamber of Commerce (ICC).

**2. Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).**

The Company has a strong presence in hospitality sector with majority of its business segments depending on Railways. The Company represents its views through knowledge sharing systems, responses to surveys, feedback on industry needs, etc. The Company regularly interacts with Ministry of Railways, Ministry of Tourism, Department of Public Enterprises and has participated in various policy formulation by providing its inputs.

**Principle 8: Businesses should support inclusive growth and equitable development**

**1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

The Company has been conscious of its commitment towards economic, social and sustainability of environmental ecosystem apart from its business activities. As a socially responsible corporate entity, IRCTC aligns its Corporate Social Responsibility (CSR) activities and engages with all stakeholders towards this end thereby driving inclusive and equitable growth and development.

We at IRCTC, believe, that our CSR and Sustainability activities should address social, economic and environmental concerns and that the selection of activities should focus on the social, economic and environmental impact thereof, rather than mere output or outcomes. We strive to carry out our activities in such a manner that the philosophy of CSR and Sustainability becomes ingrained in

our organization and reflects in our organizational culture and involves all employees engaged in diverse business operations and activities. The Company takes all steps to integrate social, environmental and ethical concerns into its business processes and programmes to benefit the local communities in and around our area of operation, enhancing the quality of life and economic well being of the general public with concentrated emphasis on the development of the weaker sections of society.

The CSR fund was spent as per the CSR Vision Document of IRCTC in alignment with the policies outline by the Government of India. Out of the total CSR Budget of ₹10.44 Cr., an amount of ₹3.44 Cr. (33% of CSR budget) was provided to Swachh Bharat Kosh and ₹6.50 Cr. was provided to PM Cares Fund. The remaining amount was provided for the projects based on Education, Skill Development, Health, Environment Sustainability, Sanitation, etc.

The list of projects under the above mentioned categories are enclosed in the CSR & sustainability Report annexed to Directors' Report.

**1. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

The Company has an in-house dedicated CSR Department for implementing CSR Policy of the company and wherever the Company does not have an in-house expertise for carrying out the project, the services from the specialized agencies viz, NGOs, Government/Semi – government/ autonomous organizations, Registered trusts and societies exclusively formed for carrying out CSR activities, are taken.

**2. Have you done any impact assessment of your initiative?**

The Company monitors the impact of CSR Programmes through Zonal Internal Surveillance Groups (ISGs) as well as through the certification/documentary proofs provided by the implementing agencies, to ensure proper implementation and execution of the projects.

**3. What is your company's direct contribution to community development projects-Amount in INR and the details of the projects undertaken.**

CSR initiatives of the company are undertaken in alignment with the Company's overall objective of building a balanced and a sustainable entity. During the financial year 2020-21, the Company contributed ₹20,30,000/- towards development of aspirational districts in accordance with the guidelines of Department of Public Enterprises and as approved by the Board of Directors, on recommendation of CSR&SD Committee.

Further details on the same can be found from IRCTC's CSR and Sustainability Report annexed as **Annexure-"C"** of Directors Report.

**4. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

All the projects related to community development are deliberated in detail by the CSR &SD Committee and only positively recommended projects are considered and implemented.

The communities intended to be benefitted are consulted and closely involved in the process of identifying, planning and implementation of the CSR activities. Wherever possible, the local authorities and specialised agencies such as NGOs and Registered Trusts/societies engaged are consulted and involved. During implementation, regular interactions and visits are done by Internal Surveillance Groups to ensure maximum benefit reaches to the targeted community/group.

For Aspirational Districts, the funding of projects is done through District Collectors/ DMs to ensure the successful adoption of the CSR projects in their respective areas, as per the instructions of the government.

**Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.**

**1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

The Company's overall business is contributed from Ministry of Railways, which includes providing facility of internet ticketing for railway passengers, catering services to the trains and at stations within India; providing packaged drinking water (Railneer) to the passengers.

IRCTC has a special cell dealing with consumer complaints. IRCTC recorded 1540 catering complaints in its internet based module of Catering Services Information Management/(E-CSIM). All the complaints were disposed off during the period. In addition, a total of 1995 complaints were recorded through CPGRAM. Out of these, 1961 were disposed off (i.e. 98.20%) while remaining 34 are pending and will be disposed off in coming financial year. Through national consumer helpline, 1086 complaints (38 pertaining to catering and 1048 ticketing) were received and all of them have been disposed off.

In addition, regular meetings were carried out with the vendors / contractors/suppliers at the regions/zones/offices for speedy resolutions of their grievances / issues faced by them.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)

Amongst its business segments, the Company has its own branded packaged drinking water product for the rail commuters with the name , Rail Neer.

Yes, the Company displays product information on the label of Rail Neer Packaged Drinking Water bottles in accordance with the standards and guidelines laid down by Bureau of Indian Standards (BIS), Food Safety and Standards Authority of India (FSSAI) and Legal Metrology Department.

In order to create awareness amongst travelling passengers, concept of QR Codes was started wherein passenger can scan the QR code available on food packets and get the information about date of preparation of food, name of kitchen, FSSAI license number of unit, weight of dish etc. This QR code is also integrated with live CCTV streaming link where passenger can access & view the real-time preparation of the meal of a particular unit. In 1<sup>st</sup> phase, IRCTC implemented QR code facility in 29 kitchen units.

Sample QR code used on food packet



3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

Nil

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

IRCTC carries out third party customer satisfaction survey. However, due to Covid-19 pandemic, there has been restricted train operations. During FY 20-21, only special trains have been operated with only service of pre-packed snacks and Ready to Eat food and Tea & Coffee. Therefore, no third party Customer Satisfaction Survey was conducted in 2020-21. However, to ensure Consumer satisfaction, officers from IRCTC & Railways conducted regular inspections and obtained 77564 feedbacks of 900 trains, which indicated that 93% of the services were rated satisfactory and above.

Today's Dry Veg

Vegetarian Dish	Base Kitchen Name	Live Kitchen URL
Licensee Name	IRCTC BASE KITCHEN,NDLS	<a href="#">Click Here</a>
FSSAI No	10019908000123	
Base Kitchen	Near Ginger Rail Yatni Niwas Ajmeri gate side 110002	To view Live Kitchen
Content	40 gms	

Dry Veg



Mixed veg (Corn,Carrot,Beans and Green peas) tossed with spices.

Note: Menu of the day - As per the cyclic change

For and on behalf of the Board of Directors

**(Rajni Hasija)**

Chairman & Managing Director

DIN:08083674

Date: 12.08.2021  
Place: New Delhi



## DIVIDEND DISTRIBUTION POLICY OF INDIAN RAILWAY CATERING AND TOURISM CORPORATION LIMITED

### 1. PREAMBLE

SEBI vide its notification dated 08.07.2016 has inserted regulation 43A in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which requires top five hundred (500 listed entities based on market capitalization (calculated as on March 31 of every financial year) to formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.

Considering the fact that Indian Railway Catering and Tourism Corporation Limited (IRCTC) is in the process of launching an IPO by way of disinvestment of shares belonging to Government of India in the share capital of the Company. In addition, IRCTC being a government company is also under obligation to follow the guidelines of Department of Investment and Public Asset Management (DIPAM). Accordingly, the dividend distribution policy of IRCTC has been formulated.

### 2. DEFINITIONS

Term	Definition
“Act”	means Companies Act, 2013 including the rules framed there under as amended from time to time.
“SEBI Regulations”	means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force.
“Applicable Laws”	means the Companies Act, 2013 and Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time and such other act, rules or regulations which provides for the distribution of Dividend.
“Company ”	means “Indian Railway Catering and Tourism Corporation Limited”
“Board ”	Means the collective body of the Directors of the Company.
“Chairman”	means the Chairman of the Board of Directors of the Company.
“Director”	means a Director appointed to the Board of a Company.
“Compliance Officer”	means the Compliance Officer of the Company appointed by the Board of Directors pursuant to the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.
“CMD”	means Chairman & Managing Director of the Company.
“Dividend”	means Dividend as defined under Companies Act, 2013.
“DIPAM”	Means Department of Investment and Public Asset Management
“DPE”	means the Department of Public Enterprises, Ministry of Finance Government of India.
“Policy”	means this Dividend Distribution Policy.
“ Guidelines”	Means guidelines issued by DIPAM, DPE or SEBI on dividend as applicable.

### 3. INTERPRETATION

In this Policy, unless the contrary intention appears;

- (i) the clause headings are for ease of reference only;
- (ii) a reference to a clause number includes a reference to its sub-clauses;
- (iii) words in singular number include the plural and vice versa;

- (iv) words and expressions used and not defined in this Policy but defined in the Act or rules made thereunder or Securities and Exchange Board of India Act, 1992 or regulations made thereunder or Depositories Act, 1996 shall have the meanings respectively assigned to them in those Acts, Rules and Regulations and DIPAM/ DPE Guidelines.

In case of any dispute or difference upon the meaning/ interpretation of any word or provision in this Policy, the same shall be referred to CMD and his decision in such a case shall be final.

#### 4. EFFECTIVE DATE

The Policy shall become effective from the date of its approval i.e. 21.08.2019.

#### 5. REGULATORY/ POLICY FRAMEWORK

- The policy has been framed broadly in line with the provisions of the Companies Act, 2013 and;
- Taking into consideration, guidelines on “Capital Restructuring of Central Public Sector Enterprises” issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Department of Public Enterprises;
- SEBI and other guidelines, to the extent applicable.

#### 6. OBJECTIVE AND SCOPE OF THE POLICY

- This Policy is aimed at increasing the Company’s fundamental value ensuring an annual dividend payout based on the amount of profit to be distributed amongst shareholders of the Company after balancing the requirement of deployment of internal accruals for its sustenance and growth plans.
- The Company’s commitment is to deliver sustainable value to all its stakeholders.
- The Company has been consistently paying dividend and this trend is expected to continue in future as well unless the company is unable to declare dividend due to any of the factors listed ahead.

#### 7. INTENT OF THIS POLICY

The intent of this Policy is to broadly specify the following parameters:

- A. Circumstances under which the shareholders may or may not expect dividend;
- B. Financial parameters that shall be considered while declaring dividend;
- C. Internal and external factors that shall be considered for the declaration of dividend;
- D. Policy as to how the retained earnings of the Company shall be utilized and;
- E. Parameters that shall be adopted with regard to various classes of shares of the Company.

Provided that if the Company proposes to declare dividend on the basis of parameters in addition to clauses A to E or proposes to change such additional parameters or the dividend distribution policy contained in any of the parameters, it shall disclose such changes along with the rationale for the same in its annual report and on its website.

#### A. Circumstances under which the shareholders of the Company may or may not expect dividend.

The decision regarding dividend pay-out is a crucial decision as it balances the amount of profit to be distributed amongst shareholders with the requirement of deployment of internal accruals for sustenance and growth plans of the Company.

Dividend is declared at the Annual General Meeting of the shareholders based on the recommendation by the Board. Board may recommend dividend, at its discretion, to be paid to shareholders. Board may also declare interim dividend. Generally, the factors that may be considered by the Board before making any recommendations for the dividend shall include, but not limited to, future capital expenditure plans, profits earned during the financial year, cost of raising funds from alternate sources, cash flow position and applicable taxes including tax on dividend, guidelines issued by the Government.

#### B. Financial Parameters that shall be considered while declaring dividend.

Being a Central Public Sector Enterprise (CPSE), the Company endeavors to declare the dividend as per the guidelines on “Capital Restructuring of Central Public Sector Enterprises” issued by DIPAM, Govt. of India on 27.05.2016, mandating every CPSE to pay a minimum annual dividend of 30% of PAT or 5% of the net-worth, whichever is higher subject to the maximum dividend permissible under the extant legal provisions. Nonetheless, CPSEs are expected to pay the maximum dividend permissible under the Act under which a CPSE has been set up, unless lower dividend proposed to be paid is justified on case to case basis at the level of Administrative Ministry/Department after considering the following financial parameters:

- (i) Net-worth of the Company and its Capacity to borrow;
- (ii) Long-term borrowings;
- (iii) CAPEX/Business Expansion needs;
- (iv) Retention of profit for further leveraging in line with the CAPEX needs; and
- (v) Cash and bank balance.

#### C. Internal and External factors that shall be considered for declaration of dividend

##### Internal Factors

##### Extent of realized profits as a part of the IND AS profits of the Company

The extent of realized profits out of its profits calculated as per IND AS, affects the Board’s decision of determination of dividend for a particular year. The

Board is required to consider inter alia, the following factors before taking any dividend or retention decision:

- (i) Profit upto the quarter/ for the financial year;
- (ii) Available balance in the free reserves of the Company;
- (iii) Dividend payout trend of the Company and the industry;
- (iv) Future business projections and operational requirements;
- (v) Stability of earnings and projections of future profits
- (vi) Operating cash flows, treasury positions and operational requirements
- (vii) Borrowing levels and the capacity to borrow;
- (viii) Present and future capital expenditure plans of the Company
- (ix) Additional investments in any subsidiaries / joint ventures or associates of the Company;
- (x) Providing for unseen events and contingencies which has financial implications;
- (xi) The need for replacement of capital assets, expansion and modernization or augmentation of capital stock, including any major capital expenditure proposals
- (xii) Any other factor as may be deemed fit by the Board.

### External Factors

#### Economic Environment

In case of uncertain or recessionary economic and business conditions, the Company may like to retain the profit to build up the reserves to meet future eventualities.

#### Capital Market

In case of unfavorable market conditions, the Company may resort to a conservative dividend payout.

#### Statutory requirements and Government Guidelines

- The Company shall observe the relevant statutory requirements of the Companies Act, 2013 including those with respect to mandatory transfer of a certain portion of profits to any specific reserve

such as Debenture Redemption Reserve, Capital Redemption Reserve etc. as provided in the Act, at the time of taking decision with regard to dividend declaration or ploughing back their profit in the business.

- Being a Government Company, the Company shall also consider the guidelines in force in respect of dividend declaration as issued from time to time by the Government of India. In the event the Company is not able to comply with the Government of India guidelines, it would approach the Government of India for suitable exemption from the same through its Administrative Ministry.
- In terms of section 123 of the Companies Act, 2013, no dividend shall be declared by a company except out of the profit of the company for that year or out of profit of the any previous year or years arrived at after providing for depreciation in accordance with the provision of the Act and after transfer of such percentage of its profit for that financial year as it may consider appropriate to the reserves of the company.

#### Agreements with lending institutions/ Debenture Trustees

The decision of dividend pay-out shall also be subject to the restrictions and covenants contained in the agreements as may be entered into with the lenders of the Company from time to time.

#### D. Utilization of Retained Earnings

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:

- Market expansion plan;
- Product expansion plan;
- Increase in production capacity;
- Modernization and revamps;
- Diversification of business;
- Long term strategic plans;
- Replacement of capital assets;
- Where the cost of debt is expensive/ Substitution of high cost debt/ repaying the high cost debt;
- Other such criteria as the Board may deem fit from time to time.

#### **E. Parameters to be adopted with regard to various classes of shares**

The holders of the equity shares of the Company, as on the record date, are entitled to receive dividends. Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share. The policy shall be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

### **8. STATUTORY REQUIREMENTS**

The Board shall ensure compliance with the Companies Act, 2013 and Rules framed thereunder, the guidelines on “Capital Restructuring of Central Public Sector Enterprises” issued by DIPAM, Govt. of India on 27.05.2016 and all other applicable law while taking decision of a dividend payout during a particular year.

#### **9. This Policy shall not apply to:**

- Distribution of dividend in kind i.e., by issue of bonus shares or other securities, subject to applicable law;

- Distribution of cash as an alternative to dividend payment by way of buyback of equity shares etc.

### **10. DISCLOSURE OF THIS POLICY**

The policy shall be disclosed in the Annual report of the Company, as required under Companies Act, 2013 and Rules framed thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and as may be required under any other law for the time being in force.

### **11. REVIEW**

To the extent any change/amendment is required in terms of any applicable law, the CMD of the Company is authorized to review and amend the Policy, to give effect to any such changes/ amendments. Such amended Policy shall be placed before the Board for its noting.

### **12. WEBSITE**

The Policy will be uploaded on the Company's website for public information.

For and on behalf of the Board of Directors

**(Rajni Hasija)**

Chairman & Managing Director  
DIN:08083674

Date: 12.08.2021  
Place: New Delhi

## Annexure – “F” to the Directors’ Report

### Form No. MR-3 SECRETARIAL AUDIT REPORT

For The Financial Year Ended March 31, 2021

[Pursuant to Section 204(f) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Indian Railway Catering and Tourism Corporation Limited**  
11<sup>th</sup> Floor, B-148, Statesman House  
Barakhamba Road New Delhi-110001, IN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Indian Railway Catering and Tourism Corporation Limited** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, We hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 [**Not applicable to the company during the Audit Period**];
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [**Not applicable to the company during the Audit Period**];
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client [**Not applicable to the company during the Audit Period**];
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [**Not applicable to the company during the Audit Period**];
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [**Not applicable to the company during the Audit Period**]; and
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Other laws applicable specifically to the Company namely:
- a) The DPE Guidelines;
  - b) The Competition Act, 2002;
  - c) The Delhi Shops and Establishments Act, 1954;



- d) The Right to Information Act, 2005;
- e) E-Waste (Management & Handling) Rules, 2011;
- f) The Environment (Protection) Act, 1986 read with The Environment (protection) Rules, 1986; and
- g) Labour and Social Security Laws as possible.
- h) Air (prevention & control of pollution) Act 1981 read with water prevention and control of pollution) Rules 1975
- i) Water prevention and control of pollution) Act 1974
- j) Employees provident funds and miscellaneous Provisions Act, 1952

- k) Factories Act, 1945
- l) Food safety and Standards Act 2016
- m) The Legal Metrology Act 2009

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to conducting board and general meetings.
- (ii) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above subject to the following observation:

Sr. No.	Observation (s)	Management Reply (ies)
1.	The Board of Directors does not consist of independent women director on the Board of Company w.e.f. 29 <sup>th</sup> March, 2021, pursuant to provisions of Regulation 17(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the second proviso of Section 149(1) of the Companies Act, 2013,	<p>IRCTC is a “<b>Government Company</b>” under the administrative control of Ministry of Railways , Government of India, with 67.40% of the total paid up share capital of the Company being held by the President of India (through Ministry of Railways). As per the Articles of Association of the Company, the power to appoint/nominate Directors on the Board of the Company vests with President of India, Government of India acting through Administrative Ministry.</p> <p>The Ministry of Railways, Government of India has been requested on regular basis to appoint sufficient number of independent directors including at least a women independent director on the Board of the Company in order to avoid non-compliance of SEBI (LoDR), Regulations, Companies Act and DPE Guidelines.</p>
2.	The Company did not had requisite number of Independent Directors on the Board as per regulation 17(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015, Clause 3.1.4 of DPE Guidelines and Section 149(4) of the Companies Act, 2013.	
3.	The composition of Board fell short of six directors as prescribed under the Regulation 17 (1) (c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, after the superannuation of Mr. M.P. Mall, Chairman & Managing Director w.e.f. 01 <sup>st</sup> February, 2021.	
4.	The composition of Audit Committee didn't comprised of requisite number of independent directors w.e.f 13 <sup>th</sup> October, 2020, in accordance with Regulation 18 (1) (b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 177 (2) of Companies Act, 2013 and clause 4.1.1 of DPE Guidelines.	
5.	The composition of Nomination & Remuneration Committee didn't comprised of requisite number of independent directors w.e.f 29 <sup>th</sup> March, 2021, in accordance with Regulation 19 (1) (b) & (c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 178 (1) of Companies Act, 2013 and clause 5.1 of DPE Guidelines.	
6.	The composition of Stakeholders Relationship Committee didn't comprised of requisite number of independent directors w.e.f 29 <sup>th</sup> March, 2021, in accordance with Regulation 20 (2A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.	

We further report that:

The Board of Directors of the Company was not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors for the financial year 2020-21. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit by other designated professional.

We further report that the National Stock Exchange of India Limited and BSE Limited have levied monetary fines of ₹ 5,42,800/- for the 3<sup>rd</sup> quarter ended on 31<sup>st</sup> December, 2020 and ₹ 9,18,040/- for the 4<sup>th</sup> Quarter ended on 31<sup>st</sup> March, 2021 respectively. In this regard, BSE has waived off the fines levied for non compliance of regulation 17 of SEBI (LODR), 2015 for the 3<sup>rd</sup> quarter ended on 31<sup>st</sup> December, 2020 while response from NSE on the waiver request is awaited. The Company has also requested for waiver of penalty of ₹ 9,18,040/- to BSE & NSE, for the 4<sup>th</sup> quarter ended on 31<sup>st</sup> March, 2021.

**Note:** In view of the situation emerging out of the outbreak of COVID-19 Pandemic, we could not examine physical documents, records & other papers etc. of the Company for the period ended March 31<sup>st</sup> 2021 and the documents/information required by us were provided through electronic Mode.

For **Amit Agarwal & Associates**  
(Company Secretaries)

**CS Amit Agrawal**

Proprietor

CP No. 3647, MNo.5311

Peer Review No.: 853/2020

UDIN: F005311C000790141

Date : 12.08.2021

Place: New Delhi

This report is to be read with our letter of even date which is annexed as an **"Annexure-A"** and forms an integral part of this report.

## Annexure - “A” to the Secretarial Audit Report

To,  
The Members,  
**Indian Railway Catering and Tourism Corporation Limited**  
11<sup>th</sup> Floor, B-148, Statesman House  
Barakhamba Road New Delhi-110001, IN

Our Secretarial Audit Report of even date is to be read along with this letter:

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we have followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the management representations about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability nor of the efficacy of the effectiveness with which the management has conducted the affairs of the Company.

For **Amit Agarwal & Associates**  
(Company Secretaries)

**CS Amit Agrawal**  
Proprietor

CP No. 3647, MNo.5311  
Peer review No.: 853/2020  
UDIN: F005311C000790141

Date : 12.08.2021  
Place: New Delhi

## Annexure – “G” to the Directors’ Report

### Addendum to Directors’ Report

(Management replies to the remarks made by Independent Auditor on the financial statements for 2020-21)

Point in the Auditor’s Report	Auditor’s Remarks	Management Replies
<b>Point 1 of Emphasis of Matter</b>	<p>We draw attention to Note No. 56 regarding non-sharing of convenience charges (earlier known as service charges) amounting to ₹ 299.13 Crore during the financial year ended March 31, 2021 (upto March 31, 2021 ₹ 648.77 Crores) earned by the Company on online ticket booking since the management represented that unlike the previous arrangement with the Railways, there is no such obligation upon the company to any convenience charges earned with the Railways on which we have relied upon.</p>	<p>Prior to 2014, there was no sharing of Service Charge between IRCTC and Railways though quantum of Service Charge was decided by Indian Railways. In the year 2014, sharing started in the ratio of 80:20 between IRCTC and Railways.</p> <p>In the year 2015, sharing ratio was changed to 50:50 with revision of Service Charge from ₹ 10 to ₹ 20 for Non-AC classes and ₹ 20 to ₹ 40 for AC as per letters from Railway Board.</p> <p>Thereafter, Service Charge was completely withdrawn by Indian Railways with effect from 23<sup>rd</sup> November 2016. On continuous representation of IRCTC, Ministry of Railways has authorized IRCTC to take a suitable decision on the imposition/restoration of Convenience Fee/Service Charge and the quantum to be levied. There is no mention of sharing on imposed/restored quantum of Convenience Fee/Service Charge. Accordingly, Board of Directors of IRCTC has taken a decision to impose Convenience Fee at the reduced rate when compared with earlier Service Charge and this decision has been communicated to Ministry of Railways.</p> <p>Therefore, no sharing of Convenience Fee is admissible to Indian Railways.</p>
<b>Point 2 of Emphasis of Matter</b>	<p>Railways share of 15% on the revenue earned from supply of food from base kitchens, which are in the nature of departmentally managed units operated by the Company of ₹ 2.96 Crore for the previous financial year was not charged to revenue. Further, pending clarification from the Railways, share on trains operated under partial unbundling model in previous financial years amounting to ₹ 18.49 Crore was also not charged to revenue.</p>	<p>Under the old catering policy, revenue sharing on departmental catering business was to be done on the basis of overall profitability in this business on PAN India basis. In the Catering Policy, 2017, the Railway Share for Departmental trains has been made applicable @15% of Revenue.</p> <p>In line with above, the Corporation has represented to Railways for exemption of railways share on revenue in case of trains is being managed under unbundling/partial unbundling model. Hence, the provision of the same has not been made in accounts in previous financial year i.e. 2019-20. Further, for the Financial Year 2020-21, no such departmental mobile units were operated and hence, no provision was required to be made.</p>

Point in the Auditor's Report	Auditor's Remarks	Management Replies
<p><b>Point 3 of Emphasis of Matter</b></p>	<p>We draw attention to Note No.79 regarding increase in license fee by 15.5% without doing assessment of sales for the period November 18, 2019 to March 22, 2020 and the matter is sub-judice. Since there is uncertainty in realisation, revenue amounting to ₹ 14.45 Crore has not been recognised during the year ended March 31, 2021.</p>	<p>a. Ministry of Railway vide CC-60/2019 dated 14.11.2019 had revised Menu and Tariff of Catering Services on Rajdhani/Shatabdi/Duronto and Standard Meals on Indian Railways which come into force w.e.f. 18.11.2019 for Mail/Express trains and was to be implemented from 28.03.2020 for Rajdhani/Shatabdi/Duronto Trains. However, the said instructions could not be implemented in Rajdhani/Shatabdi/Duronto trains due to suspension of regular passengers train services by Ministry of Railways, on account of COVID-19 pandemic.</p> <p>b. The license fee (LF) is to be revised by IRCTC in Mail/Express trains as per the terms &amp; conditions of the contracts i.e. reassessment of sales (for the period 18.11.2019 to 22.03.2020). However, the reassessment could not be carried out on account of suspension of regular train services and as there was a change in the scope of work of catering services as per the instructions issued by Railway Board, vide letter dated 05.08.2020. Due to change in scope of work, the assessment under the present contracts was not feasible.</p> <p>c. In view of above facts, the IRCTC has decided to increase the License Fee @15.50 % on quoted license fee for SBD and Non-SBD Trains on account of increase of Catering tariff for Mail Express train as per the CC-60/2019 and accordingly all the Licensees were advised to pay the enhanced LF.</p> <p>d. M/s Griham Food &amp; Hotel Pvt. Ltd. had filed a W.P. (C) No. 2979/2021 i.e. Indian Railways Onboard Catering Contractors Asso. &amp;Anr. -Vs-The Union of India &amp; 2 ors at Hon'ble Gauhati High Court, wherein Hon'ble High Court passed the following order at Para-19, which is reproduced as under,</p> <p>"Accordingly, while the Railway authorities would be at liberty to dispose of the representation dated 27.05.2021 submitted by the petitioner No. 2 within a period of 2 (two) weeks from today, this Court directs that, in the interim and until further order, the Railway authorities shall not resort to any coercive action against the petitioner No. 2 in terms of the impugned demand notice dated 25.05.2021 read with impugned decision dated 13.05.2021".</p> <p>e. As the matter is sub-judice and there is an uncertainty and occurrence is dependent on outcome of certain event in future, the tentative amount of enhanced LF is approx ₹ 14.45 Crore based on the average percentage increase in LF after implementation of CC-60/2019 of 15.50 % has not been recognized as revenue and is shown as a Contingent Asset.</p>



Point in the Auditor's Report	Auditor's Remarks	Management Replies
<p><b>Point 4 of Emphasis of Matter</b></p>	<p>We draw attention to Note No. 77 regarding certain applications made by the Company for advance ruling relating to applicability of Goods and Services Tax in respect of certain income / receipts amounting to ₹ 335.95 Crore for which the decision of the Authority for Advance Ruling is awaited.</p>	<p>The Company has applied for advance ruling for following issues for which decision of AAR is still awaited:</p> <p><b>Reimbursement of Service Charges:</b> The Government of India through Ministry of Railways, in the public interest had waived off the service charges from the passengers for booking of online train tickets through IRCTC's website. The Government of India has reimbursed consolidated amount of ₹ 8000 lakh, 8800 lakh and 3227 lakh for the 2017-18 , 2018-19 and 2019-20(up to July-19) respectively. Section 15 (2) of CGST Act 2017, excludes the amount of reimbursement of expenses received from the Central Government and State Governments from the value of taxable supply, hence the amount received from the Indian Railways being the Central Government towards the reimbursement of expenses incurred for the providing of same should not be charged to GST. Therefore, no GST was paid by IRCTC for above reimbursement.</p> <p><b>Reimbursement of Travel Insurance:</b> The Government of India has decided to provide travel insurance on free of Cost to the passengers who have booked the train ticket through online to promote digitalization. Accordingly, IRCTC provided the Insurance free of Cost for which Ministry of Railway had been reimbursed the travel insurance of ₹ 47 Cr on which no GST was paid by the Company being reimbursement of expenses received from the Central Government.</p> <p><b>MDR Received from Acquirer Banks.</b> The IRCTC has received ₹ 300 lakh in FY 2019-20 from Acquirer Banks towards its share of MDR charges being rate or fee charged on the merchant service provider. The Company has treated this payment as subsidy and no GST was paid on the aforesaid amount, as subsidy received from Central Government and State Governments shall be excluded from the value of supply and same shall not form part of consideration for the purpose of levying GST.</p> <p>The IRCTC has received pro-rata Licensee fees from Indian Railways for taken over of catering of SBD trains in the terms of Catering Policy, 2017 of ₹ 1385 lakh, ₹ 7058 lakh, ₹ 125 lakh for the years 2017-18, 2018-19 &amp; 2019-20 respectively and no GST was paid on the aforesaid amounts in view of the fact that the GST is not applicable on the aforesaid amount as it was received from Licensee by the Indian Railways prior to</p>

Point in the Auditor's Report	Auditor's Remarks	Management Replies
		<p>Introduction of GST and service tax was not applicable on the grant of licence for payable to Indian Railways as per Finance Act at the time of its receipt. The proportionate amount paid by Indian Railways to IRCTC is towards the remaining part of the tender period which was awarded prior to the implementation of GST. The assigning of licence by Indian Railways to its wholly owned subsidiary i.e. IRCTC does not change the nomenclature of the transaction as the licence has been awarded prior to the implementation of GST. The incidence of tax is the event when the service is provided/supplied to the service recipient. Thus, the Service being "grant of licence" was provided by Indian Railways at the time when the licence was awarded.</p> <p>The Company has requested Authority for Advance Ruling for early hearing in this regard.</p>
<b>Point 5 of Emphasis of Matter</b>	The input tax credit receivable of ₹17.35 Crore appearing as an asset in the books of account of the Company as on March 31, 2021 is yet to be reconciled on the GST portal. Refer Note No.70.	As per the provisions of GST Act and Rules made there under, the time limit to claim Input Tax Credit is due date of September, 2021 return i.e. 20.10.2021. Hence, the necessary reconciliation and adjustments will be done accordingly.
<b>Point 6 of Emphasis of Matter</b>	The commissioner of VAT vide order dated 23 <sup>rd</sup> March 2006 had levied VAT on on-board catering services in train treating the same as sales. The plea of the company was not accepted by the Appellate Tribunal as well as by the Hon' Delhi High Court and SLP is now pending at the Hon' Supreme Court. The company has provided the VAT liability of ₹82.51Crore (net of corresponding VAT Input and service tax paid) since the Company contends that only one of these taxes can be made applicable. VAT Input amounting to ₹11.19 Crores have been stated as balance due from statutory authorities under Current Asset. (Refer to Note 37.4).	The case is pending with the Hon'ble Supreme Court of India and it has already been disclosed in note no.37.4 of the financial statements of the Company for F.Y.2020-21.
<b>Point 7 of Emphasis of Matter</b>	Reconciliation between the transactions executed through 3 <sup>rd</sup> party applications/portals as well as manual data with the financial information posted in the books of accounts could not be made and accordingly, reliance was placed on information available on records and verified on test check basis as per the financial books. In our opinion, the data posting between all the 3 <sup>rd</sup> party application/portals need to be fully automated & documented for verification.	IRCTC has established ERP application of Oracle which has its own limitations w.r.t. 3 <sup>rd</sup> party applications e.g. all master data & transactional data is captured in other applications other than ERP because that particular module is not applicable in ERP. In a normal process, integration with any 3 <sup>rd</sup> party application is achieved only through APIs (Application Programming Interface). IRCTC has already established interlinking with some 3 <sup>rd</sup> party application with ERP. However, some data e.g. MCDO integration with ERP is under consideration.

Point in the Auditor's Report	Auditor's Remarks	Management Replies
<b>Point 8 of Emphasis of Matter</b>	Transaction by transaction reconciliation could not be made for certain bank accounts being handled at Internet Ticketing division of the Company on account of voluminous ticket booking and cancellation transactions on behalf of Railways. (Refer to Note No. 38).	<p>Presently, the accounting reconciliation is done on monthly basis between amounts credited/debited from Bank accounts and records available with IRCTC transaction Data. If amount matches in both the records and no discrepancy is found, then it is considered that the reconciliation is final. However, if it is found that there is any mismatch between these records, then transaction level reconciliation is being done to find out the exceptional transaction. Thereafter the concerned banks are coordinated on regular basis for recovery of such mismatching transaction or otherwise.</p> <p>The volume of transactions is very huge. At present, around 13 lakh transactions are taking place on daily basis through Payment Gateway and Net banking/ATM cum Debit cards (43 banks for NGET Ticketing service).</p> <p>The above facts have already been disclosed in note no.38 of the financial statements.</p>
<b>Point 9 of Emphasis of Matter</b>	We draw attention to Note No. 37.5 regarding waiver of shortfall compensation payable to DCOs not accepted by certain parties amounting to ₹2.21Crore.	<p>In terms of contract agreement of Rail Neer Plants under PPP model, Developer cum Operator (DCO) shall make payment of fixed amount of License Fee (LF) as stipulated in the agreement and IRCTC shall make Volume Shortfall Payments to DCO if actual dispatches in a year are less than Assured dispatch Levels stipulated in the concession agreement.</p> <p>Executive Board (EB) of the IRCTC decided that no shortfall compensation would be payable during the Covid-19 pandemic. The EB further decided that since this situation pertain to "Non Political Force Majeure" as provided in clause 16.2 of the agreement, licence fee benefit may be given on pro rata basis to the Developer Cum Operator (DCO), correlating with the actual production and installed capacity as per duly executed agreements.</p> <p>Accordingly, the decision taken by the IRCTC was communicated to all DCOs. But certain DCOs have not accepted the decision of the Company and the financial implication calculated net of License Fee waived off works out to ₹ 221.52 lakh which has not been provided in the books of accounts keeping in view that no such compensation is payable to DCOs.</p>

Point in the Auditor's Report	Auditor's Remarks	Management Replies
<b>Point 10 of Emphasis of Matter</b>	<p>Provision has been made for fixed charges (custody and fixed haulage) for the year ended March 31, 2021 payable to Railways for 3 trains being operated by the Company and the company has made representation to the Railways for waiver of these charges for non-operational period amounting to ₹27.93 Crore for which the response of Railways is awaited. Refer Note No.76.</p>	<p>Railway Board had mandated IRCTC to operate 02 rakes of Tejas trains and 01 rake of Kashi Mahakal express trains as passenger trains to provide passenger with an option of travelling in premium segment private trains. IRCTC has inaugurated both the trains on 4<sup>th</sup> Oct, 2019 and 17<sup>th</sup> Jan,2020 on the sector Lucknow –New Delhi-Lucknow and Admedabad –Mumbai-Ahmedabad respectively.</p> <p>In the current financial year 2020-21, both Tejas trains have been run from the month of October, 2020 and stopped due to the COVID-19 pandemic and suspension of passenger's trains services. The representations have been made to Railway Board for waiver of fixed commitments against both Tejas and Kashi Mahakal trains for the non operational period during the financial year 2020-21 due to present pandemic. Railway Board vide letter no TC-II/2910/20/Trains dated 11.5.2021 has only agreed to waive off the component of "loss of paths to Good trains" in calculation and charging of fixed cost for IRCTC passenger trains for non –operational period up to 31.12.2020 and has decided that other charges applicable will remain the same. IRCTC has again requested Railway Board to reconsider waiving off the fixed charges (fixed haulage and Custody charges) amounting to ₹ 27.93 Crore for non-operational period of the three trains considering it as a force majeure situation, as the lockdown and restriction imposed by Government of India due to COVID-19 pandemic was beyond control of IRCTC. However, IRCTC has made full provision for the fixed charges for both the Tejas trains and Kashi Mahakal express trains train in the Financial Year 2020-21.</p>
<b>Point 11 of Emphasis of Matter</b>	<p>There are large number of legacy debit &amp; credit balances including those pertaining to the period of transfer of operations from / to the Railways which are pending for confirmation &amp; reconciliation.</p>	<p>Most of the outstanding in respect of trade receivables/ trade payables are related to different Zonal Railways and Government entities. Further, the Railway do the accounting on Cash basis and hence Balances in regard to receivable/payable can't be confirmed by Railway on a particular date. However, regular reconciliation meetings are being held with concerned Zonal Railways to reconcile and recover the dues from Railways. However, for FY 2020-21, the balance confirmation letters has also been sent to Railways/ Government Bodies but the response from the parties is not satisfactory.</p> <p>In respect of parties other than Railways, the Company had started the practice of sending balance confirmation letters to parties of each zone w.e.f financial year 2019-20. For FY 2020-21, the balance confirmation letters has also been sent to private parties but the response from the parties is not satisfactory. Regular persuasion with the private parties is being done at zonal heads level.</p>

Point in the Auditor's Report	Auditor's Remarks	Management Replies
<b>Point 2 (a) of Report on other Legal &amp; Regulatory Requirements</b>	We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except for non-receipt of balance confirmation letters for amounts due from / to the Railways, certain other debtors, creditors and balances / deposits held with the banks.	<p>Most of the outstanding in respect of trade receivables/ trade payables are related to different Zonal Railways and Government Entities. Further, the Railway do the accounting on Cash basis and hence Balances in regard to receivable/payable can't be confirmed by Railway on a particular date. However, regular reconciliation meetings are being held with concerned Zonal Railways to reconcile &amp; recover the dues from railways. However, for FY 2020-21, the balance confirmation letters has also been sent to Railways/ Government Bodies but the response from the parties is not satisfactory.</p> <p>In respect of parties other than Railways, the Company had started the practice of sending balance confirmation letters to parties of each zone w.e.f financial year 2019-20. For FY 2020-21, the balance confirmation letters has also been sent to private parties but the response from the parties is not satisfactory.</p>
<b>Point 2(d) of Report on Other Legal and Regulatory Requirements</b>	Integration charges (Non-Refundable one-time) received from booking agents for providing connectivity with the Company's Portal for railway ticket online booking are recognized as revenue over the initial contract period of one to three years since the company contends that the renewal is unilateral at the option of the Company. In our opinion, since these contracts for integration and annual maintenance charges are generally being renewed by the Company, these can't be treated as distinct contracts and accordingly, income from integration charges should be recognized over the expected contract period (estimated 20 years) as per the requirements of Indian Accounting Standard 115 ("Ind AS") on "Revenue from Contracts with Customers". This accounting treatment has resulted into understatement of revenue by ₹0.95Crores for the year ended March 31, 2021 (previous year overstatement by ₹6.33Crore) and other equity comprising of retained earnings as at March 31, 2021 overstated by ₹36.79Crore (₹37.74Crore as at March 31, 2020) as per data furnished by the management. Refer Note No.2(p)(vi).	<p>Company is in receipt of integration charges from booking agents (Non Refundable one time fees) for providing connectivity with the IRCTC Portal for railway ticket booking along with the annual maintenance charges which may vary based on volume of ticket bookings etc.</p> <p>The management is of the opinion that the agreement with the parties for integration charges is generally for one to three years, and subsequently for annual maintenance, the contract is renewed but without any integration charges and it's only on the discretion of IRCTC. Therefore, the present accounting treatment as per Ind AS 115 is in line with the stand taken by the company.</p> <p>Further, since the renewal is unilateral at the option of IRCTC, such integration charges shall not be deferred as income beyond initial contract period of one to three years and the corporation has deferred the revenue received in term of integration charges on the basis of Ind As 115.</p>
<b>Point 1(a) of Annexure-1 to audit report</b>	The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (property, plant & equipment) except for number-wise identification of these assets.	The practice of identification number of assets is already there in IRCTC and all major assets have the identification number. However, it is found missing on some of the newly purchased assets/small assets. The necessary instructions in this regard to follow the same continuously, is being issued to all zonal offices of IRCTC.



Point in the Auditor's Report	Auditor's Remarks	Management Replies
<b>Point 1(b) of Annexure-1 to audit report</b>	The Company has physically verified its fixed assets (property, plant & equipment) at the year-end which, in our opinion, is reasonable having regard to the size of the company and the nature of its fixed assets (property, plant & equipment). However, the proper documentary evidence for physical verification of assets at PPP Railneer plants as well as instructions for physical verification needs to be elaborated and followed uniformly. We note that a large number of items of fixed assets (plant & equipment), which are not available / damaged / condemned /not working/not serviceable as per remarks given in physical verification sheets, continues to appear in fixed assets (property, plant & equipment) as on March 31, 2021 which have not been dealt with in the books of account by way of deletion / write-off.	Necessary instructions has been issued for identification of assets which are not available / damaged / condemned /not working/not serviceable and the same is in progress. The required adjustments will be done in current financial year.
<b>Point 1(c) of Annexure-1 to audit report</b>	The title deeds of immovable properties are held in the name of the company. However, original title deed of property amounting to ₹0.16 Crore was not produced to us for verification.	The conveyance deed / title deed for land at Khajuraho has not been executed till date. Allotment of land is in the name of IRCTC for construction of Budget Hotel. Process of registration of conveyance deed / title deed has been initiated.
<b>Point 5(i) of Annexure-2 to audit report</b>	(i) In respect of periodical trial balances & closing returns of Zonal / Regional, Railneer plants& other offices, the scrutiny and monitoring thereof by these offices as well as at Corporate Office level is lax and needs to be improved upon.	The finance persons in zones/regions/plants/other offices review the respective trial balances. The same is also reviewed at Corporate Level also by the various segmental sections of Finance department.
<b>Point 5(ii) of Annexure-2 to audit report</b>	(a) The internal financial control with reference to the debtor's management i.e. obtaining periodical balance confirmation letters and reconciliation thereof including with Railways and Government entities, scrutiny and recovery of over dues is weak and needs to be improved upon to safeguard the interests of the Company and policy & procedure for write-off of old inoperative debit balances needs to be framed & implemented.  (b) Balance confirmation letters & reconciliation of these balances with banks and other parties and system and procedures for identification of MSME parties needs to be improved & properly monitored.	The Railway do the accounting on Cash basis and hence Balances in regard to receivable/payable can't be confirmed by Railway on a particular date. However, regular reconciliation meetings are being held with concerned Zonal Railways to reconcile & recover the dues from railways. However, for FY 2020-21, the balance confirmation letters has also been sent to Railways/Government Bodies but the response from the parties is not satisfactory.  In respect of parties other than Railways, the Company had started the practice of sending balance confirmation letters to parties of each zone w.e.f financial year 2019-20. For FY 2020-21, the balance confirmation letters has also been sent to private parties but the response from the parties is not satisfactory.  For identification/monitoring of MSME parties, the necessary fields have been incorporated in Bill Tracking System (BTS) developed by IT team. The procedure/system for identification of MSME parties in ERP under consideration.

Point in the Auditor's Report	Auditor's Remarks	Management Replies
<b>Point 5(iii) of Annexure-2 to audit report</b>	In our opinion, suitable measures need to be taken for adapting /implementing system-based controls & checks as against manual controls being followed for overall strengthening of the internal financial control system over financial reporting with reference to the Standalone Financial Statements.	The internal IT team has already initiated the process for implementation of system based controls as suggested by the Auditors.
<b>Point 5(v) of Annexure-2 to audit report</b>	In our opinion, there is a need to substantially adapt the e-tendering system and to reduce number of limited tenders floated during the year for having a wider range of qualified vendors associated with the Company.	All tenders (open tenders and limited tenders) are issued through E-tender mode. Only in emergencies/urgency, limited tenders are issued. In normal circumstances always open tendering is done instead of limited tender. However, in view of the COVID-19 pandemic, short term catering tenders are issued to empanelled parties.
<b>Point 5(vi) of Annexure-2 to audit report</b>	Stronger MIS should be developed for periodical closure and review of operations and provisions made for expenses at Corporate office and Zonal office level and of various business segments which could reduce the errors and omissions observed during the audit.	Various MIS exists at Corporate/Zonal level for periodical closure and review. However, more MIS are in process of development by the IT team of IRCTC.

For and on behalf of the Board of Directors

Date: 12.08.2021  
Place: New Delhi

**(Rajni Hasija)**  
Chairman & Managing Director  
DIN:08083674

## Annexure – “H” to the Directors’ Report

### FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

#### 1. Details of contracts or arrangements or transactions not at Arm’s length basis:

Name(s) of the related party	Nature of Relationship	Duration of contract	Salient terms	Dates of Approval by the Board	Amount ₹	Amount paid as advances, if any
NIL						

#### 2. Details of contracts or arrangements or transactions at Arm’s length basis:

Name(s) of the related party	Nature of Relationship	Duration of contract	Salient terms	Dates of Approval by the Board	Amount ₹	Amount paid as advances, if any
NIL						

For and on behalf of the Board of Directors

Date: 12.08.2021  
Place: New Delhi

**(Rajni Hasija)**  
Chairman & Managing Director  
DIN:08083674



**Financial**

**Statements**

# Independent Auditors' Report

To the Members of

## Indian Railway Catering and Tourism Corporation Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying Standalone Financial Statements of **Indian Railway Catering and Tourism Corporation Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and Notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013, as amended, ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis of Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

#### Emphasis of Matter

1. We draw attention to Note No. 56 regarding non-sharing of convenience charges (earlier known as service charges)

amounting to ₹299.13Crore during the financial year ended March 31, 2021 (upto March 31, 2021 ₹648.77 Crores) earned by the Company on online ticket booking since the management represented that unlike the previous arrangement with the Railways, there is no such obligation upon the company to any convenience charges earned with the Railways on which we have relied upon.

2. Railways share of 15% on the revenue earned from supply of food from base kitchens, which are in the nature of departmentally managed units operated by the Company of ₹2.96 Crore for the previous financial year was not charged to revenue. Further, pending clarification from the Railways, share on trains operated under partial unbundling model in previous financial years amounting to ₹18.49Crore was also not charged to revenue.
3. We draw attention to Note No.79 regarding increase in license fee by 15.5% without doing assessment of sales for the period November 18, 2019 to March 22, 2020 and the matter is sub-judice. Since there is uncertainty in realisation, revenue amounting to ₹14.45Crore has not been recognised during the year ended March 31,2021.
4. We draw attention to Note No. 77 regarding certain applications made by the Company for advance ruling relating to applicability of Goods and Services Tax in respect of certain income / receipts amounting to ₹335.95Crore for which the decision of the Authority for Advance Ruling is awaited.
5. The input tax credit receivable of ₹17.35Crore appearing as an asset in the books of account of the Company as on March 31, 2021 is yet to be reconciled on the GST portal. Refer Note No.70.
6. The commissioner of VAT vide order dated 23rd March 2006 had levied VAT on on-board catering services in train treating the same as sales. The plea of the company was not accepted by the Appellate Tribunal as well as by the Hon' Delhi High Court and SLP is now pending at the Hon' Supreme Court. The company has provided the VAT liability of ₹82.51Crore (net of corresponding VAT Input and service tax paid) since the Company contends that only one of these taxes can be made applicable. VAT Input amounting to ₹11.19 Crores have been stated as balance due from statutory authorities under Current Asset. (Refer to Note 37.4).
7. Reconciliation between the transactions executed through 3rd party applications/portals as well as manual data with the financial information posted in the books of accounts



could not be made and accordingly reliance was placed on information available on records and verified on test check basis as per the financial books. In our opinion the data posting between all the 3rd party application / portals need to be fully automated & documented for verification.

8. Transaction by transaction reconciliation could not be made for certain bank accounts being handled at Internet Ticketing division of the Company on account of voluminous ticket booking and cancellation transactions on behalf of Railways. (Refer to Note No. 38).
9. We draw attention to Note No. 37.5 regarding waiver of shortfall compensation payable to DCOs not accepted by certain parties amounting to ₹2.21Crore.
10. Provision has been made for fixed charges (custody and fixed haulage) for the year ended March 31, 2021 payable to Railways for 3 trains being operated by the Company and the company has made representation to the Railways for waiver of these charges for non-operational period amounting to ₹27.93Crore for which the response of Railways is awaited. Refer Note No.76.
11. There are large number of legacy debit & credit balances including those pertaining to the period of transfer of operations from / to the Railways which are pending for confirmation & reconciliation.

### Key Audit Matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements of the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Due to pandemic (COVID-19) since March 2020, the entire operations of the Company for the year ended March 31, 2021, which are mainly dependent on train operations, got affected significantly resulting in sharp decline of 65% in revenue from operations (from ₹2,264.31Crore in FY 2019-20 to ₹783.05 Crore in FY 2020-21) and reduction in profitability (from ₹509.44Crore in FY 2019-20 to ₹193.13Crore in FY 2020-21). COVID-19, in our opinion, most likely will also impact revenue and profitability for the financial year 2021-22 even though it is premature for the management and auditors to forecast impact with credibility at this stage. However, the management expects its operations to reach optimum levels once the situation improves / normalises post lifting of local lockdowns declared by various State Governments. In view of sufficient liquidity, profitability and improvement expected in operations during 2021-22 and onwards, the management expects to continue its operations

without any material uncertainty on which we have relied upon. (Refer to Note No. 80)

### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information, If we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. Such other information is pending as on the date of our audit report.

### Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibility for the audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty

exists, we are required to draw attention in our auditor's report to the related disclosures in the financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial Statements, including the disclosures, and whether the financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except for non-receipt of balance confirmation letters for amounts due from / to the Railways, certain other debtors, creditors and balances / deposits held with the banks.

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including other Comprehensive income, the Cash Flow Statement and Statement of Changes in equity dealt with by this report are in agreement with the books of account.
- (d) In our opinion, except for the following matter, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act:

Integration charges (Non-Refundable one-time) received from booking agents for providing connectivity with the Company's Portal for railway ticket online booking are recognized as revenue over the initial contract period of one to three years since the company contends that the renewal is unilateral at the option of the Company. In our opinion, since these contracts for integration and annual maintenance charges are generally being renewed by the Company, these can't be treated as distinct contracts and accordingly, income from integration charges should be recognized over the expected contract period (estimated 20 years) as per the requirements of Indian Accounting Standard 115 ("Ind AS") on "Revenue from Contracts with Customers". This accounting treatment has resulted into understatement of revenue by ₹0.95 Crores for the year ended March 31, 2021 (previous year overstatement by ₹6.33Crore) and other equity comprising of retained earnings as at March 31, 2021 overstated by ₹36.79Crore (₹37.74Crore as at March 31, 2020) as per data furnished by the management. Refer Note No.2(p)(vi).

- (e) In terms of Notification No. 463 (E) dated 5th June, 2015 issued by the Ministry of Corporate affairs, provisions of

Section 164(2) of the Act regarding disqualifications of the Directors, are not applicable as it is a Government Company.

- (f) With respect to the adequacy of internal financial controls over financial reporting with reference to the Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 2.
- (g) As required by sub section (5) of section 143 of the Act, we enclose herewith "Annexure 3", a Statement on the Directions issued by the Comptroller and Auditor General of India.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. Refer Note No.37.2 to 37.5 of the Standalone Financial statements.
  - ii. The Company has not entered into any long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **P.R. Mehra & Co**  
Chartered Accountants  
(Firm's Registration No. 000051N)

**Ashok Malhotra**  
(Partner)  
Membership No: 082648  
UDIN: 21082648AAAAAF8757

Place: New Delhi  
Dated: June 29, 2021

# “Annexure 1”

**“Annexure 1” referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date on the Standalone Financial Statements of Indian Railway Catering and Tourism Corporation Limited for the year ended March 31, 2021**

1. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (property, plant & equipment) except for number-wise identification of these assets.
- b. The Company has physically verified its fixed assets (property, plant & equipment) at the year-end which, in our opinion, is reasonable having regard to the size of the company and the nature of its fixed assets (property, plant & equipment). However, the proper documentary evidence for physical verification of assets at PPP Railneer plants as well as instructions for physical verification needs to be elaborated and followed uniformly. We note that a large number of items of fixed assets (plant & equipment), which are not available / damaged / condemned /not working/not serviceable as per remarks given in physical verification sheets, continues to appear in fixed assets (property, plant & equipment) as on March 31, 2021 which have not been dealt with in the books of account by way of deletion / write-off.
- c. The title deeds of immovable properties are held in the name of the company. However, original title deed of property amounting to ₹0.16Crore was not produced to us for verification.
2. The physical verification of inventory has been conducted at reasonable intervals by the company and no material discrepancies were reported on physical verification of the inventory.
3. The Company has not granted loan, secured or unsecured to companies, firms, Limited Liability partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
4. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not given any: (i) loans, guarantee or provided security in connection with any loan taken by directors and parties covered under section 185 and (ii) loans, guarantee or provided security, made investment under section 186 of the Companies Act, 2013. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.
5. The Company has not accepted any deposits from the public as envisaged and accordingly, para (v) is not applicable to the company.
6. According to the information and explanations given to us, in our opinion the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
7. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company was regular in depositing undisputed statutory dues including provident fund, and other material statutory dues applicable to it to the appropriate authorities. However, there were many delays in deposit of Tax Deducted at Source (TDS), Goods and Service Tax (GST), TDS & TCS on GST during the year.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, Goods & Service Tax and other material statutory dues were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
- c. According to the information and explanations given to us, the statutory dues which have not been deposited with the appropriate authorities on account of any dispute are as under:

Name of the statute	Name of the Dues	Period to which amount pertains	Forum where dispute is pending	Remarks	Amounts in Lakhs
ENTRY TAX	Assessment, Interest & Penalty	2011-12 to 2012-13	High Court	Hearing in Process	0.90
Service Tax	Tax on Renting, Agent Business, catering etc	01.04.2007 to 31.03.2012	CESTAT	Hearing in Process	7,902.16
Service Tax	Tax on Renting, Agent Business, catering etc	2012-13 upto June 2017	CESTAT	Hearing in Process	23.05
Service Tax	Demands on catering, tour operations, goods transportation etc.	2014-15	High Court/Tribunal/ Appellate Authority	Hearing in Process	177.87
Service Tax	On Sale of Package Drinking Water	2008-09 to 2012-13	CESTAT/ Commissioner (Appeals)	Hearing in Process	38.57
VAT	Demand on Mobile Catering Services	2008-09 to June 2017	Supreme Court	Hearing in Process	8,251.01
VAT	Assessment, Interest & Penalty	2005-06 & 2008-09	Jt. Comm. of Sales Tax (Appeal)	Hearing in Process	373.30
VAT	ITC Denial, demand on Mobile Catering	2010-11 to 2012-13	Tribunal	Hearing in Process	161.70
VAT Bihar	Demand on Mobile Catering Services	2008-09 to 2011-12	Supreme Court	Hearing in Process	915.80
VAT Bihar	Demand on Mobile Catering Services	2011-12	High Court/ Tribunal/ Appellate Authority	Hearing in Process	73.24
VAT Delhi	Assessment, Interest & Penalty	2012-13	VATO, SPL OHA	Hearing in Process	77.74
VAT Delhi & CST	Assessment, Interest & Penalty	2009-10 to 2010-11	Special Commissioner (DVAT)	Hearing in Process	599.38
VAT Delhi & CST	Assessment, Interest & Penalty	2013-14 to 2015-16	DVAT OHA	Hearing in Process	427.97
VAT Jharkhand	Penalty	2010-11 to 2012-13	ADC	Hearing in Process	46.31
VAT Jharkhand	Demand	2010-11 to 2012-13	High Court/ Tribunal/ Appellate Authority	Hearing in Process	40.03
VAT Kerala	Denial of Compounding Rate	2014-15	ACTO	Hearing in Process	47.57
VAT Odisha	Assessment, Interest & Penalty	2011-12 to 2013-14	Commissioner, Tribunal	Hearing in Process	147.56
VAT Odisha	Demand on Mobile Catering Services	2011-12 to 2012-13	Tribunal	Hearing in Process	14.11
VAT Rajasthan	Assessment, Interest & Penalty	2005-06 to 2016-17	ACTO	Hearing in Process	32.55
VAT UP	Assessment, Interest & Penalty	2008-09	Commissioner (UPVAT)	Hearing in Process	17.08
VAT	Demand	2016-17	Remedial actions under process	Hearing in Process	10.98
Delhi CST	Demand	2016-17	VAT - Official Hearing Authority	Hearing in Process	84.61
Delhi VAT Act	Demand	2016-17	VAT - Official Hearing Authority	Hearing in Process	0.46
R VAT	Demand	2015-16		Appeal yet to be filed.	2.26
R VAT	Demand	2017-18		Appeal yet to be filed.	0.85
CGST Act 2021	Demand	2017-18, 2018-19 & 2019-20	Additional director general		41.34
TN VAT Act	Demand	2014-15		Remedial actions under process	5.91
Service tax Act	Demand	2014-15 (2nd Half year & 2015-16		Remedial actions under process	7.15
<b>Total</b>					<b>19,521.46</b>



8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues against the borrowings made from banks. No borrowings have been made from any financial institution, government or debenture holders during the year.
9. The company has not raised any money by way of Initial Public Offer (IPO) or further public offer (including debt instruments). As per the decision of Government of India to disinvest a part of its shareholding in the share capital of company, the offer for sale was held in December, 2020. Accordingly, 3,20,05,566 (Three Crore twenty Lakh five thousand five hundred and sixty-six only) shares were offered to public through offer for sale and money raised ₹4,473.92 Crore remitted to the Government of India. No term loans were taken by the company during the year.
10. According to the information and explanations given to us by the Company, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. As per Notification No. GSR 463(E) dated June 5, 2015 issued by the Ministry of Corporate Affairs, Government of India, section 197 of the Act is not applicable to the Government Companies. Accordingly, paragraph 3(xi) of the Order is not applicable.
12. The Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable Standards on Auditing.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **P.R. Mehra & Co**  
Chartered Accountants  
(Firm's Registration No. 000051N)

**Ashok Malhotra**  
(Partner)  
Membership No: 082648  
UDIN: 21082648AAAAAF8757

Place: New Delhi  
Dated: June 29, 2021

# “Annexure 2”

“Annexure 2” referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date on the Standalone Financial Statements of Indian Railway Catering and Tourism Corporation Limited for the year ended March 31, 2021

## Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to Standalone Financial Statements of Indian Railway Catering and Tourism Corporation Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

### 1. Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### 2. Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to these Standalone financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these

Standalone Financial Statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control with reference to these Standalone Financial Statements and their operating effectiveness. Our audit of internal financial control with reference to the Standalone Financial Statements included obtaining an understanding of internal financial control with reference to these Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to these Standalone Financial Statements.

### 3. Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A Company’s internal financial controls with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial Statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial controls with reference to the Standalone Financial Statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the Standalone Financial Statements.

#### 4. Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to the Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### 5. According to the information and explanations given to us and based on our audit, we have following observations as at March 31, 2021:

- (i) In respect of periodical trial balances & closing returns of Zonal / Regional, Railneer plants & other offices, the scrutiny and monitoring thereof by these offices as well as at Corporate Office level is lax and needs to be improved upon.
- (ii) (a) The internal financial control with reference to the debtor's management i.e. obtaining periodical balance confirmation letters and reconciliation thereof including with Railways and Government entities, scrutiny and recovery of overdues is weak and needs to be improved upon to safeguard the interests of the Company and policy & procedure for write-off of old inoperative debit balances needs to be framed & implemented.  
  
(b) Balance confirmation letters & reconciliation of these balances with banks and other parties and system and procedures for identification of MSME parties needs to be improved & properly monitored.
- (iii) In our opinion, suitable measures need to be taken for adapting / implementing system-based controls & checks as against manual controls being followed for overall strengthening of the internal financial control system over financial reporting with reference to the Standalone Financial Statements.

- (iv) Effort has been made to perform procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to the Standalone Financial Statements and checking their operating effectiveness so as to cover substantially the entire operations of the Company. However, owing to multiple geographical locations & Covid-19 induced movement restrictions, the testing of the risks control measures was restricted to limited samples selected.
- (v) In our opinion, there is a need to substantially adapt the e-tendering system and to reduce number of limited tenders floated during the year for having a wider range of qualified vendors associated with the Company.
- (vi) Stronger MIS should be developed for periodical closure and review of operations and provisions made for expenses at Corporate office and Zonal office level and of various business segments which could reduce the errors and omissions observed during the audit.

#### 6. Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for our observations described above, the company has, in all the material respects, adequate internal financial controls with reference to the Standalone Financial Statements in place and such internal financial controls with reference to the Standalone Financial Statements were operating effectively as of March 31, 2021, based on the internal controls over financial reporting criteria established by the company considering the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial reporting issued by ICAI.

For **P.R. Mehra & Co**  
Chartered Accountants  
(Firm's Registration No. 000051N)

**Ashok Malhotra**  
(Partner)  
Membership No: 082648  
UDIN: 21082648AAAAAF8757

Place: New Delhi  
Dated: June 29, 2021

# “Annexure 3”

“Annexure 3” referred to in paragraph 2(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date on the Standalone Financial Statements of Indian Railway Catering and Tourism Corporation Limited for the year ended March 31, 2021

## Statement on Directions:

Name of the statute	Name of the Dues
<p>1. Whether the Company has system in place to process all the accounting transaction through IT? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.</p>	<p>Yes, the company has system in place to process a substantial portion of accounting transactions through IT. However, even though the existing ERP system (Oracle) has been upgraded during the current year, the same is yet to be used as an end to end integrated accounting system pending implementation of certain Modules e.g. fixed assets (Property, Plant &amp; Equipment) and ARCS (Accounts Reconciliation Cloud Services).</p> <p>Further, online train ticket booking revenue of Internet Ticketing and MCDO data of tourism departments are compiled and posted manually in the ERP in the absence of ERP Modules for the same. The information and calculations are being prepared in Excel Sheets or through third-party applications and uploaded / posted manually in the Financial Accounting Module.</p> <p>In our opinion and according to the information and explanations given to us and on the basis of examination of records of the company, we have not noted any issue regarding integrity of the accounts.</p>
<p>2. Whether there is restructuring of an existing loan or cases of waiver/ write off of debts/loans/ interest etc. made by a lender to the company due to the company’s inability to repay the loan? If yes, the financial impact may be stated.</p> <p>Whether such cases are properly accounted for?</p>	<p>There were no cases of restructuring of an existing loan or cases of waiver/ write off of debts/loans/interest etc. during the current financial year.</p>
<p>3. Whether funds (grants / subsidy etc.) received/ receivable for specific schemes from central/ state Governments or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.</p>	<p>We are informed that no such funds were received / receivable during the year ended March 31, 2021 by the Company. With regards to the government grant received in previous years, the same are being accounted for in terms of the applicable Ind AS.</p>

For **P.R. Mehra & Co**  
Chartered Accountants  
(Firm’s Registration No. 000051N)

**Ashok Malhotra**  
(Partner)  
Membership No: 082648  
UDIN: 21082648AAAAAF8757

Place: New Delhi  
Dated: June 29, 2021

# Balance Sheet

as at 31<sup>st</sup> March, 2021

Amount (₹ in Lakhs)

Particulars	Note No.	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>I. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment	3	19,707.28	15,585.09
(b) Capital work-in-progress	4	2,430.31	1,620.79
(c) Investment Property	5	2,733.56	2,738.82
(d) Other Intangible Assets	5A	669.25	434.07
(e) Right-of-use Assets	5B	7,885.53	9,710.75
(f) Financial Assets	6		
(i) Investments	6.1	0.32	0.32
(ii) Loans	6.2	19.22	18.14
(iii) Other Financial Assets	6.3	8.06	8.06
(g) Deferred Tax Assets (Net)	7	7,188.57	6,672.47
(h) Other Non-Current Assets	8	3,468.37	2,625.80
		<b>44,110.47</b>	<b>39,414.31</b>
<b>2 Current assets</b>			
(a) Inventories	9	654.04	976.30
(b) Financial Assets	10		
(i) Trade Receivables	10.1	54,004.83	77,792.64
(ii) Cash and Cash Equivalents	10.2	34,502.41	59,739.41
(iii) Bank Balances other than (ii) above	10.3	111,547.15	69,903.38
(iv) Loans	10.4	1,124.97	1,188.91
(v) Others	10.5	10,300.54	14,798.83
(c) Current Tax Assets (Net)	11	3,617.70	4,286.73
(d) Other Current Assets	12	56,742.17	56,048.94
		<b>272,493.81</b>	<b>284,735.14</b>
		<b>316,604.28</b>	<b>324,149.45</b>
<b>Total Assets</b>			
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity Share Capital	13	16,000.00	16,000.00
(b) Other Equity	14	130,695.18	115,382.17
		<b>146,695.18</b>	<b>131,382.17</b>
<b>2 Liabilities</b>			
<b>(i) Non-current liabilities</b>			
(a) Financial Liabilities	15		
(i) Other Financial Liabilities	15.1	8,011.61	8,071.48
(b) Provisions	16	7,256.54	7,229.00
(c) Other Non-Current Liabilities	17	863.16	776.81
		<b>16,131.31</b>	<b>16,077.29</b>
<b>(ii) Current liabilities</b>			
(a) Financial Liabilities	18		
(i) Trade payables	18.1		
(a) total outstanding dues of micro enterprises and small enterprises		39.36	41.50
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		17,991.60	17,005.18
(ii) Others	18.2	69,220.21	77,918.04
(b) Other Current Liabilities	19	64,979.91	80,486.91
(c) Provisions	20	1,085.10	1,133.78
(d) Current Tax Liability (Net)	21	461.61	104.58
		<b>153,777.79</b>	<b>176,689.99</b>
		<b>316,604.28</b>	<b>324,149.45</b>
<b>Total Equity and Liabilities</b>			

The Notes are an integral part of these Financial Statements.

As per our Report of even date attached  
For **P. R. Mehra & Co.**  
Chartered Accountants  
Firm Reg. No. : 000051N

**CA Ashok Malhotra**  
Partner  
M.NO:-082648

Place : New Delhi  
Date : 29th June, 2021

For and on behalf of :-  
**Indian Railway Catering & Tourism Corporation Limited**

**Rajni Hasija**  
Chairperson & Managing Director  
DIN:- 08083674

**Suman Kalra**  
Company Secretary  
M.No.FCS9199

**Ajit Kumar**  
Director (Finance) & CFO  
DIN:- 07247362



# Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2021

Amount (₹ in Lakhs)

Particulars	Note No.	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
I. Revenue from operations	22	78,305.03	226,431.37
II Other Income	23	8,563.65	7,809.73
<b>III Total Revenue (I+II)</b>		<b>86,868.68</b>	<b>234,241.10</b>
Expenses			
Cost of Materials Consumed	24	3,156.09	10,992.97
Purchase of Stock-in-Trade	25	1,392.01	2,877.33
Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade	26	241.66	(69.58)
Expenses of Catering Services	27	10,895.56	67,285.18
Expenses of Tourism & Train Operations	28	6,897.90	28,688.82
Manufacturing & Direct Expenses	29	6,271.41	9,714.28
Employee benefit expense	30	20,661.36	24,411.47
Finance costs	31	814.98	975.60
Depreciation and amortization expense	32	4,628.42	4,021.07
Impairment Loss	46	122.97	–
Corporate Social Responsibility Expenses	51	1,044.00	767.00
Other Expenses	33	8,593.22	11,730.05
<b>IV Total Expenses (IV)</b>		<b>64,719.58</b>	<b>161,394.19</b>
<b>V Profit before exceptional items and tax (III - IV)</b>		<b>22,149.11</b>	<b>72,846.91</b>
VI Exceptional Items	33.2	3,939.81	111.40
<b>VII Profit before tax (V + VI)</b>		<b>26,088.92</b>	<b>72,958.31</b>
VIII Tax expense:			
(1) Current tax	34		
- For the year		7,452.78	19,942.52
- For Earlier years		270.72	82.20
(2) Deferred tax		(624.70)	1,622.84
IX Profit/(Loss) for the period from continuing operations (VII-VIII)		18,990.12	51,310.76
X Profit/(Loss) from discontinued operations		–	–
XI Tax expense of discontinued operations		–	–
XII Profit/(Loss) from discontinued operations (X - XI)		–	–
<b>XIII Profit/(Loss) for the period (IX + XII)</b>		<b>18,990.12</b>	<b>51,310.76</b>
XIV Other Comprehensive Income			
A. (i) Items that will be reclassified to Profit or Loss		–	–
(ii) Income Tax relating to Items that will be reclassified to Profit or Loss		–	–
B. (i) Items that will not be reclassified to Profit or Loss		–	–
- Remeasurement of post-employment benefit obligation	35	431.50	(489.98)
(ii) Income Tax relating to Items that will not be reclassified to Profit or Loss		(108.61)	123.33
<b>XV Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>19,313.01</b>	<b>50,944.10</b>
<b>XVI Earning per equity share:</b>			
(For Continuing Operation)			
(1) Basic (in ₹)	36	11.87	32.07
(2) Diluted (in ₹)	36	11.87	32.07
<b>XVII Earnings Per Equity Share:</b>			
(For Discontinuing Operation)			
(1) Basic (in ₹)		–	–
(2) Diluted (in ₹)		–	–
<b>XVIII Earnings Per Equity Share:</b>			
(For Continuing and Discontinued Operation)			
(1) Basic (in ₹)	36	11.87	32.07
(2) Diluted (in ₹)	36	11.87	32.07

The Notes are an integral part of these Financial Statements.

As per our Report of even date attached

For **P. R. Mehra & Co.**

Chartered Accountants

Firm Reg. No. : 000051N

**CA Ashok Malhotra**

Partner

M.NO:-082648

Place : New Delhi

Date : 29th June, 2021

For and on behalf of :-

**Indian Railway Catering & Tourism Corporation Limited**

**Rajni Hasija**

Chairperson & Managing Director

DIN:- 08083674

**Ajit Kumar**

Director (Finance) & CFO

DIN:- 07247362

**Suman Kalra**

Company Secretary

M.No.FCS9199

# Statement of Cash Flow

for the year ended 31<sup>st</sup> March, 2021

Amount (₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
<b>A. Cash Flow from Operating Activities</b>		
Profit before tax	26,088.92	72,958.31
<i>Adjustments for :-</i>		
Depreciation	4,628.42	4,021.07
Impairment Loss	122.97	–
Loss on sale of Fixed Assets	3.10	233.51
Interest Income	(6,509.67)	(4,931.86)
Dividend Income from Mutual fund	(260.93)	(389.74)
Interest Expenses on Lease Liabilities	626.14	534.31
Rental Income from Investment Property	(234.98)	(76.13)
Amortization of Capital Grant	(44.16)	(111.42)
Income from amortisation of deferred security deposits-Liability	(198.96)	(267.33)
Interest Income on Unwinding of Discounts on security deposits	(6.11)	(19.47)
Unwinding of discount on security deposits liability	188.84	199.73
Unwinding of discount on security deposits assets	5.20	17.00
<b>Operating Profit before operating capital changes</b>	<b>(1) 24,408.78</b>	<b>72,167.98</b>
<i>Adjustments for :-</i>		
Decrease / (Increase) in Inventories	322.26	(187.43)
Decrease/ (Increase) in Trade & Other Receivables	23,787.81	(19,089.28)
Decrease/ (Increase) in Other Non Current Financial assets	–	–
Decrease/ (Increase) in Other Current Financial assets	6,147.90	(12,602.03)
Decrease/ (Increase) in Other Current assets	(693.23)	(8,459.00)
Decrease/ (Increase) in Other Non Current assets	(22.78)	94.40
Decrease/ (Increase) in Financial Assets Loans	68.96	(113.26)
(Decrease) / Increase in other Non current financial liability	(635.81)	716.35
(Decrease) / Increase in Non Current Provisions	459.03	(217.94)
(Decrease) / Increase in Other Non current liabilities	329.46	574.55
(Decrease) / Increase in trade payables	979.41	(2,281.60)
(Decrease) / Increase in Other financial liability	(8,172.19)	15,446.49
(Decrease) / Increase in Other Current Liability	(15,507.00)	18,814.85
(Decrease) / Increase in Current provisions	(48.68)	1,735.80
<b>Cash generated from operation</b>	<b>(2) 7,015.14</b>	<b>(5,568.10)</b>
<b>Total Cash generated from Operating Activities</b>	<b>(1+2) 31,423.92</b>	<b>66,599.88</b>
Income Tax Paid (Net of refunds)	(6,696.94)	(25,692.64)
<b>Total Cash generated from Operating Activities</b>	<b>24,726.98</b>	<b>40,907.24</b>
<b>B. Cash Flow From Investing Activities</b>		
Sale/Disposal of Property, Plant and Equipment's & Other intangible assets	9.41	47.90
Purchase of Property, Plant and Equipment's & Other intangible assets	(7,734.12)	(3,530.25)
Interest Received	4,860.06	6,217.60
Dividend received	260.93	389.74
Investment in Mutual Funds	–	–
Changes in Other Bank balances	(41,643.77)	(1,906.78)
Rental Income from Investment Property	234.98	76.13
Capital Advances given during the Year	(1,275.00)	(450.00)
<b>Net Cash used in Investing Activities</b>	<b>(45,287.51)</b>	<b>844.34</b>
<b>C. Cash Flow From Financing Activities</b>		
Payment of principal portion of Lease Liability	(676.47)	(1,211.00)
Payment of interest portion of Lease Liability	–	–
Dividend Paid (including Tax on Dividend)	(4,000.00)	(26,808.12)
<b>Net Cash generated from Financing Activities</b>	<b>(4,676.47)</b>	<b>(28,019.12)</b>

# Statement of Cash Flow

for the year ended 31<sup>st</sup> March, 2021

Amount (₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(25,237.00)</b>	<b>13,732.46</b>
Opening Cash & Cash Equivalents	59,739.41	46,006.95
<b>Closing Cash &amp; Cash Equivalents</b>	<b>34,502.41</b>	<b>59,739.41</b>
<b>Reconciliation of Cash &amp; Cash Equivalents</b>		
Cash and Cash Equivalent Comprises of		
Cash on hand	9.82	8.31
Cheques/drafts on hand	–	–
Balances with banks:		
– In Current Account	34,075.95	58,139.07
– In Flexi Account	416.64	1,592.03
– In Fixed Deposits with original maturity of less than three months		
<b>Cash and Cash Equivalents as per Balance Sheet</b>	<b>34,502.41</b>	<b>59,739.41</b>

## Notes:-

- The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS-7 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- The company adopted the amendment to Ind-AS 7 effective from April 1, 2017, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

## Reconciliation of Liabilities arising from financing activities

Amount (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Opening Balance</b>	<b>7,923.44</b>	<b>8,443.27</b>
<b>Cash flows:-</b>		
– Repayment	676.47	1,211.00
– Proceeds		
<b>Non-Cash:-</b>		
– Fair Value	626.14	534.31
– Net Additions to right of use assets in exchange for increased lease liabilities and other adjustments	-88.22	156.86
<b>Closing Balance</b>	<b>7,784.89</b>	<b>7,923.44</b>

The Notes are an integral part of these Financial Statements.

As per our Report of even date attached  
For **P. R. Mehra & Co.**  
Chartered Accountants  
Firm Reg. No. : 000051N

**CA Ashok Malhotra**  
Partner  
M.NO:-082648

Place : New Delhi  
Date : 29th June, 2021

For and on behalf of :-  
**Indian Railway Catering & Tourism Corporation Limited**

**Rajni Hasija**  
Chairperson & Managing Director  
DIN:- 08083674

**Suman Kalra**  
Company Secretary  
M.No.FCS9199

**Ajit Kumar**  
Director (Finance) & CFO  
DIN:- 07247362

# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2021

## A. Equity share capital

Particulars	Number of shares in lakhs	Amount (₹ in Lakhs)
<b>Balance as at April 1, 2020</b> (1600 Lakh Equity shares of ₹ 10 each)	1,600.00	16,000.00
Issue of share capital during the year	—	—
<b>Balance as at 31st March, 2021</b> (1600 Lakh Equity shares of ₹ 10 each)	<b>1,600.00</b>	<b>16,000.00</b>

## B. Other Equity

Amount (₹ in Lakhs)

Particulars	Reserves & Surplus		Total
	General Reserve	Retained Earnings	
Balance at the beginning of the year	48,991.70	66,390.47	115,382.17
Changes in accounting policy or prior period errors	—	—	—
<b>Balance at the beginning of the year</b>	<b>48,991.70</b>	<b>66,390.47</b>	<b>115,382.17</b>
Profit for the period	—	18,990.12	18,990.12
Other Comprehensive Income for the period (net of income tax)	—	322.89	322.89
<b>Total Comprehensive Income for the period</b>	<b>—</b>	<b>19,313.01</b>	<b>19,313.01</b>
Transfer from Retained earnings	3,500.00	—	3,500.00
Payment of dividend on equity shares	—	(4,000.00)	(4,000.00)
Transfer to general reserves	—	(3,500.00)	(3,500.00)
<b>Balance at the end of the year</b>	<b>52,491.70</b>	<b>78,203.48</b>	<b>130,695.18</b>

The Notes are an integral part of these Financial Statements.

As per our Report of even date attached

For **P. R. Mehra & Co.**

Chartered Accountants

Firm Reg. No. : 000051N

**CA Ashok Malhotra**

Partner

M.NO:-082648

Place : New Delhi

Date : 29th June, 2021

For and on behalf of :-

**Indian Railway Catering & Tourism Corporation Limited**

**Rajni Hasija**

Chairperson & Managing Director

DIN:- 08083674

**Suman Kalra**

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M.No.FCS9199

**Ajit Kumar**

Director (Finance) & CFO

DIN:- 07247362

# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2020

## A. Equity share capital

Particulars	Number of shares in lakhs	Amount (₹ in Lakhs)
<b>Balance as at April 1, 2019</b> (1600 Lakh Equity shares of ₹ 10 each)	1,600.00	16,000.00
Issue of share capital during the year	–	–
<b>Balance as at 31st March, 2020</b> (1600 Lakh Equity shares of ₹ 10 each)	<b>1,600.00</b>	<b>16,000.00</b>

## B. Other Equity

Particulars	Reserves & Surplus		Total
	General Reserve	Retained Earnings	
Balance at the beginning of the year	45,491.70	45,610.23	91,101.93
Changes in accounting policy or prior period errors	–	144.25	144.25
<b>Balance at the beginning of the year</b>	<b>45,491.70</b>	<b>45,754.48</b>	<b>91,246.18</b>
Profit for the year	–	51,310.76	51,310.76
Other Comprehensive Income for the year (net of income tax)	–	–366.65	–366.65
<b>Total Comprehensive Income for the year</b>	<b>–</b>	<b>50,944.10</b>	<b>50,944.10</b>
Transfer from Retained earnings	3,500.00	–	3,500.00
Payment of dividend on equity shares	–	(22,237.20)	(22,237.20)
Payment of dividend tax on dividend paid to equity shares	–	(4,570.92)	(4,570.92)
Transfer to general reserves	–	(3,500.00)	(3,500.00)
<b>Balance at the end of the year</b>	<b>48,991.70</b>	<b>66,390.47</b>	<b>115,382.17</b>

The Notes are an integral part of these Financial Statements.

As per our Report of even date attached

For **P. R. Mehra & Co.**

Chartered Accountants

Firm Reg. No. : 000051N

**CA Ashok Malhotra**

Partner

M.NO:-082648

Place : New Delhi

Date : 29th June, 2021

For and on behalf of :-

**Indian Railway Catering & Tourism Corporation Limited**

**Rajni Hasija**

Chairperson & Managing Director

DIN:- 08083674

**Suman Kalra**

Company Secretary

M.No.FCS9199

**Ajit Kumar**

Director (Finance) & CFO

DIN:- 07247362



# Accounting Policies as per Indian Standards (Ind AS)

## Note 1 : Corporate Information

Indian Railway Catering and Tourism Corporation Ltd. (IRCTC) has been set up by the Ministry of Railways. IRCTC is a public limited company domiciled and was incorporated in India on September 27, 1999 with the basic purpose of hiving off entire catering and tourism activity of the railways to the new Corporation so as to professionalize and upgrade these services with public-private participation. Rail based Tourism in India will be the specific vehicle for achieving high growth in coordination with state agencies, tour operators, travel agents and the hospitality industry. The Company is registered under the Indian Companies Act, 1956 and the registered office of the company is located at 11th floor, B-148 Statesman House Barakhamba Road New Delhi-110001

During the FY 2019-20, as per the decision of Government of India to disinvest the shareholding by 12.6% of paid up share capital of IRCTC, the initial public offer was held on 30th September, 2019 and the shares of the Company were listed on NSE and BSE on 14th October, 2019. Accordingly, 2.016 crore (Two Crore one Lakh sixty thousand total share) shares i.e. 12.6% of total capital having face value of ₹10/- each were offered to public through offer for sale, out of which 1.6 lakh share were reserved for employees (approx. 0.79% of total issue).

During FY 2020-21, further disinvestment was made by the Government of India by 20% of paid up share capital of IRCTC through offer for sale resulting total disinvestment by 32.6% and the shareholding of Government of India have been reduced to 67.4% in paid up share capital of IRCTC.

## Note 2 : Basis of Preparation

### a) Statement of Compliance

The financial statements as at and for year ended March 31, 2021 have been prepared on going concern basis in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules 2015 as amended from time to time.

### b) Basis of Measurement

The Corporation is following accrual basis of accounting under historical cost convention and for the following item that have been measured at fair value as required by relevant Ind-AS.

- i. Defined benefit Plan and other long term employee benefits
- ii. Certain financial assets and liabilities measured at fair value (Refer policy on financial instrument).

### c) Use of estimates & Judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of income and expenses. Examples of such estimates includes estimated useful life of property, plant and equipment, employee benefit expenses, provisions, satisfaction of performance obligation in revenue recognition etc. actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Future results could differ due to changes in these estimates and difference between the actual result and the estimates are recognized in the period in which the results are known /materialize.

d) All financial information presented in Indian rupees and all values are rounded to the nearest lakh rupees with two decimal points except where otherwise stated.

e) Statutory dues payable and refundable are treated as current liability and current assets due to current in nature.

### f) Statement of Cash Flow

Statement of Cash Flow is made by using the Indirect Method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, financing and investing activities of the company are segregated.

For the purposes of the statement of cash flow, cash and cash equivalents include cash in hand, cash at banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand are considered part of the Company's cash management system.

The company has adopted the amendment to Ind-AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosures requirement.

### g) Foreign Currency

#### i. Functional and presentation currency

The financial statements are presented in Indian Rupees (INR), which is functional as well as presentation currency of the company.

## ii. Transaction and balances

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary foreign currency assets and liabilities are translated or converted with reference to the rates of exchange ruling on the date of the Balance Sheet.

Foreign exchange gains and losses resulting from the settlement of such transaction and for the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

## h) Property, Plant and Equipment

- i. Property, Plant and Equipment are stated at cost of acquisition including installation charges and other related expenses if recognition criteria are met.
- ii. Cost of replacement, major inspection, repair of significant parts is capitalized if the recognition criteria are met.
- iii. In case of Computers the cost of Operating System software procured along with Computer has been capitalized with Computers, while regular upgrades and Annual Maintenance Charges; have been treated as revenue expenditure.
- iv. Expenditure on the leased buildings for Office premises has been capitalized as Leasehold -Office Development
- v. The tools and plants placed as such at catering units are taken on, as is where basis is. Due to non-availability of value of such assets, such assets are accounted at Nominal Value of ₹1/- per item in the Books of Zonal Offices of the Corporation for the purpose of ensuring physical verification.
- vi. The Luxury Tourist Train has been capitalized and shown as "Luxury Tourist Train" in Property, Plant & Equipment, refer policy on government grant for treatment of grant related to acquisition of these assets.
- vii. Upon sale of assets, cost and accumulated depreciation are eliminated from the financial statements and the resultant gains or losses are recognized in the statement of profit and loss.

## i) Depreciation & Amortization: -

- (a) Depreciation is provided in accordance with the life specified under Schedule II of the Companies Act, 2013 except for certain items. The Life of certain assets which has not been taken as per schedule II of the Companies Act, 2013 is as follows:-

Particulars	Useful Life
Expenditure incurred on civil work on premises located on Railway land other than Railneer Plants has been accounted as lease hold improvement and has been depreciated over a period of ten years.	10 Year
Residential flats constructed on railway land are on lease for a period of 30 years and the same has been depreciated over that period.	30 Year
IRCTC has taken land from Railways on lease basis for setting up of Railneer Plants at Nangloi, Danapur, Palur and Ambernath for which lease period has not been fixed by Railway authorities. As per the policy of the Railways the maximum period of lease can be for a period of 35 years which is further renewable for a period of 35 years. Hence, Depreciation on buildings of Railneer Plants at Nangloi, Danapur, Palur, Ambernath and Bilaspur has been provided accordingly.	35 Year
Solar power Plant and Electric Substation	25 years
DG Set , Water Blowing Machine, Compressors	10 years
Air Conditioners and chillers for plant	5 years

- (b) Depreciation is calculated on a straight line basis from the date of ready to use. Depreciation is provided up to the date of sale, discard and loss of the assets during the year.
- (c) Each part of an item of Property, Plant and Equipment related to Rail Neer is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset which is based on the estimates & certificate of inhouse technical expert. Further for the plants for whose the capital support are provided by IRCTC ,the estimated life for whole Civil work and plant has been estimated as 20 years and 10 years respectively by in house technical committee.
- (d) Leasehold-Office developments in respect of office premises and Leasehold land (for which lease agreement exists) have been depreciated over the lease period. Expenditure incurred on civil work on premises located on Railway Land (for which no lease agreement exists) has been accounted as lease hold improvement and has been depreciated over a period of ten years.

- (e) Depreciation methods, useful lives and residual values are reviewed at each reporting date.
- (f) Depreciation is calculated at depreciable amount, i.e. Cost less its residual value.
- (g) In respect of Residential Flats constructed on leasehold land, depreciation is charged over the period of the lease of the land.

The estimated useful life of assets for current and comparative period of significant items of property plant and equipment which has been taken as per schedule II of Companies Act, 2013 are as follow:

Particulars	Useful Life
Plant and Machinery	15years
Computers	3 years
Network & Server	6 years
Air Conditioner	10 years
Furniture	10 years
Office Equipment's	5 years
Building other than Rail Neer Plant Building	60 years
Luxury Tourist train	15 years
Intangible Assets	4 years
Electrical Installation & Equipments	10 years

**j) Capital Work in Progress/Capital Advances: -**

Capital work in progress includes the cost of property, plant and equipment (PPE) that are not yet ready for their intended use and the cost of assets not put to use before the balance Sheet date. Advances paid to acquire PPE are shown as "Capital Advances" under other "Non Current Assets"

**k) Intangible Assets: -**

Intangible assets like software, licenses, web portal, tourism portal etc. are recorded at the consideration paid for acquisition and useful life of Intangible Assets has been assumed as 4 Years.

**l) Investments in Joint Arrangements**

Investment in equity instruments of joint ventures are measured at cost as per Ind AS 27- Separate Financial Statements.

**m) Investment Properties**

- a) Investment Properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.
- b) The company depreciates building component of investment property over the estimated useful life of the assets as prescribed in property, plant and equipment.

- c) Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

**n) Operating cycle for Current and Non Current Assets**

Company has classified the assets and liabilities as current which is expected to realise within the twelve months after the reporting period and all other assets and liabilities are classified as noncurrent.

**o) Provisions, Contingent Liabilities and Contingent Assets:**

**A. Provisions: -**

Provisions are recognized in respect of liabilities which can be measured only by using a substantial degree of estimates when:

- (a) The Company has a present obligation as a result of a past event.
- (b) Probable outflow of resources embodying economic benefits will be required to settle the obligation; and
- (c) The amount of the obligation can be reliably estimated. Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received Provisions are reviewed at each Balance Sheet date.

**Discounting of Provisions**

Provision which expected to be settled beyond 12 months are measured at the present value by using pre-tax discount rate that reflects the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expenses.

**B. Contingent Liabilities and Contingent Assets**

- (a) Contingent Liabilities are disclosed in either of the following cases:
  - i. A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation; or
  - ii. A reliable estimate of the present obligation cannot be made; or
  - iii. A possible obligation, unless the probability of outflow of resource is remote.

- (b) Contingent assets are disclosed where an inflow of economic benefits is probable.
- (c) Contingent Liability and Provisions needed against Contingent Liability and Contingent Assets are reviewed at each Reporting date.
- (d) Contingent Liability is net of estimated provisions considering possible outflow on settlement.

**p) Revenue Recognition: -**

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

- a) Company Recognizes revenue from contracts with customers based on a five-step as set out in Ind AS-115:-
  - (i) Identify contracts with a customer: - A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
  - (ii) Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
  - (iii) Determine the transaction price: The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
  - (iv) Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
  - (v) Recognise revenue when or as the Company satisfies a performance obligation by transferring a promised goods or services to a customer. An asset is transferred when the customer obtains control of that asset.

The Performance obligation is satisfied and recognized revenue overtime, if one of the following criteria is met:

- a) The performance does not create an asset with an alternate use and has an enforceable right to payment for performance completed to date.
- b) The performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- c) The customer simultaneously receives and consumes the benefits provided.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied. When performance obligation is satisfied by delivering the promised goods or services it creates a contract based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount revenue recognized this give rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty.

Revenue is recognized to the extent it is probable that the economic benefits will flow and the revenue and costs if applicable can be measured reliably.

**i. Sales: -**

Sales of Railneer-packaged drinking water, food and beverage items are recognized at the point in time when the goods are sold and services rendered and are recorded net of GST etc. in terms of Ind AS-115. It does not include inter-depot and inter-unit transfers.

**ii. Income from Internet Ticketing: -**

- (a) Income from Service charges: Income from Service Charges is recognized on the basis of value of the service charges earned on the tickets booked by Foreign customer through Corporation's Web site(www.irctc.co.in ). Gross service charges earned on the sale of such tickets on accrual basis have been booked as income of the corporation & Corresponding railway share is shown as expenses.
- (b) Income from Convenience Fee: Income from Convenience Fee is recognized on the basis of value of the Convenience fee earned on the tickets booked by domestic customers through Corporation's Web site(www.irctc.co.in). Convenience fees earned on the sale of such tickets on accrual basis have been booked as income of the corporation & no Railway share is payable on such income.

iii. **Income from Catering Services: -**

The Corporation has been given a mandate by Railway Board, Ministry of Railways to upgrade and professionalize catering services on trains & other locations. The Corporation recognizes its income from catering services as per the following policies.

• **Income from On-board Catering Services:**

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

• **Income from Concession Fees, User Charges and License Fee: -**

The Corporation is receiving the income from the following: -

S r. Nature of business activity No.	Nature of Fee received from licensees
1. Awarding license for providing Catering Services on Rajdhani and Shatabdi Express Trains.	One time Concession Fee for the contract period (including renewal period, if any), and Variable License Fee.
2. Award of license for arranging catering services on Mail/ Jan Shatabdi /Express Trains.	Fixed Annual License Fee as per the agreement signed with the awardees.
3. Award of license for setting up of Food Plaza and operation thereof at the Indian Railway premises	(i) Fixed Monthly User Charges and Variable License Fee in case of contracts awarded under earlier IRCTC Policy.  (ii) Fixed Annual License Fee as per the agreement signed with the awardees.
4. Award of License for Water Vending Machines (WVM) at Railway Stations.	Fixed Annual License fee on basis of date of commencement of WVMs.
5. Award of License for static units at Railway Stations	(i) Fixed License fee in case of Contracts awarded under IRCTC Policy  (ii) Fixed Annual License Fee as per the agreement signed with the awardees.
6. Award of license for Re-developing, Operation, Management and Transfer of RailYatriNivas and Railway Hotels on Indian Railway premises	Fixed Annual User Charges and License Fee as per the agreement signed with the awardees.
7. Licensee Fee of Handing over catering units in terms of catering policy 2017.	60% of Annual License fee collected by Railways booked as Income.
8. Fine, Penalty & Interest on delayed payment if any	Fine, Penalty & Interest on delayed payment if any is recognized on its receipt from Licensee and vendors.

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

- **Concession fee:** Income is recognized on accrual basis on monthly pro-rata basis (fraction of the month, if any, has been treated as full month) over the period of time as given in the Ind AS-115 relating to revenue recognition. One-time concession fee (Unexpired Concession Fee) received by the Corporation has been treated as income received in advance. In case the contracts for the trains are terminated on account of cancellation / withdrawal of the train by Railway Administration, income is recognized over the period, the contract was in force.
- **User charges:** User Charges payable by the Food Plazas and Budget Hotels Licensees are accounted on accrual basis till the period project were in operation.

• **License Fee: -**

- (a) Fixed yearly license fees received by the Corporation are accounted on accrual basis on monthly pro-rata basis (fraction of the month, if any, has been treated as full month) till the period project were in operation.
- (b) Variable License fee is accounted on accrual basis as a fixed percentage of the catering services provided by the contractor.
- (c) License fee is accounted on accrual basis as a fixed percentage of the projected turnover of the Rail Yatri Niwas and Railway Hotels operated by the licensees under re-develop, operate, manage and transfer basis.



(d) Special Trains:- License Fee is accounted on daily trip basis.

- **Income Accrued on Forfeiture of Contracts:** - Recognition of income from Catering contracts terminated on account of breach of terms and conditions was made as under:

I. Up to the date of termination, the income is recognized in respect of concession fee over the contract period on monthly pro-rata basis and in case of License fee over the period the train has been in operation on monthly pro-rata basis.

II. Other income: Remaining balance of concession fee, License fee and Security Deposits on forfeiture of contracts are recognized as other income accrued during the year.

#### iv. Income from Package Tours: -

The Corporation is engaged in booking of Special Trains, Special Coach Charter and berths under value added tours for promoting the rail-based tourism and booking of Air Tickets. The Corporation is also engaged in booking of foreign tours on group basis. The income from special trains/ Coach Charters includes basic fare, other charges levied by the railway administration and Corporation's service charge as a fixed percentage of the basic fare. In case of value added tours, the income includes fare, block booking charges, other charges levied by the railway administration and Corporations service charges as fixed percentage of the fare.

In case of Complete Tour Packages, Buddhist Circuit Special Train and Bharat Darshan Trains, the income includes the total amount net of GST collected from the customer.

#### v. Income from Train Operations

Corporation is engaged in the operations of the trains received from the Zonal railways on haulage charge principle basis. The income from the operations of the special train includes the basis fare collected from the passengers, catering charges and other charges as fixed by the Company. The income from operations of trains is recognized over the period of time of the operations of the train as per the requirement of the Ind AS-115.

#### vi. Integration Charges

Integration Charges payable by the Principal Service Provider to IRCTC for registration and integration with IRCTC for reserved rail e-ticketing service has been recognized over the contractual period in which the parties to the contract have present enforceable rights and obligations.

vii. Water vending Machines: That the company is in arbitration proceeding with the Licensee for water vending machines and as per the interim order of the arbitration, the revenue has been recognized/ accrued based on the date of commencement of each of the water vending machines as against immediate recognition of revenue on the date of commission of first WVM under a cluster arrangement with the licensee.

viii. Interest Income from Fixed Deposits including TDRs and Dividend Income: -

Income received as Interest from fixed deposit & TDRs is recognized on accrual basis by using effective rate of interest.

Dividend income is recognized when the company's right to receive the dividend is established.

#### ix. Duty Credit License:

The Duty Scrips under Service Exports from India Scheme (SEIS) under Foreign Trade Policy, 2015-20 would be freely transferable and can be monetized. The Scrips issued under Service Exports from India Scheme can only be usable for payment of Basic Customs Duty on imports. The Scrips are redeemable under New Policy.

That Duty credit entitlements are accounted for as receivables upon approval of the same by the concerned department and pending the same the entitlements are shown as contingent assets.

#### q) Expenditure: -

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

##### (i) Expenditure on Railneer -Packaged Drinking Water and Departmental Catering Activity: -

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

##### (ii) Expenditure on Internet ticketing: -

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

##### (iii) Catering Charges Paid:

###### (a) Onboard Catering Charges:

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

**(b) Concession Fees, User Charges, License Fee :-**

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

- **Concession Fee Paid:** Concession Fee payable to Indian Railways in respect of on board catering contract is recognized on accrual basis on monthly pro-rata basis (fraction of the month, if any, has been treated as full month) over the contract period. Payment of Unexpired Concession Fee to the Indian Railways has been treated as an advance. In case the contracts for the trains are terminated on account of breach of terms and conditions of the contract or cancellation / withdrawal of the train by Railway Administration, expenditure is recognized over the period, the contract was in force.
- **User charges Paid:** User Charges payable to Indian Railways in respect of Food Plazas and Budget Hotels are accounted for on accrual basis till the period projects were in operation.
- **License Fee Paid:-**
  - (a) Fixed yearly license fees payable to Indian Railways by the Corporation is accounted for on accrual basis on monthly pro-rata basis (fraction of the month, if any, has been treated as full month) till the period project were in operation.
  - (b) Variable License fee payable to Indian Railways is accounted on accrual basis as a fixed percentage of the catering services provided /sales made.
- **Custody/Haulage Charges on Train Operations:-**
  - (a) Fixed yearly Charges payable to Zonal Railways by the Corporation is accounted for on accrual basis on monthly pro-rata basis till the period project were in operation.
  - (b) Variable Haulage Charges:- fee payable to Zonal Railways is accounted on accrual basis as a fixed rate charged for per km and per day of train operation as per the understanding with the railways.
  - (c) Custody Charge:- Fixed yearly Custody charges payable to Zonal Railways by the Corporation is accounted for on accrual basis on monthly pro-rata basis till the period project were in operation
- **Tourism Expenses:-**

The Cost of Ticket, other charges, if any, levied by the Indian Railways and Service charges on

booking of the special train / coach charter / berths are accounted on accrual basis.

In case of complete tour packages and Buddhist Circuit Special Train, cost of train ticket, Service Charges and other charges, if any levied by Indian Railways, Road Travel expenses and accommodation and meal charges etc. are accounted on accrual basis.

**r) Leases:-**

**Where the Company is the lessee:**

- (i) The Company Recognizes a right-of- use asset and a lease liability at the lease commencement date. The right of-use asset is initially measured at cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or before the commencement date , plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.
- (ii) The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-to-use-asset or the end of the lease term. The estimated useful life of the right-to-use asset is determined on the same basis as those of property, plant and equipment. In addition, the right-to-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.
- (iii) The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.
- (iv) The lease liability is measured at amortized cost using the effective interest method, it is remeasured when there is a change in future lease payments from a change in an index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right -of-use asset, or is recorded in the profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.
- (v) The Company presents right-of-use asset separately on the face of the Balance Sheet in the "Right of use assets" and lease liabilities in "other financial liabilities" in the Balance Sheet.
- (vi) Short term Lease and Leases of low value assets:-The Company has elected not to recognize right-of-use

asset and lease liabilities for short term leases that have lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### **Where the Company is the lessor:**

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognizes lease payments received under operating lease as income on a straight-line basis over the lease term as part of "Other Income".

#### **s) Impairment of Assets: -**

Cash generating units as defined in Ind AS 36 on 'Impairment of Assets' on 'Impairment of Assets' are identified at the balance sheet date with respect to carrying amount vis-à-vis. recoverable amount thereof and impairment loss, if any, is recognized in the statement of profit and loss account. Impairment loss, if need to be reversed subsequently, is accounted for in the year of reversal.

#### **t) Borrowing Cost: -**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalised as part of the cost of such assets till such time the assets are substantially ready for their intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowings costs are recognized in the statement of Profit and Loss in the period in which they are incurred.

#### **u) Employee Benefits: -**

##### **(a) Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages, and short- term compensated absences etc. are recognized in the period in which the employee renders the related service.

##### **(b) Long Term Employee Benefits:**

The obligation for long-term employee benefits such as long-term compensated absences, half pay leave&

LTC is recognized in the same manner as in the case of defined benefit plans as mentioned in (c)(ii) below

#### **(c) Post-Employment Benefits**

- (i) Defined contribution plans: The Company makes defined contribution to the Regional Provident Fund Commissioner in respect of provident fund scheme. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.
  - (ii) Defined Benefit plans: Company provides post-retirement medical benefits to employees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit plans.
  - (iii) Gratuity is a post-employment defined benefit plan. The liability recognized in the balance sheet is the present value of the defined benefit obligation at the balance sheet date less fair value of plan assets. The defined benefit obligation is calculated by an independent actuary using projected unit credit (PUC) method.
  - (iv) Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions in respect of defined benefit plans are recognised in period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity.
- (d) Provision/liabilities towards Foreign Service Contribution- Pension and Leave Salary are made in terms of Government Rules & Regulations for employees on deputation/Deemed Deputation and charged to statement of Profit or Loss on accrual basis.**

#### **v) Inventories:**

- (i) Inventories are valued at lower of cost and net realizable value.
- (ii) In case of raw materials, packing materials, stores, spares and consumables, the cost includes duties and taxes (net of ITC, wherever applicable) and is arrived at on FIFO basis.
- (iii) Cost of finished goods and work in process includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition.

- (iv) PD items (traded goods) are valued at cost or NRV on FIFO basis.

**w) Taxation: -**

**(a) Current Income Tax: -**

- (i) Taxes including current income-tax are computed using the applicable tax rates and tax laws.
- (ii) The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.
- (iii) Current income tax assets and liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. Liability for additional taxes, if any, is provided / paid as and when assessments are completed.
- (iv) Current tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

**(b) Deferred Tax**

The corporation has accounted for deferred taxation in line with IndAS-12 "Income Taxes" issued by the Ministry of Corporate Affairs.

- i. Deferred income tax assets and liabilities are recognized for temporary differences which is computed using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.
- ii. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- iii. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.
- iv. Deferred tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

**x) Earning Per Share**

In determining basic earnings per share, the company considers the net profit attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. In determining diluted

earnings per share, the net profit attributable to equity shareholders and weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

**y) Grants**

- i. Government grants relating to purchase of property, plant and equipment are included in liabilities as deferred income and credited to profit or loss over the on systematic basis over the expected life of the related assets and presented within other income.
- ii. Grants relating to the revenue expenditure are adjusted against the related expenses. The unutilized portion of revenue and capital grant is shown as liability.
- iii. Government grant in the form of Non-monetary asset is recognized at fair value and presented in balance sheet by setting up the grant as deferred Income.

**z) Cash & Cash Equivalents**

Cash and cash equivalents comprise cash on hand, drafts/cheques on hand, bank balances, deposits with banks and short term investments, which are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

**aa) Financial Instruments: -**

**Initial recognition and measurement**

Financial Instruments recognized at its fair value plus or minus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instruments.

**Financial Asset at Amortized Cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets measured at amortised cost using effective interest rate method less impairment, if any. The EIR amortisation is included in finance income in the statement of profit and loss.

Following financial assets are measured at amortised cost: -

- (i) Security deposit
- (ii) Retention money
- (iii) Cash and cash equivalent
- (iv) Advances adjustable with other financial instrument

### Financial Assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned is recognised using the EIR method.

### Financial Assets at Fair value through Profit & Loss (FVTPL)

FVTPL is a residual category for financial Assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. If doing so reduces or eliminates a measurement or recognition inconsistency.

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of P&L.

### Financial liabilities at Amortised Cost

Financial liabilities at amortised cost represented by trade and other payables, security deposits, advances refundable and retention money are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

### Financial liabilities at Fair Value through Profit & Loss (FVTPL)

The company has not designated any financial liabilities at FVTPL.

### De-recognition

#### Financial Asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized only when the contractual rights to the cash flows from the asset expires or it transfers the financial

assets and substantially all risks and rewards of the ownership of the asset.

### Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of Profit & Loss.

### Impairment of Financial Assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Profit & Loss Account.

### bb) Fair Value Measurement

Company measures financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within



the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At the reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### **Standard/Amendments issued but not yet effective**

MCA had issued the Indian Accounting Standards Amendments Rules, 2021 vide notification dated 18th June 2021. In the Indian Accounting Standards Amendments Rules, 2021, amendments have been made in following standards:-

1. First-time Adoption of Indian Accounting Standards (Ind AS-101)

2. Share-based Payment (Ind AS-102)
3. Business Combinations (Ind AS-103)
4. Insurance Contracts<sup>1</sup> (Ind AS-104)
5. Non-current Assets Held for Sale and Discontinued Operations (Ind AS-105)
6. Exploration for and Evaluation of Mineral Resources (Ind AS-106)
7. Financial Instruments: Disclosures (Ind AS-107)
8. Financial Instruments (Ind AS-109)
9. Joint Arrangements (Ind AS-111)
10. Regulatory Deferral Accounts (Ind AS-114)
11. Revenue from Contracts with Customers (Ind AS-115)
12. Leases (Ind AS-116)
13. Presentation of Financial Statements (Ind AS-1)
14. Accounting Policies, Changes in Accounting Estimates and Errors (Ind AS-8)
15. Income Taxes (Ind AS-12)
16. Property, Plant and Equipment (Ind AS-16)
17. Consolidated and Separate Financial Statements (Ind AS-27)
18. Investments in Associates and Joint Ventures (Ind AS-28)
19. Interim Financial Reporting (Ind AS-34)
20. Provisions, Contingent Liabilities and Contingent Assets (Ind AS-37)
21. Intangible Assets (Ind AS-38)
22. Investment Property (Ind AS-40)

The effective date of these amendments is annual periods beginning on or after 1st April 2021. The Company is currently evaluating the impact of the amendments and has not yet determined the impact on the financial statements.

### Note 3 : Property, Plant and Equipments

Particulars	Land		Flats On Leasehold Land	Freehold Residential Flats	Leasehold Improvements	Buildings		Plant & Machinery	Electrical Installation & Equipment's	EDP Assets	Office Equipments		Furniture & Fixtures	Luxury Tourist Train	Total
	Leasehold Land	Freehold Land				Building-Factory-Leasehold	Building-Office-Leasehold				Air Conditioner	Office Equipment			
<b>Gross Carrying Value</b>															
<b>At 01st April 2019</b>	<b>1,631.58</b>	<b>860.57</b>	<b>951.87</b>	-	<b>1,751.05</b>	<b>2,438.68</b>	<b>181.88</b>	<b>6,123.66</b>	<b>536.98</b>	<b>8,450.60</b>	<b>492.46</b>	<b>1,744.48</b>	<b>621.48</b>	<b>5,130.90</b>	<b>30,916.19</b>
Re-classified due to IND-AS 116	1,631.58		951.87												2,583.45
Additions	-	-	-	-	311.91	1,819.11	10.04	3,135.88	52.67	213.16	26.54	143.73	76.14	71.56	5,860.74
Disposals/Adjustments	(16.04)				314.65	(34.17)	-	96.27	8.98	52.14	9.53	345.31	46.30	-	822.97
<b>At 31st March, 2020</b>	<b>-</b>	<b>876.61</b>	<b>-</b>	<b>-</b>	<b>1,748.31</b>	<b>4,291.96</b>	<b>191.92</b>	<b>9,163.27</b>	<b>580.67</b>	<b>8,611.62</b>	<b>509.47</b>	<b>1,542.90</b>	<b>651.32</b>	<b>5,202.46</b>	<b>33,370.51</b>
Additions	-	-	-	3,636.93	622.87	36.64	2.90	490.39	7.93	1,683.71	3.60	73.28	20.67	-	6,578.92
Disposals/Adjustments	-	-	-	-	3.46	-	-	44.86	-	61.58	5.59	47.44	3.23	-	166.16
<b>At 31st March, 2021</b>	<b>-</b>	<b>876.61</b>	<b>-</b>	<b>3,636.93</b>	<b>2,367.72</b>	<b>4,328.60</b>	<b>194.82</b>	<b>9,608.80</b>	<b>588.60</b>	<b>10,233.75</b>	<b>507.48</b>	<b>1,568.74</b>	<b>668.76</b>	<b>5,202.46</b>	<b>39,783.27</b>
<b>Accumulated Depreciation and Impairment</b>															
<b>At 01st April 2019</b>	<b>11.57</b>	<b>-</b>	<b>228.92</b>	<b>-</b>	<b>801.79</b>	<b>493.51</b>	<b>56.44</b>	<b>2,711.02</b>	<b>333.67</b>	<b>6,048.99</b>	<b>311.62</b>	<b>1,398.49</b>	<b>408.77</b>	<b>3,406.48</b>	<b>16,211.27</b>
Re-classified due to IND-AS 116	11.57		228.92												240.49
Depreciation charge for the year	-	-	-	-	111.71	116.93	13.37	778.96	35.36	838.03	30.56	101.34	32.22	313.74	2,372.22
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	121.52	-	-	33.34	8.98	46.58	6.20	311.88	29.08	-	557.58
<b>At 31st March, 2020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>791.98</b>	<b>610.44</b>	<b>69.81</b>	<b>3,456.64</b>	<b>360.05</b>	<b>6,840.44</b>	<b>335.98</b>	<b>1,187.95</b>	<b>411.91</b>	<b>3,720.22</b>	<b>17,785.42</b>
Depreciation charge for the year	-	-	-	6.59	137.55	153.17	13.60	850.51	39.08	835.94	31.11	98.66	34.49	240.05	2,440.75
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals/Adjustments	-	-	-	<b>6.59</b>	<b>929.53</b>	<b>763.61</b>	<b>83.41</b>	<b>4,262.59</b>	<b>399.13</b>	<b>7,619.41</b>	<b>361.78</b>	<b>1,246.23</b>	<b>443.44</b>	<b>3,960.27</b>	<b>20,075.99</b>
<b>At 31st March, 2021</b>	<b>-</b>	<b>876.61</b>	<b>-</b>	<b>3,630.34</b>	<b>1,438.19</b>	<b>3,564.99</b>	<b>111.41</b>	<b>5,346.21</b>	<b>189.47</b>	<b>2,614.34</b>	<b>145.70</b>	<b>322.51</b>	<b>225.32</b>	<b>1,242.19</b>	<b>19,707.28</b>
<b>Net Carrying Value</b>															
<b>At 31st March, 2021</b>	<b>-</b>	<b>876.61</b>	<b>-</b>	<b>-</b>	<b>956.33</b>	<b>3,681.52</b>	<b>122.11</b>	<b>5,706.63</b>	<b>220.62</b>	<b>1,771.18</b>	<b>173.49</b>	<b>354.95</b>	<b>239.41</b>	<b>1,482.24</b>	<b>15,585.09</b>
<b>At 01st April 2019</b>	<b>1,620.01</b>	<b>860.57</b>	<b>722.95</b>	<b>-</b>	<b>949.26</b>	<b>1,945.17</b>	<b>125.44</b>	<b>3,412.64</b>	<b>203.31</b>	<b>2,401.61</b>	<b>180.84</b>	<b>345.99</b>	<b>212.71</b>	<b>1,724.42</b>	<b>14,704.92</b>

#### Note :- 3.1

During the FY 2009-10, the Company acquired a Pan India Luxury Tourist Train. The total cost of said train was ₹ 5,046.57 Lakh. The Tourism Ministry had given capital subsidy of ₹ 1,237.00 Lakh which has been recognised as deferred grant and amortised in the proportion of the depreciation

#### Note :- 3.2

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.

#### Note :- 3.3

IRCTC has taken land from Railways on lease basis for setting up of Railneer Plants at Nangloi, Danapur, Palur and Ambernath for which lease period has not been fixed by Railway authorities. As per the policy of the Railways the maximum period of lease can be for a period of 35 years which is further renewable for a period of 35 year Depreciation on buildings of Railneer Plants at Nangloi, Danapur, Palur and Ambernath has been provided on straight line basis as per accounting policy being followed consistently. IRCTC has written to concerned Railways to confirm the maximum period of lease of such land provided to IRCTC, reply of which is awaited.

**Note: 4 : Capital Work in Progress**

Amount (₹ in Lakhs)

Particulars	Railneer Plant - Vjaywada (AP)	Railneer Plant - Sankrail	Railneer Plant - Bhusawal (Maharashtra)	Railneer Plant - Masoori/Hapur	Rail Neer Plant - Mandideep	Railneer Plant - Una (HP)	Railneer Plant - Jabalpur (MP)	Railneer Plant - Jagiroad (Guwahati) Assam	Railneer Plant - Nagpur (Maharashtra)	Railneer Plant - Simhadri (AP)	Budget Hotel (Meghalaya Hotel)	Others	Total
<b>Opening balance at 01st April, 2019</b>	-	581.76	130.14	881.02	723.88	42.00	284.03	488.51	14.50	-	-	219.96	4,037.72
Additions (subsequent expenditure)	-	289.93	144.47	19.83	39.46	95.22	371.91	229.94	-	-	337.29	824.73	2,443.81
Adjustments	-	871.69	-	900.85	763.34	-	655.94	718.45	14.50	-	-	173.02	4,860.74
<b>Closing balance at 31st March 2020</b>	-	-	274.61	-	-	137.22	-	-	-	-	545.18	871.67	1,620.79
Additions (subsequent expenditure)	106.40	-	132.67	-	-	547.39	-	-	-	124.45	-	675.58	2,131.67
Adjustments	-	-	-	-	-	-	-	-	-	-	-	1,322.15	1,322.15
<b>Closing balance at 31st March 2021</b>	106.40	-	407.28	-	-	684.61	-	-	-	124.45	882.47	225.10	2,430.31

## Note 5 : Investment Property

Amount (₹ in Lakhs)

Particulars	Land at Gurgaon	Building at Gurgaon	Total
<b>Opening balance at 1st April, 2019</b>	<b>464.66</b>	<b>2,326.05</b>	<b>2,790.71</b>
Addition/Adjustment during the year	–	10.26	10.26
Disposal/Adjustment during the year	–	–	–
<b>Closing balance at 31st March, 2020</b>	<b>464.66</b>	<b>2,336.31</b>	<b>2,800.97</b>
Addition/Adjustment during the year	–	32.21	32.21
Disposal/Adjustment during the year	–	–	–
<b>Closing balance at 31st March, 2021</b>	<b>464.66</b>	<b>2,368.52</b>	<b>2,833.18</b>
<b>Amortization and Impairment</b>			
<b>Opening balance at 1st April, 2019</b>	–	<b>25.12</b>	<b>25.12</b>
Amortization during the year	–	37.03	37.03
Disposal/Adjustment during the year	–	–	–
<b>Closing balance at 31st March, 2020</b>	–	<b>62.15</b>	<b>62.15</b>
Amortization during the year	–	37.47	37.47
Disposal/Adjustment during the year	–	–	–
<b>Closing balance at 31st March, 2021</b>	–	<b>99.62</b>	<b>99.62</b>
<b>Net Carrying Value</b>			
<b>At 31st March, 2021</b>	<b>464.66</b>	<b>2,268.90</b>	<b>2,733.56</b>
<b>At 31st March, 2020</b>	<b>464.66</b>	<b>2,274.16</b>	<b>2,738.82</b>
<b>At 01st April, 2019</b>	<b>464.66</b>	<b>2,300.93</b>	<b>2,765.59</b>

**Note 5.1 :** Fair value of Investment property as on 31st March, 2021 is ₹ 7696.00 Lakhs, which has been valued on the basis of Land and Building Method by adopting prevailing market rates by a registered valuer.

### Note 5.2 : Other Disclosure

Amount (₹ in Lakhs)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
<b>Amounts recognized in statement of profit and loss for investment properties</b>		
– Rental Income	234.98	76.13
Direct operating expenses of property that generated rental income	17.44	36.03
Direct operating expenses of property that did not generated rental income	–	–
Income arising from Investment properties before charging depreciation	217.54	40.10
Depreciation & amortisation	37.47	37.03
<b>Income from Investment properties (net)</b>	<b>180.07</b>	<b>3.07</b>

### Note 5A : Intangible Assets

Amount (₹ in Lakhs)

Particulars	Software	Licenses	Total
<b>Opening balance at 01st April, 2019</b>	<b>3,273.78</b>	<b>1,445.07</b>	<b>4,718.85</b>
Addition during the year	6.20	–	6.20
Disposal/Adjustment during the year	–	–	–
<b>Closing balance at 31st March, 2020</b>	<b>3,279.98</b>	<b>1,445.07</b>	<b>4,725.05</b>
Addition during the year	523.90	–	523.90
Disposal/Adjustment during the year	–	–	–
<b>Closing balance at 31st March 2021</b>	<b>3,803.88</b>	<b>1,445.07</b>	<b>5,248.95</b>
<b>Amortization and Impairment</b>			
<b>Opening balance at 01st April, 2019</b>	<b>2,596.32</b>	<b>1,367.72</b>	<b>3,964.04</b>
Amortization during the year	298.87	28.07	326.94
Disposal/Adjustment during the year	–	–	–
<b>Closing balance at 31st March, 2020</b>	<b>2,895.19</b>	<b>1,395.79</b>	<b>4,290.98</b>

**Note 5A : Intangible Assets (Contd..)**

Amount (₹ in Lakhs)

Particulars	Software	Licenses	Total
Amortization during the year	264.55	24.17	288.72
Disposal/Adjustment during the year	–	–	–
<b>Closing balance at 31st March 2021</b>	<b>3,159.74</b>	<b>1,419.96</b>	<b>4,579.70</b>
<b>Net Carrying Value</b>			
<b>At 31st March 2021</b>	<b>644.14</b>	<b>25.11</b>	<b>669.25</b>
<b>At 31st March, 2020</b>	<b>384.79</b>	<b>49.28</b>	<b>434.07</b>
<b>At 01st April, 2019</b>	<b>677.46</b>	<b>77.35</b>	<b>754.81</b>

**Note 5B : Right-of-use Assets**

Amount (₹ in Lakhs)

Particulars	Land	Building*	Vehicles	Total
<b>Gross Carrying Value</b>				
<b>Opening balance at 01st April 2019</b>	–	–	–	–
Re-classified due to IND-AS 116	1,631.58	951.87	–	2,583.45
Addition during the year	2,128.94	2,756.03	3,783.73	8,668.70
Disposals / adjustment during the year	16.04	–	–	16.04
<b>Closing balance at 31 March 2020</b>	<b>3,744.48</b>	<b>3,707.90</b>	<b>3,783.73</b>	<b>11,236.11</b>
Addition during the year	247.89	55.78	15.58	319.25
Disposals / adjustment during the year	3.58	150.40	14.73	168.71
<b>Closing balance at 31st March, 2021</b>	<b>3,988.79</b>	<b>3,613.28</b>	<b>3,784.58</b>	<b>11,386.65</b>
<b>Depreciation and Impairment</b>				
<b>Opening balance at 1 April 2019</b>	–	–	–	–
Re-classified due to IND-AS 116	11.57	228.92	–	240.49
Depreciation charged during the year	180.95	522.43	581.49	1,284.87
Disposals / adjustment during the year	–	–	–	–
Impairment during the year	–	–	–	–
<b>Closing balance At 31 March 2020</b>	<b>192.52</b>	<b>751.35</b>	<b>581.49</b>	<b>1,525.36</b>
Depreciation charged during the year	182.51	477.40	1,201.57	1,861.48
Disposals / adjustment during the year	–	–	8.69	8.69
Impairment loss during the year (Refer Note No.46)	–	–	122.97	122.97
<b>Closing balance at 31st March, 2021</b>	<b>375.03</b>	<b>1,228.75</b>	<b>1,897.34</b>	<b>3,501.12</b>
<b>Net Carrying Value</b>				
<b>At 31st March, 2021</b>	<b>3,613.76</b>	<b>2,384.53</b>	<b>1,887.24</b>	<b>7,885.53</b>
<b>At 31st March, 2020</b>	<b>3,551.96</b>	<b>2,956.55</b>	<b>3,202.24</b>	<b>9,710.75</b>
<b>At 1st April, 2019</b>	–	–	–	–

Note:- Building includes Residential flats constructed on railway land which are on lease for a period of 30 years and the same has been depreciated over that period.

**Note 6 : Financial Assets- Non Current****Note 6.1 : Non-Current Investments**

Amount (₹ in Lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
<b>A Investments in Equity Instruments of Joint Venture</b>		
25 Lakh equity shares of ₹ 10 each of Royale Indian Rail Tours Limited (As at 31st March, 2020 25 Lakh equity shares of ₹ 10 each)	250.00	250.00
Less: Impairment in value of Investments	(250.00)	(250.00)
<b>B. Other Investments</b>		
Investments in NSC 8th Issue	0.20	0.20
Add: Interest Accrued	0.12	0.12
<b>Total Investments</b>	<b>0.32</b>	<b>0.32</b>



**Note 6.1 A : Total Non Current Investments**

Particulars	Amount (₹ in Lakhs)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Aggregate Amount of unquoted investments	250.00	250.00
Aggregate Amount of impairment in the value of investments	(250.00)	(250.00)
<b>Aggregate Fair Value of investments</b>	<b>-</b>	<b>-</b>

Refer to Note 37.3, 44.4 &amp; 45

**Note 6.2 : Loans**

Particulars	Amount (₹ in Lakhs)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Unsecured, Considered Good</b>		
a) Security Deposits	19.22	18.14
<b>Total</b>	<b>19.22</b>	<b>18.14</b>

**Note 6.3 : Other Non Current Financial Assets**

Particulars	Amount (₹ in Lakhs)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
a) Term deposits, held as margin money against Bank guarantee	8.06	8.06
<b>Total</b>	<b>8.06</b>	<b>8.06</b>

**Note 7 : Deferred Tax**

Particulars	Amount (₹ in Lakhs)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>A. Deferred Tax Liabilities</b>		
Property, Plant and Equipment	571.32	515.88
<b>Total of Deferred Tax Liabilities</b>	<b>571.32</b>	<b>515.88</b>
<b>B. Deferred Tax Assets</b>		
Employee Benefit	1,997.53	2,013.42
Property, Plant and Equipment	-	-
Doubtful debts	2,547.13	2,102.97
Statutory liabilities (u/s 43B)	2,725.67	2,725.67
Investments	62.93	62.93
Lease Liability (Net of ROU)	240.56	131.95
Deferred Revenue	84.01	59.92
Provision for Claims/Damages	102.06	91.49
<b>Total of Deferred Tax Assets</b>	<b>7,759.89</b>	<b>7,188.35</b>
<b>Deferred Tax Assets Net</b>	<b>7,188.57</b>	<b>6,672.47</b>

## Note 7 : Deferred Tax (Contd..)

### Movement in Deferred Tax Asset/(Liability)

Amount (₹ in Lakhs)

Particulars	Property, Plant and Equipment	Employee Benefit	Doubtful debts	Statutory liabilities (u/s 43B)	Investments	Lease Liability (Net of ROU)	Deferred Revenue	Provisions for Claims/Damages	Total
Opening balance as at 01st April 2019	(777.38)	2,093.65	2,979.54	3,788.83	87.36	-	-	-	8,172.00
Charged/(credited) for the year									
To Profit & Loss	261.50	(203.56)	(876.57)	(1,063.16)	(24.43)	131.95	59.92	91.49	(1,622.85)
To other comprehensive income	-	123.33	-	-	-	-	-	-	123.33
Closing balance as at 31st march 2020	(515.88)	2,013.42	2,102.97	2,725.67	62.93	131.95	59.92	91.49	6,672.47
Charged/(credited) for the year									
To Profit & Loss	(55.44)	92.72	444.16	-	-	108.61	24.09	10.57	624.70
To other comprehensive income	-	(108.61)	-	-	-	-	-	-	(108.61)
Closing balance as at 31st march 2021	(571.32)	1,997.53	2,547.13	2,725.67	62.93	240.56	84.01	102.06	7,188.57

## Note 8 : Other Non-Current Assets

Amount (₹ in Lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
<b>a) Capital Advances</b>		
Capital Advance to Indian Railways for Construction of Flats	211.43	211.43
Capital Advance to RVNL for Construction of Flats	780.00	780.00
Capital Advance for Purchase of Flats from Air India	671.63	653.00
Capital Advance for Land for Budget Hotel at Bhubeneshwar	61.48	61.48
Capital Advance to DDA for purchase of Flats	-	450.00
Capital Advance for Land at Kevadia	1,275.00	-
<b>b) Others</b>		
Deposits with Govt. Authorities	467.56	467.42
Fair Value adjustment on Security Deposits Made*	1.27	2.47
<b>Total</b>	<b>3,468.37</b>	<b>2,625.80</b>

\* It represents unamortised portion of the difference between the fair value of financial assets on initial recognition and expenditure incurred.

## Note 9 : Inventories

### (As taken, Valued and certified by management)

Amount (₹ in Lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Raw Material	367.26	447.86
Finished Goods	266.68	512.03
Trading Goods-Packed (PD) items	20.10	16.41
<b>Total inventories at the lower of cost and net realisable value</b>	<b>654.04</b>	<b>976.30</b>

## Note 10 : Financial Assets

### Note 10.1 : Trade Receivables

Amount (₹ in Lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Unsecured		
Considered Good - Unsecured (Net of advances)	48,939.95	75,271.84
Trade Receivables which have significant increase in credit risk	6,971.19	4,155.45
Trade Receivables-credit impaired	8,130.89	6,644.45
Less: Allowance for Doubtful Debts	(10,037.20)	(8,279.10)
<b>Total Trade receivables</b>	<b>54,004.83</b>	<b>77,792.64</b>

Refer to Note 63

**Note 10.2 : Cash and Cash equivalent**

Particulars	Amount (₹ in Lakhs)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Cash on hand	9.82	8.31
Cheques/drafts on hand	–	–
Balances with banks:		
– In Current Account	34,075.95	58,139.07
– In Flexi Current Account	416.64	1,592.03
<b>Total</b>	<b>34,502.41</b>	<b>59,739.41</b>

**Note 10.3 : Bank Balances other than Cash and Cash Equivalents**

Particulars	Amount (₹ in Lakhs)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
– Deposits with original maturity of more than 3 months but less than 12 months (Refer note no.53)	111,383.57	69,741.23
– Restricted Balance with scheduled Bank		
Unpaid Dividend Accounts	9.73	8.30
Margin money against Bank guarantee	153.85	153.85
<b>Total</b>	<b>111,547.15</b>	<b>69,903.38</b>

**Note 10.4 : Loans**

Particulars	Amount (₹ in Lakhs)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Unsecured, Considered Good		
Security Deposits	1124.97	1188.91
<b>Total</b>	<b>1,124.97</b>	<b>1,188.91</b>

**Note 10.5 : Other Current Financial Assets**

Particulars	Amount (₹ in Lakhs)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Interest Accrued but not due on Term & Fixed deposits	3,473.53	1,823.92
Other Receivables	6,827.01	12,974.91
<b>Total</b>	<b>10,300.54</b>	<b>14,798.83</b>

**Note 11 : Current Tax Assets**

Particulars	Amount (₹ in Lakhs)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Income Tax Refunds	3,617.70	1,157.72
Advance tax & TDS	–	3,129.01
(Net of Provision for Income Tax of ₹ 19976.55 lakh as at 31st March, 2020)		
<b>Total</b>	<b>3,617.70</b>	<b>4,286.73</b>

## Note 12 : Other Current Assets

Amount (₹ in Lakhs)

Particulars	Amount (₹ in Lakhs)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Advances other than Capital Advances</b>		
Other Advances	2,386.09	3,117.99
Less: Provision for Doubtful advances	(82.50)	(75.98)
Balance with Govt. Authorities	2,948.09	3,411.25
Other Deposits with Railways	50,692.07	48,331.01
<b>Others</b>		
Prepaid Expenses	797.16	1,259.50
Fair Value adjustment on Security Deposits Made*	1.26	5.17
<b>Total</b>	<b>56,742.17</b>	<b>56,048.94</b>

\* It represents unamortised portion of the difference between the fair value of financial assets on initial recognition and expenditure incurred.

## Note 13 : Equity Share capital

Amount (₹ in Lakhs)

Particulars	Amount (₹ in Lakhs)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Authorised share capital</b>		
2500 Lakh Equity shares of ₹ 10 each	25,000.00	25,000.00
(As at 31 March 2020 - 2500 Lakh Equity shares of ₹ 10 each)	<b>25,000.00</b>	<b>25,000.00</b>
<b>Issued/Subscribed and Paid up Capital</b>		
1600 Lakh Equity shares of ₹ 10 each	16,000.00	16,000.00
(As at 31 March 2020 - 1600 Lakh Equity shares of ₹ 10 each)	<b>16,000.00</b>	<b>16,000.00</b>

### Note 13.1 : Reconciliation of the number of equity shares and share capital

Particulars	As at 31 <sup>st</sup> March 2021		As at 31 <sup>st</sup> March 2020	
	No. of shares in lakhs	Amount (₹ in Lakhs)	No. of shares in lakhs	Amount (₹ in Lakhs)
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	1,600.00	16,000.00	1,600.00	16,000.00
Add: Shares Issued during the year	–	–	–	–
<b>Issued/Subscribed and Paid up equity Capital outstanding at the end of the year</b>	<b>1,600.00</b>	<b>16,000.00</b>	<b>1,600.00</b>	<b>16,000.00</b>

### Note 13.2 : Rights, Preference and restrictions attached to shares

The Company has one class of Equity Shares having at par value of ₹ 10 per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The Company has no Preference Shares, thus, in the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company.

**Note 13 : Equity Share capital (Contd..)****Note 13.3 : Details of Shares held by shareholders holding more than 5% of the aggregate shares in the company**

Amount (₹ in Lakhs)

Name of the shareholder	As at 31 <sup>st</sup> March 2021		As at 31 <sup>st</sup> March 2020	
	No. of shares in lakhs	% of holding	No. of shares in lakhs	% of holding
<b>Equity shares</b>				
Ministry of Railway, Govt. of India & its nominees	1,078.40	67.40%	1,398.40	87.40%
<b>Total</b>	<b>1,078.40</b>	<b>67.40%</b>	<b>1,398.40</b>	<b>87.40%</b>

**Note 13.4 : Aggregate no. of equity shares issued as fully paid by way of bonus during the period of five years immediately preceding the reporting date**

Amount (₹ in Lakhs)

Particulars	As at	As at	As at	As at	As at
	31 March 2021	31 March 2020	31 March 2019	31 March 2018	31 March 2017
	No's in Lakhs	No's in Lakhs	No's in Lakhs	No's in Lakhs	No's in Lakhs
<b>Equity shares issued as bonus</b>	–	–	1,200.00	–	200.00
<b>Total</b>	–	–	<b>1,200.00</b>	–	<b>200.00</b>

**Note 14 : Other Equity**

Amount (₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
General Reserve	52,491.70	48,991.70
Retained Earnings	78,203.48	66,390.47
<b>Total</b>	<b>130,695.18</b>	<b>115,382.17</b>

**Note 14.1 : General Reserve**

Amount (₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
Opening Balance	48,991.70	45,491.70
Add: Transfer from Retained Earnings	3,500.00	3,500.00
<b>Closing Balance</b>	<b>52,491.70</b>	<b>48,991.70</b>

**Note 14.2 : Retained Earnings**

Amount (₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
Opening Balance	66,390.47	45,610.23
Add : Impact due to prior period adjustment	–	144.25
Add: Profit during the period transferred from statement of profit & loss	18,990.12	51,310.76
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	322.89	(366.65)
Payment of dividend on equity shares	(4,000.00)	(22,237.20)
Payment of dividend tax on equity shares	–	(4,570.92)
Transferred to General Reserve	(3,500.00)	(3,500.00)
<b>Closing Balance</b>	<b>78,203.48</b>	<b>66,390.47</b>



## Note 14 : Other Equity (Contd..)

### Distributions Made and Proposed

Amount (₹ in Lakhs)

Particulars	Amount (₹ in Lakhs)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Cash dividend on Equity shares declared and paid</b>		
Final Dividend during the year INR 2.50 per share (31 <sup>st</sup> March 2020 INR 3.90 per share)	4,000.00	6,237.20
Interim Dividend paid during the year INR Nil per share (31 <sup>st</sup> March, 2020 INR 10.00 per share)	–	16,000.00
Dividend distribution Tax on Final & Interim dividend	–	4,570.92
	<b>4,000.00</b>	<b>26,808.12</b>
<b>Proposed Dividend on Equity shares*</b>		
Dividend for the year ended 31 <sup>st</sup> March, 2021 :- INR 5.00 Per Share (31 <sup>st</sup> March, 2020 INR 2.50 Per Share)	8,000.00	4,000.00
	<b>8,000.00</b>	<b>4,000.00</b>

\*The proposed dividend on equity shares are subject to approval by shareholders at the Annual General Meeting and has not been recognised as a liability as at 31<sup>st</sup> March 2021.

## Note 15 : Financial Liabilities- Non Current

### Note 15.1 : Others

Amount (₹ in Lakhs)

Particulars	Amount (₹ in Lakhs)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Security Deposits	1,941.36	2,388.32
Lease Liabilities	6,070.25	5,683.16
<b>Total</b>	<b>8,011.61</b>	<b>8,071.48</b>

## Note 16 : Provisions- Non Current

Amount (₹ in Lakhs)

Particulars	Amount (₹ in Lakhs)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Provision for Employee Benefits		
Retirement Benefits (Refer note 20, 37.1 & 42)	7,256.54	7,229.00
<b>Total</b>	<b>7,256.54</b>	<b>7,229.00</b>

## Note 17 : Other Non Current Liabilities

Amount (₹ in Lakhs)

Particulars	Amount (₹ in Lakhs)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Deferred Grant	172.16	216.20
Deferred portion of Security Deposits*	473.10	560.61
Advances received	217.90	–
<b>Total</b>	<b>863.16</b>	<b>776.81</b>

\* It represents unamortized portion of the difference between the fair value of financial liability on initial recognition and expenditure incurred.

**Note 18 : Financial Liabilities- Current****Note 18.1 : Trade Payables**

Particulars	Amount (₹ in Lakhs)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
(a) total outstanding dues of micro enterprises and small enterprises	39.36	41.50
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		
For Goods	1,941.27	2,544.74
For Services (Net of advances) *	16,050.33	14,460.44
<b>Total</b>	<b>18,030.96</b>	<b>17,046.68</b>

\* This is net of the advance payments made during regular course of business

**Disclosure as per the requirement under MSME Act:-**

Particulars	Amount (₹ in Lakhs)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
1. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount due to micro and small enterprises	39.36	41.50
Interest due on above*	—	—
2. The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	—	—
3. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	—	—
4. The amount of interest accrued and remaining unpaid at the end of each accounting year	—	—
5. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006	—	—

**Note 18.2 : Other Financial Liabilities**

Particulars	Amount (₹ in Lakhs)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Security Deposits	9,555.03	11,155.09
Earnest Money deposit	3,969.59	4,272.24
Refundable for Internet Ticketing	1,332.15	2,380.67
Payable towards Others-Expenses Provisions	48,791.37	54,013.75
Lease Rent advance	1,741.50	1,741.50
Advance Refundable(state teertha)	2,106.21	2,106.21
Unpaid Dividend	9.73	8.30
Lease liabilities	1,714.63	2,240.28
<b>Total</b>	<b>69,220.21</b>	<b>77,918.04</b>

## Note 19 : Other Current Liabilities

Amount (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
a) Contract Liability		
Unexpired concession fee	83.80	151.92
Unexpired Licenec fee	10,034.24	15,474.40
Advances received	2,574.20	4,759.66
	<b>12,692.24</b>	<b>20,385.98</b>
b) Others		
Rolling Deposits	38,323.09	43,455.32
Provision for VAT (Net of service tax) (Refer note no.37.4)	8,251.01	8,251.01
Provision for Service Tax	2,578.03	2,578.03
Deferred portion of Security Deposits*	99.12	132.25
Statutory Dues	2,992.26	5,640.04
Deferred Grant	44.16	44.28
<b>Total</b>	<b>64,979.91</b>	<b>80,486.91</b>

\* It represents unamortized portion of the difference between the fair value of financial liability on initial recognition and expenditure incurred.

## Note :- 20 Provisions- Current

Amount (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Provision for Employee Benefits (Refer note 37.1 & 42)	679.62	770.28
Provision for Claims & Damages (Refer note 37.1)	405.48	363.50
<b>Total</b>	<b>1,085.10</b>	<b>1,133.78</b>

## Note 21 : Current Tax Liability

Amount (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Provision for Income Tax (Net of advance tax & TDS of ₹7110.24 Lakh as on 31st March, 2021)	461.61	104.58
<b>Provision for Income Tax net of Advance Tax and TDS</b>	<b>461.61</b>	<b>104.58</b>

## Note 22 : Revenue from operations

Amount (₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
<b>A. Sale of Products</b>		
Railneer (Packaged Drinking Water)	5,603.97	21,834.17
Catering		
– Sale of Food & Beverages	1,655.84	2,459.54
Non–Railway Business		
– Income from Catering	331.68	695.29
	<b>7,591.49</b>	<b>24,989.00</b>
<b>Total–Sale of Product</b>	<b>7,591.49</b>	<b>24,989.00</b>
<b>B. Sale of Service</b>		
<b>i) Internet Ticketing</b>		
Service Charges Earned–IR Tickets	3.03	13.97
Convenience Fee	29,912.72	34,964.13
Income From License Fee-Call Centre	13.24	29.73
Income from Advertisement/SBI CO-Branded Cards & Loyalty Cards	5,533.37	13,412.56
Income From Fees from IATA/RTSA/Internet Cafe, etc.	9,393.19	10,333.39
Reimbursement against Service Charges	–	3,226.67
	<b>(a) 44,855.55</b>	<b>61,980.45</b>
<b>ii Income From Catering Services</b>		
Income from Catering & Comprehensive Services provided	8,730.91	51,245.56
Income from On Board Catering & Other Services- Rajdhani/ Shatabdi/Premium/Shramik Special Trains		
<b>Income from Concession Fee, License Fee etc.</b>		
Income from Concession Fee	–	3,289.45
Income from License Fee	11,222.92	39,173.44
Income from User Charges-Food Plaza	1.02	28.25
Income from License Fee-Food Plaza	397.02	6,430.07
	<b>(b) 20,351.87</b>	<b>100,166.77</b>
<b>iii) Tourism &amp; Train Operations</b>		
Tourism & Train Operation	5,059.77	23,939.31
Income from State Teertha	–	9,408.95
Income from User Charges-Rail Yatri Niwas	142.01	137.68
Income from License Fee-Rail Yatri Niwas	183.06	314.38
Maharaja Express-Revenue	–	5,132.16
	<b>(c) 5,384.84</b>	<b>38,932.48</b>
<b>iv) Railneer</b>		
License Fee - Railneer (Refer Note No.37.5)	111.84	331.99
	<b>(d) 111.84</b>	<b>331.99</b>
<b>Total-Sale of Services</b>	<b>(a+b+c+d) 70,704.10</b>	<b>201,411.69</b>
<b>Other Operating Income</b>		
Scrap Sale–Rail Neer	7.95	29.76
Scrap Sale–Catering	1.49	0.92
	<b>9.44</b>	<b>30.68</b>
<b>Revenue from Operation (Gross)</b>	<b>78,305.03</b>	<b>226,431.37</b>

## Note 23 : Other Income

Amount (₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
<b>Interest Income</b>		
Interest Income on FDR's & TDR's (Gross)	6,509.67	4,931.86
Interest Income - Others	4.24	15.67
Dividend Income from Mutual fund	260.93	389.74
	<b>(a) 6,774.84</b>	<b>5,337.27</b>
<b>Other Non-Operating Income</b>		
Countermanding Charges & Security Deposit Forfeited	30.32	64.99
Income Accrued on Forfeiture of Contracts	27.90	5.86
Sale of Tender Forms	1.23	2.68
Profit on foreign exchange fluctuation	–	0.01
Amortization of Capital Grant	44.16	111.42
Income from amortisation of deferred security deposits-Liability	198.96	267.33
Interest Income on Unwinding of Discounts on security deposits	6.11	19.47
Contractual Fines & Penalties received	649.30	1,416.41
Income from Duty credit licence under "Served from India Scheme"	311.15	141.01
Rental Income from Investment Property	234.98	76.13
Miscellaneous Income	284.70	367.15
	<b>(b) 1,788.81</b>	<b>2,472.46</b>
<b>Total (a+b)</b>	<b>8,563.65</b>	<b>7,809.73</b>

## Note 24 : Cost of Material Consumed

Amount (₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
<b>Railneer (Packaged Drinking Water)</b>		
Opening Stock	380.76	263.46
Add: Purchases And Expenses	2,968.61	9,805.89
	<b>3,349.37</b>	<b>10,069.35</b>
Less: Closing Stock	350.45	380.76
	<b>(a) 2,998.92</b>	<b>9,688.59</b>
<b>Departmental Catering</b>		
Opening Stock	67.09	66.52
Add: Purchases And Expenses	106.89	1,304.95
	<b>173.98</b>	<b>1,371.47</b>
Less: Closing Stock	16.81	67.09
	<b>(b) 157.17</b>	<b>1,304.38</b>
<b>Total (a+b)</b>	<b>3,156.09</b>	<b>10,992.97</b>

## Note 25 : Purchase of Stock-in-Trade

Amount (₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
Purchase of PD/Cooked food items for resale	1,179.05	2,522.43
Purchase – Non–Railway Catering	212.96	354.90
	<b>1,392.01</b>	<b>2,877.33</b>
<b>Total</b>	<b>1,392.01</b>	<b>2,877.33</b>



**Note 26 : Changes in Inventories of Finished Goods, Work in Progress & Stock in Trade**

Amount (₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
<b>RAILNEER (Packaged Drinking Water)</b>		
<b>Opening Stock</b>		
Finished Goods	481.81	358.97
Work in progress	30.22	64.55
	<b>512.03</b>	<b>423.51</b>
<b>Closing Stock</b>		
Finished Goods	254.58	481.81
Work in progress	12.10	30.22
	<b>266.68</b>	<b>512.03</b>
<b>(Increase)/Decrease</b>	<b>245.35</b>	<b>(88.52)</b>
<b>DEPARTMENTAL CATERING</b>		
<b>Opening Stock</b>		
Finished Goods	0.07	1.40
PD Items	1.65	16.80
	<b>1.72</b>	<b>18.20</b>
<b>Closing Stock</b>		
Finished Goods	0.07	0.07
PD Items	3.63	1.65
	<b>3.70</b>	<b>1.72</b>
<b>(Increase)/Decrease</b>	<b>-1.98</b>	<b>16.48</b>
<b>MAHARAJA EXPRESS</b>		
<b>Opening Stock</b>		
Finished Goods	14.69	17.15
<b>Closing Stock</b>		
Finished Goods	<b>16.40</b>	<b>14.69</b>
<b>(Increase)/Decrease</b>	<b>(1.71)</b>	<b>2.46</b>
<b>(Increase)/Decrease in Finished Goods</b>	<b>241.66</b>	<b>(69.58)</b>

**Note 27 : Expenses of Licensee Catering Services**

Amount (₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
<b>Expenses of Catering &amp; Comprehensive Services Provided</b>		
On Board Catering & Other Charges - Rajdhani & Shatabdi/ Premium/Shramik Special Trains	6,242.71	47,272.66
	<b>6,242.71</b>	<b>47,272.66</b>
<b>Expense of Concession Fee, License Fee etc.</b>		
Concession Fee	–	1,316.13
License Fee	4,476.59	15,893.04
User Charges - Food Plaza	0.41	11.30
License Fee - Food Plaza	158.81	2,784.51
License Fee Railway Land & Service Tax- Food Plaza	17.04	7.54
	<b>4,652.85</b>	<b>20,012.52</b>
	<b>10,895.56</b>	<b>67,285.18</b>

## Note 28 : Expenses of Tourism & Train Operations

Amount (₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
Tourism & Train Operation	5,725.78	17,234.03
Expenses of State Teertha	–	7,506.49
License Fee - Rail Yatri Niwas	73.22	125.75
User Charges - Rail Yatri Niwas	56.80	55.07
License Fee Paid Railway Land - Rail Yatri Niwas	0.04	0.04
Maintenance & Other Charges	465.64	469.81
Expenses of Maharaja Express	576.42	3,297.63
	<b>6,897.90</b>	<b>28,688.82</b>
	<b>6,897.90</b>	<b>28,688.82</b>

## Note 29 : Manufacturing & Direct Expenses

Amount (₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
<b>Rail Near (Packaged Drinking Water)</b>		
– Operation & Maintenance Charges	746.27	1,486.49
– License fee Railway Land	36.20	55.23
– Power & Fuel	304.99	988.05
– Repair & Maintenance - Plant & Machinery	6.94	22.79
– Repair & Maintenance - Others	21.52	36.59
	<b>(a) 1,115.92</b>	<b>2,589.15</b>
<b>Catering</b>		
– Freight Inward Loading & Unloading-Catering	0.78	19.15
– Food Inspection Expenses	12.72	90.40
– Fuel	83.06	127.43
– Other Direct Expenses	520.34	1,739.90
	<b>(b) 616.90</b>	<b>1,976.88</b>
<b>Internet Ticketing</b>		
– Maintenance & Other Charges	2,737.61	2,466.95
– Cancellation Charges	0.41	14.02
– Railway Share	50.99	99.49
– Internet Usage Charges	73.60	75.84
– Commission paid	1,232.06	2,171.31
– Messaging Expenses	443.92	320.64
	<b>(c) 4,538.59</b>	<b>5,148.25</b>
<b>Total (a+b+c)</b>	<b>6,271.41</b>	<b>9,714.28</b>

## Note 30 : Employee Benefit Expenses

Amount (₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
<b>Employee Benefits Expenses</b>		
Salaries, Wages & Bonus	17,364.01	20,671.09
Contribution to Provident Fund, Leave Encashment and Other Funds	2,635.81	3,036.33
Gratuity	609.15	560.22
Staff Welfare Expenses	52.39	143.83
	<b>20,661.36</b>	<b>24,411.47</b>
	<b>20,661.36</b>	<b>24,411.47</b>

**Note 31 : Finance Costs**

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
Unwinding of discount on security deposits	188.84	199.73
Interest Expense on Lease Liability	626.14	534.31
Interest on Income Tax	—	241.56
	<b>814.98</b>	<b>975.60</b>
	<b>814.98</b>	<b>975.60</b>

**Note 32 : Depreciation & Amortization Costs**

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
Depreciation on Tangible Assets (Refer Note-3 & 5)	2,478.22	2,409.26
Amortization on Intangible Assets (Refer Note-5A)	288.72	326.94
Depreciation on Rights of use Assets (Refer Note-5B)	861.48	1,284.87
	<b>4,628.42</b>	<b>4,021.07</b>
	<b>4,628.42</b>	<b>4,021.07</b>

**Note 33 : Other Expenses**

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
Electricity & Water	172.29	324.87
Office Rent	512.75	610.82
Duties, Rates & Taxes	777.50	592.10
Repair Maintenance & other	833.77	1,247.06
Insurance	117.34	151.45
Travelling Expenses	216.94	927.93
Conveyance Expenses	140.70	207.69
Director Sitting Fees	6.30	10.95
Payment to Auditors (Refer Note No-33.1)	24.05	17.61
Cost Audit Fee	2.50	2.50
Internal Audit Fee	4.50	4.50
Secretarial Audit Fee	0.33	0.45
Legal & Professional Fees	441.71	419.65
Communication Expenses	169.50	195.36
Customer Satisfaction Survey Expenses	—	304.93
Freight Outward & CFA Charges	1,184.59	3,729.46
Donation	1,200.99	—
Printing and Stationary	97.24	158.70
Advertisement Expenses	171.83	578.96
Business Development/Marketing Exp.	170.64	908.18
Vendors' Commission	21.41	61.44
Security Expenses	337.98	264.85
IPO Expenses	—	313.32
Loss on Sale of Fixed Assets	3.10	233.51
Allowance for Doubtful Debts/(Reversal of provision)	1,764.61	(171.53)
Provision for Contingencies (Litigations)	41.98	363.50
Miscellaneous Expenses	178.67	271.79
<b>Total</b>	<b>8,593.22</b>	<b>11,730.05</b>

**Note 33.1 : Details of Payment to Auditors**

Amount (₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
<b>Payment to Auditors as Auditor</b>		
Audit Fee	9.74	8.85
Tax Audit Fee	3.48	3.16
<b>In other Capacity</b>		
Limited Review Fee	9.50	4.42
Re-imbusement/Expenses on travel	1.33	1.18
<b>Total</b>	<b>24.05</b>	<b>17.61</b>

**Note 33.2 : Exceptional Items** (Refer Note No.82)

Amount (₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
Excess Provision Written Back	2,934.54	111.40
Income from Services on Passenger Feedback System	1,005.27	–
<b>Total</b>	<b>3,939.81</b>	<b>111.40</b>

**Note 34 : Income Tax Expense**

Amount (₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
Current Income Tax:		
Current income tax charge	7,452.78	19,942.52
Deferred Tax:		
In respect of the current year	(624.70)	1,622.84
<b>Total</b>	<b>6,828.07</b>	<b>21,565.36</b>

**Income Tax Expense in Other comprehensive income**

Amount (₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
Deferred Tax:		
In respect of the current year	108.61	(123.33)
	<b>108.61</b>	<b>(123.33)</b>

**Note 34 : Income Tax Expense (Contd..)****Reconciliation between Tax Expense and the Accounting Profit :**

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
Accounting profit before tax from continuing operations	26,520.42	72,468.33
<b>Accounting profit before income tax</b>	<b>26,520.42</b>	<b>72,468.33</b>
At India's statutory income tax rate of 25.17 % (31st March, 2020-25.17%)	6,675.19	18,240.28
<b>Tax effect of amounts which are not deductible (taxable) in calculating Taxable income</b>		
Add: Ind AS Adjustment Not Allowed in income tax	(2.78)	(189.32)
Penalties/Interest paid on late deposit of Tax	5.98	22.17
Impact of items not allowed under income tax	(3.92)	3.32
CSR Expenditure	262.76	193.05
Prior Period Income & Litigation	—	232.20
Interest Exp on MSME	—	—
Tax on perks	—	6.11
Exempt Income	—	(66.10)
Impact of Change in rate and other Items	-0.56	3,000.32
	<b>261.49</b>	<b>3,201.75</b>
<b>At the Effective Income Tax rate</b>	<b>6,936.68</b>	<b>21,442.03</b>
Income tax expense reported in the statement of profit and loss (relating to continuing operations)	6,936.68	21,442.03
<b>Effective Tax Rate</b>	<b>26.16%</b>	<b>29.59%</b>

**Note 35 : Components of Other Comprehensive Income (OCI)**

Particulars	Amount (₹ in Lakhs)	
	FVTOCI Reserve For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
Remeasurement of Defined benefit plans (Gain/(Loss))		
- Gratuity	439.77	(613.18)
- Post Retirement Medical Benefit	(8.27)	123.20
<b>Total</b>	<b>431.50</b>	<b>(489.98)</b>
Tax on Remeasurement of Defined benefit plans	(108.61)	123.33
<b>Total</b>	<b>(108.61)</b>	<b>123.33</b>

**Note 36 : Earnings per share (EPS)**

Particulars	(₹ per share)	
	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
Basic EPS		
From continuing operation	11.87	32.07
From discontinuing operation	—	—
Diluted EPS		
From continuing operation	11.87	32.07
From discontinuing operation	—	—



**Note 36.1 : Basic Earning per Share**

Amount (₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
Profit attributable to equity holders of the company:		
From Continuing operations	18,990.12	51,310.76
From discontinuing operation	–	–
<b>Earnings used in calculation of Basic Earning Per Share</b>	<b>18,990.12</b>	<b>51,310.76</b>
Weighted average number of shares for the purpose of basic earnings per share (In Lakhs)	1,600.00	1,600.00

**Note 36.2 : Diluted Earning per Share**

The earnings and weighted average number of equity shares used in calculation of diluted earning per share:-

Amount (₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
Profit attributable to equity holders of the company:		
Continuing operations	18,990.12	51,310.76
From discontinuing operation	–	–
<b>Earnings used in calculation of diluted Earning Per Share from continuing operations</b>	<b>18,990.12</b>	<b>51,310.76</b>

The weighted number of equity shares for the purpose of diluted earning per share reconciles to the weighted average number of equity shares used in calculation of basic earning per share as follows:

Nos. in Lakhs

Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
Weighted average number of shares for the purpose of basic earnings per share	1600.00	1600.00
Effect of Dilution :	–	–
<b>Weighted average number of shares for the purpose of Diluted earnings per share</b>	<b>1600.00</b>	<b>1600.00</b>

**Note 37 : Provisions, Contingent Liabilities and Contingent Assets****Note 37.1 : Provisions**Pursuant to the Ind AS-37 “Provisions, Contingent Liabilities and Contingent Assets”, the disclosure relating to provisions made in the accounts for the year ended 31<sup>st</sup> March 2021 is as follows:-

Amount (₹ in Lakhs)

Particulars	Allowance for Bad and Doubtful Debts		Allowance for Doubtful advances		Provision for Pension		Provision for Leave Encashment (Retirement Benefits)		Provision for Gratuity (Retirement Benefits)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Opening Balance	8,279.10	8,450.63	75.98	75.98	161.40	102.53	980.00	194.21	1,882.84	959.44
Addition	1,758.10	109.00	6.52	–	4.05	58.87	603.54	1198.45	169.37	1173.4
Utilization/Contribution	–	–	–	–	–	–	–	(412.66)	(339.06)	(250.00)
Adjustment/Reversal	–	(280.53)	–	–	(69.44)	–	(635.03)	–	–	–
<b>Closing Balance</b>	<b>10,037.20</b>	<b>8,279.10</b>	<b>82.50</b>	<b>75.98</b>	<b>96.01</b>	<b>161.40</b>	<b>948.51</b>	<b>980.00</b>	<b>1,713.15</b>	<b>1,882.84</b>

**Note 37.1 : Provisions (Contd..)**

Amount (₹ in Lakhs)

Particulars	Provision for Pension for Optees		Provision for Post retirement medical Scheme		Provision for Half Pay leave		Provision for LTC		Provision for Claims & Damages	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
	Opening Balance	1,053.27	1,506.95	1,227.50	1,245.14	2,529.99	1,840.99	164.28	142.17	363.50
Addition	–	–	210.81	107.21	256.94	701.85	0.53	30.81	41.98	363.50
Utilization/ Contribution	–	–	–	–	–	–	–	–	–	–
Adjustment/Reversal	(251.31)	(453.68)	(6.11)	(124.85)	(3.69)	(12.85)	(3.73)	(8.70)	–	–
<b>Closing Balance</b>	<b>801.96</b>	<b>1,053.27</b>	<b>1,432.20</b>	<b>1,227.50</b>	<b>2,783.24</b>	<b>2,529.99</b>	<b>161.08</b>	<b>164.28</b>	<b>405.48</b>	<b>363.50</b>

- Provision for doubtful debts/advances is made on the basis of management's estimates.
- Provision for retirement benefits (excluding for pension) is made on the basis of independent actuary's valuation.
- Provision of Pension in respect of deemed deputationist Optees has been made to make 100% commutation of difference of pension (IRCTC- Railways) as full and final one time settlement of pensionary liabilities of IRCTC so as to avoid monthly recurring liability of pension. Provision of Leave Encashment includes ₹ 1.33 lakhs for deemed deputationists Optees.
- Provision for pension represents contribution payable in respect of employees who are yet to open their NPS account as on 31st March, 2021.

**Note 37.2 : Contingent Liabilities (As ascertained, quantified and certified by the management)**

Claim against the Corporation not acknowledge as debt.

Amount (₹ in Lakhs)

S. No.	Particulars	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
a.	Service Tax	8,148.80	8,190.09
b.	VAT & Other Taxes	3,121.64	2,975.23
c.	Demand of penalty by SEBI	18.36	–
d.	Others	769.70	3,256.70
	<b>Total</b>	<b>12,058.50</b>	<b>14,422.02</b>

**Note 37.3 :**

By virtue of Joint venture agreement Dated 10.12.2008, Royale Indian Rail Tours Limited (RIRTL) was formed as a joint venture company with Cox and Kings Limited with IRCTC & Cox & King as Shareholders.

A Luxury train of 23 coaches was constructed, funded and created by IRCTC and was given to Royale Indian Rail Tours Limited (RIRTL) for operations on adhoc basis and it was christened as Maharaja's Express. The Train was operated from March 2010 to April 2011. In that intergenem, it was noticed that various agreements between the parties regarding the train operation were not being allowed to be finalized, including the lease agreement for train and MOU with Indian Railways. Further, haulage charges, etc. due were also not being paid. Ultimately IRCTC terminated the agreement with Cox and Kings Ltd on 12/08/2011, as well as also had withdrawn the train from RIRTL.

Cox and Kings Limited filed a petition in Honorable Delhi High Court and after the judgment of Division Bench of High Court in favour of IRCTC, Cox and Kings Ltd approached the Supreme Court. The matter has been decided in favour of IRCTC by Honorable Supreme Court of India with an observation that parties are at liberty to appoint an arbitral Tribunal to settle their disputes. The prayer of Cox & Kings Ltd. before the arbitral Tribunal is for specific performance of the joint venture agreement.

Based on legal opinion available with the Company and in view of the termination of the joint venture agreement, the IRCTC is of the view that Cox and Kings Ltd. cannot invoke the arbitration clause in relation to the reliefs sought. The order on IRCTC's plea has been reserved.

IRCTC does not feel the necessity to recognize the claim of the Cox and Kings Ltd which is for restoration of the Joint Venture Agreement and therefore consequential financial impact is not ascertainable at present. On the other hand, IRCTC has initiated proceedings under section 397 and 398 of the Companies Act, 1956 against Cox and Kings Ltd. and its officers which is sub judice.

**Note 37.4 : VAT Case filed Before Hon'ble Supreme Court of India**

IRCTC has been paying service tax towards on-board catering services in trains in which catering charges are included in railway fare. The commissioner of VAT vide order dated 23.03.2006 considered on-board catering service in trains as sale of goods within the meaning of section 2(zc)(vii) of the said Act.

IRCTC filed an appeal before the Appellate Tribunal Value Added Tax. The Tribunal, while partly allowing the appeal vide Order dated 07.09.2006, held that the observations pertaining to Central Act were beyond the Commissioner's jurisdiction as they pertained to taxability of the goods on sale or purchase taking place in the course of inter-state sale outside the State.

IRCTC assailed the said order by way of filing writ petitions in the Hon'ble High Court of Delhi at New Delhi praying that the services rendered by IRCTC are not liable to Value Added Tax under the Delhi Value Added Tax Act, 2004 and that on-board catering services of IRCTC are primarily services in which food and beverages are also provided and are liable to service tax only. The Hon'ble Delhi High Court upheld the decision of commissioner of VAT and dismissed the petition of IRCTC. The Hon'ble High Court had stated IRCTC is liable to pay VAT. However, it may take refund of service tax already paid.

Aggrieved by the Judgement, IRCTC has moved to Hon'ble Supreme Court, filing Special leave petition against the judgment dated 19.7.2010 passed by the Hon'ble High Court of Delhi. SLP 25292-25319 of 2010 had been admitted and awaiting its turn. The Hon'ble Supreme Court has granted ad-interim direction in the nature of Status Quo on recovery of the demand raised by VAT authorities. Hence the matter is sub-judice and IRCTC is not liable to pay VAT at present. However, IRCTC has provided VAT liability net of service tax of ₹ 8251.01 lakh up to FY 2017-18 (upto 30th June, 2017) across India as a matter of prudent accounting policy and amount pertaining to current year is reduced from sales. Corresponding VAT input admissibility is shown as balance with Govt. authorities.

**Note 37.5 :**

In terms of contract agreement of Rail Neer Plants under PPP model, Developer cum Operator (DCO) shall make payment of fixed amount of License Fee (LF) as stipulated in the agreement and IRCTC shall make Volume Shortfall Payments to DCO if actual dispatches in a year are less than Assured dispatch Levels stipulated in the concession agreement.

Executive Board (EB) of the IRCTC decided that no shortfall compensation would be payable during the Covid-19 pandemic. The EB further decided that since this situation pertains to "Non Political Force Majeure" as provided in clause 16.2 of the agreement, licence fee benefit may be given on pro rata basis to the Developer Cum Operator (DCO), correlating with the actual production and installed capacity as per duly executed agreements.

Accordingly, the decision taken by the IRCTC was communicated to all DCOs. But certain DCOs have not accepted the decision of the Company and the financial implication calculated net of License Fee waived off works out to ₹ 221.52 lakh which has not been provided in the books of accounts.

In the opinion of the Management, no such liability will arise in future.

**Note 37.6 : Contingent Assets****(a) Actuarial Assumptions**

			Amount (₹ in Lakhs)	
S. No	Party Name	Particulars	Appellate Authority	Awarded amount
1	A.K. Roy Vs IRCTC	2577-78, 5279-80, 2395-96, 9165/66/67-68, 2555-56, 2569-70, 2213-14, 2203-04, 2061-62, 2209-10, 1043-44	Pending in Patiala House Court	21.95
2	CKK Caterers	Suit for recovery	suit pending	102.00
3	Travel Khana	Service provider did not deposit the amount in respect of e-catering	Arbitration	13.29
4	Catering Licensees (Refer Note no.79)	Enhancement of License Fee @15.5% for the period 18.11.2019 to 22.03.2020 on account of Catering Tariff increase	Madras High Court	1,445.00
5	Railways	Passenger Feedback System	NA	787.78
6	Duty Credit Entitlement	Duty Credit Entitlement as per Foreign Trade Policy 2015-2020	NA	241.00

## Note 38 : Payment Gateways

Company is handling Railway reservations through internet for which five payment gateways and more than thirty five Net banking / Debit card network of almost all the banks are being used. The volume of transactions in all these accounts is very huge and increasing day by day with increase in booking of tickets. In view of the above, transaction wise reconciliation can not be carried out in the Financial Year 2020-21. However, there were some old PG accounts pertains to old site which were inoperative and pending for reconciliation due to some bank side/technical issues. Final reconciliation of the same is in process. Pending reconciliation, provision for doubtful of ₹243.50 lakhs (being 50% of net debit outstanding) has been made during the Financial Year 2020-21."

## Note 39 : Balance Confirmations

### Trade Receivables

#### a. Railways Balances

The Railways balances in form of trade receivables, trade payables, advances paid and security deposits are subject to reconciliation and confirmation with the railways and includes old balances since the time of takeover of catering from the railways. The company is in the process of identifying and segregating the railway balances. For FY 2020-21, the balance confirmation letters has also been sent to Railways/Government Bodies but the response from the parties is not satisfactory.

#### b. Third Party Balances.

The third party balances are subject to confirmations and reconciliations from the various parties. The management has started the process of obtaining balance confirmation from third parties w.e.f. financial year 2019-20 and shall ensure practice of formalizing the reconciliation procedure and confirmations on frequent basis. For FY 2020-21, the balance confirmation letters has also been sent to private parties but the response from the parties is not satisfactory. IRCTC has created a provision of ₹ 1764.61 Lakh (31 March'20 ₹ Nil) against receivables as per policy which in view of the management are doubtful of recovery."

### Other Payables and Banks

These balances are subject to confirmations and reconciliations. Even though IRCTC has sent balance confirmation letters to these parties but the response is not satisfactory.

## Note 40 : Capital Commitments

Estimated amount of Contracts remaining to be executed on capital account and not provided for amounts to ₹ 8598.27 Lakhs as at 31, March 2021 as against ₹ 9170.32 Lakhs as at 31 March 2020.

## Note 41 :

In the opinion of Management, value of Current Asset, Loans and advances, if realized in the ordinary course of business, shall not be less than the amount at which the same are stated in the Balance Sheet. However, the balance of Trade Receivables/Payables including Railway Trade Receivables and Trade Payables/other parties and bank balances as stated in the Balance Sheet are subject to confirmation.

## Note 42 :

### Employee Benefits

General description of the defined benefit schemes/defined contribution scheme:

- (i) **Gratuity** : Payable on separation @ 15 days pay for each completed year of service to eligible employees who render continuous service of 5 years or more. The gratuity ceiling of ₹20 Lakhs has been considered for actuarial valuation. Actuarial valuation though was made for all employees irrespective of the completion of 5 years of service.
- (ii) **Leave Encashment** : Leave salary is provided for based on valuations, as at the balance sheet date, made by independent actuary.
- (iii) **Half Pay Leave** : to eligible employees who have accumulated half pay leaves. Half pay leave is provided for based on actuarial valuations, as at the balance sheet date.

## Note 42 : (Contd..)

(iv) **Leave Travel Concession(LTC)** : to eligible employees is provided for based on actuarial valuations, as at the balance sheet date.

(v) **Provident Fund** : 12% of the Basic Pay plus Dearness Allowance of Employees and equivalent Contribution of the Corporation is contributed to the Provident Fund maintained with the Regional Provident Fund Commissioner, New Delhi. Corporation's contribution to provident fund is charged to revenue.

(vi) **Foreign Service Contribution** : Foreign service contribution payable for leave salary and pension in respect of deputationists including deemed deputationists (employees who have joined the corporation on deputation for a fixed period from Indian Railways or other government organizations) in terms of Government rules and regulations, is charged to revenue on accrual basis.

(vii) **National Pension Scheme** : Retirement benefit in the form of NPS is a defined contribution scheme. The company has no obligation, other than the contribution @10% of Basic pay plus dearness allowance payable under such scheme. The company recognize contribution payable to such scheme as an expense, when an employee render the related service.

(viii) **Post Retirement Medical Benefit (PRMB)** : To eligible retired employees, provided for based on actuarial valuation as at the Balance sheet date.

Other disclosures, as required under Ind AS-19 "Employee Benefits" in respect of defined obligations are:

### (a) Actuarial Assumptions

Sr. Description No	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
(i) Discount rate(per annum)	6.80%	6.80%
(ii) Mortality rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
(iii) Expected Return on assets	6.80%	6.80%
(iv) Salary Escalation	10%	10%
(v) Attrition Rate	2%	2%
(vi) The estimate of future liability increases considered in actuarial valuation, takes into account inflation rate, seniority, promotion and other relevant factors		

### (b) Actuarial Method

Projected unit credit (PUC) actuarial method is used to assess the plan's liabilities of exit employees for retirement, death-in-service and withdrawal and also compensated absence while in service.

### (c) Components of Employer Expense

Sr. Particulars No.	Amount (₹ in Lakhs)									
	Gratuity*		Leave Encashment		Half Pay Leave		LTC		PRMB	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
(i) Current Service Cost	481.12	486.82	457.72	439.79	239.62	228.44	14.63	16.56	119.08	107.21
(ii) Past Service Cost	-	-								
(iii) Curtailment Cost										
(iv) Settlement Cost										
(v) Total Service Cost	481.12	486.82	457.72	439.79	239.62	228.44	14.63	16.56	119.08	107.21
Net interest Cost										
(vi) Interest Expense on DBO	366.32	308.12	324.38	271.49	172.04	140.84	11.17	10.87	83.47	
(vii) Interest (Income on Plan Assets)	(238.29)	(234.72)	(259.22)	(258.29)						
(viii) Total Net Interest	128.03	73.40	65.17	13.20	172.04	140.84	11.17	10.87	83.47	
(ix) Immediate Recognition of Gain/Losses Other Long Term benefits			80.66	745.46	(154.72)	332.58	(25.27)	3.38		
(xi) Defined Benefits cost included in P&L	609.15	560.22	603.54	1,198.45	256.94	701.85	0.53	30.81	202.55	107.21



## Note 42 : (Contd..)

### (d) Net Asset/Liability Recognised in Balance Sheet

Amount (₹ in Lakhs)

Sr. No.	Particulars	Gratuity*		Leave Encashment		Half Pay Leave		LTC		PRMB	
		As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
		(i)	Actuarial (Gain)/Losses due to Demographic Assumption changes in DBO	-	2.69	-	3.23	-	1.65	-	0.08
(ii)	Actuarial (Gain)/Losses due to Financial Assumption changes in DBO	-	663.88	-	621.38	-	318.39	-	15.64	-	-
(iii)	Actuarial (Gain)/Losses due to Experience on DBO	(430.59)	(58.00)	88.28	98.73	(154.72)	12.54	(25.27)	(12.34)	8.27	(123.20)
(iv)	Return on Plan Assets (Greater)/Less than Discount Rate	(9.19)	4.60	(7.62)	22.11	-	-	-	-	-	-
(v)	Total Actuarial (gain)/loss included in OCI	(439.77)	613.18	-	-	-	-	-	3.38	8.27	(123.20)
(vi)	Total Cost Recognised in P&L and OCI (Defined Benefit Cost)	-	-	-	-	-	-	-	-	-	-
(vii)	Cost Recognised in P&L	609.15	560.22	603.54	1,198.45	256.94	701.85	0.53	30.81	202.55	107.21
(viii)	Remeasurement Effect Recognised in OCI	(439.77)	613.18	-	-	-	-	-	3.38	8.27	(123.20)
(ix)	Total Defined Benefit Cost	169.38	1,173.40	603.54	1,198.45	256.94	701.85	0.53	34.19	210.82	(15.99)

### (e) Net Asset/Liability Recognised in Balance Sheet

Amount (₹ in Lakhs)

Sr. No.	Particulars	Gratuity*		Leave Encashment*		Half Pay Leave		LTC		PRMB	
		As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
		(i)	Present Value of Benefit Obligation	5,760.22	5,387.12	5,312.21	4,770.33	2,783.24	2,529.99	161.08	164.29
(ii)	Fair Value of Plan Assets	4,047.07	3,504.28	4,365.04	3,812.00	-	-	-	-	-	-
(iii)	Funded Status (Surplus/(Deficit))	(1,713.15)	(1,882.84)	(947.17)	(958.32)	(2,783.24)	(2,529.99)	(161.08)	(164.29)	(1,432.20)	(1,227.50)
(iv)	Unrecognised Past Service Costs	-	-	-	-	-	-	-	-	-	-
(v)	Net Assets/(Liability) Recognised in balance sheet	(1,713.15)	(1,882.84)	(947.17)	(958.32)	(2,783.24)	(2,529.99)	(161.08)	(164.29)	(1,432.20)	(1,227.50)
(vi)	Present Value of Encashment Obligation	-	-	-	-	-	-	-	-	-	-
(vii)	Present Value of Availment Obligation	-	-	-	-	-	-	-	-	-	-
	<b>Current Liability</b>	<b>160.08</b>	<b>184.46</b>	<b>147.47</b>	<b>154.44</b>	<b>107.11</b>	<b>102.11</b>	<b>161.08</b>	<b>164.29</b>	<b>7.87</b>	<b>3.58</b>
	<b>Non-Current Liability</b>	<b>1,553.07</b>	<b>1,698.38</b>	<b>799.70</b>	<b>803.88</b>	<b>2,676.13</b>	<b>2,427.88</b>	<b>-</b>	<b>-</b>	<b>1,424.33</b>	<b>1,223.92</b>

\* Funded by Company

### (f) Change in Obligation over the period ending on 31st March, 2021

Amount (₹ in Lakhs)

Sr. No.	Particulars	Gratuity		Leave Encashment		Half Pay Leave		LTC		PRMB	
		As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
		(i)	Present Value of Defined Benefits Obligation at Beginning	5,387.12	4,027.70	4,770.33	3,548.83	2,529.99	1,840.99	164.29	142.17
(ii)	Current Service Cost	481.12	486.82	457.72	439.79	239.62	228.44	14.63	16.56	119.08	107.21
(iii)	Interest Cost	366.32	308.12	324.38	271.49	172.04	140.84	11.17	10.88	83.47	-
(iv)	Plan Amendments	-	-	-	-	-	-	-	-	-	-
(v)	Prior Service Costs	-	-	-	-	-	-	-	-	-	-
(vi)	Curtailments	-	-	-	-	-	-	-	-	-	-
(vii)	Acquisition adjustment	10.94	-	7.8	-	-	-	-	-	-	-
(viii)	Actuarial (Gains)/Loss	(430.59)	608.58	88.28	723.34	(154.72)	332.58	(25.27)	3.38	8.27	(123.20)
(ix)	Benefits Paid	(54.69)	(44.10)	(335.58)	(213.12)	(3.69)	(12.85)	(3.74)	(8.70)	(6.12)	(1.65)
(x)	Present Value of Defined Benefits (Closing)	5,760.22	5,387.12	5,312.21	4,770.33	2,783.24	2,530.00	161.08	164.29	1,432.20	1,227.50

## Note 42 : (Contd..)

### (g) Reconciliation of Opening & Closing Values of Plan Assets

Amount (₹ in Lakhs)

Sr. No.	Particulars	Gratuity		Leave Encashment		Half Pay Leave		LTC		PRMB	
		As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
		(i)	Fair value of plan assets at the beginning of the period	3,504.29	3,068.26	3,812.00	3,376.29	-	-	-	-
(ii)	Acquisition adjustment	-	-	-	-	-	-	-	-	-	-
(iii)	Expected return on plan assets	240.46	234.72	-	-	-	-	-	-	-	-
(iv)	Contributions	350.00	250.00	286.19	199.54	-	-	-	-	-	-
(v)	Benefits paid	(54.69)	(44.10)	-	-	-	-	-	-	-	-
(vi)	Actuarial gain/(loss) on plan assets	7.01	(4.60)	266.84	236.17	-	-	-	-	-	-
(vii)	Fair value of plan assets at the end of the period	4,047.07	3,504.28	4,365.04	3,812.00	-	-	-	-	-	-

### (h) Amounts Recognized in Other Comprehensive Income

Amount (₹ in Lakhs)

Sr. No.	Description	Gratuity		Leave Encashment		Half Pay Leave		LTC		PRMB	
		As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
		(i)	Opening OC(Cumulative Unrecognised Losses/(Gains))	-	-	-	-	-	-	-	-
(ii)	Actuarial (gain)/loss on DBO	(430.59)	608.58	88.28	723.34	(154.72)	332.58	(25.27)	3.38	8.27	(123.20)
(iii)	Actuarial (gain)/loss on Assets	(9.18)	4.60	(7.62)	22.11	-	-	-	-	-	-
(iv)	Amortization Actuarial (Loss)/Gain	-	-	-	-	-	-	-	-	-	-
(v)	Net increasing in OCI	(439.77)	613.18	80.66	745.46	(154.72)	332.58	(25.27)	3.38	8.27	(123.20)
(vi)	Amortization of Prior Service Cost	-	-	-	-	-	-	-	-	-	-
(vii)	Total Recognised in Other Comprehensive Income	(439.77)	613.18	-	-	-	-	-	3.38	8.27	(123.20)

### (i) Net Asset /Liability Recognised in Balance Sheet

Amount (₹ in Lakhs)

Sr. No.	Description	Gratuity		Leave Encashment		Half Pay Leave		LTC		PRMB	
		As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
		(i)	Net Balance Sheet Asset/ (Liability) Recognised at beginning	(1,882.84)	(959.44)	(958.32)	(172.54)	(2,529.99)	(1,840.99)	(164.29)	(142.17)
(ii)	Amount Recognised in Accumulated OCI/loss at the beginning of the period	-	-	-	-	-	-	-	-	-	-
(iii)	(Accrued)/Prepaid benefit Cost (Before adjustment at the beginning of the period)	(1,882.84)	(959.44)	(958.32)	(172.54)	(2,529.99)	(1,840.99)	(164.29)	(142.17)	(1,227.50)	(1,245.14)
(iv)	Net Periodic Benefit(Cost)/ Income for the period	(609.15)	(560.22)	(603.54)	(1,198.45)	(256.94)	(701.85)	(0.53)	(30.81)	(202.55)	(107.21)
(v)	Employer Contribution	339.05	250.00	614.69	412.66	3.69	12.85	3.74	8.70	6.12	1.65
(vi)	(Accrued)/Prepaid benefit Cost (Before adjustment at the end of the period)	(2,152.94)	(1,269.66)	(947.17)	(958.32)	(2,783.24)	(2,529.99)	(161.08)	(164.28)	(1,423.93)	(1,350.70)
(vii)	Amount Recognised in Accumulated Other Comprehensive Income/ Loss at the end of the period	(439.77)	613.18	-	-	-	-	-	-	8.27	(123.20)
(viii)	Net Balance Sheet Asset/ (Liability) Recognised at the end of the period	(1,713.17)	(1,882.84)	(947.17)	(958.32)	(2,783.24)	2,529.99	(161.08)	(164.28)	(1,432.20)	(1,227.50)

**Note 42 : (Contd..)**

(j) The Employees' Gratuity Fund Scheme managed by a Trust (SBI Life Insurance Co. Ltd) is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. The Company has taken Group Leave Encashment Scheme from LIC for payment towards leave encashment.

**(k) Sensitivity Analysis**

For the year ended March 31st 2021

Amount (₹ in Lakhs)

	Change in assumptions	Effect on Gratuity obligation	Effect on Leave Encashment	Effect on Half Pay Leave	Effect on LTC	Effect on PRMB
<b>Discount Rate</b>	Increase of 0.50%	(420.36)	(404.09)	(203.81)	(2.53)	(180.44)
	Decrease of 0.50%	466.70	472.52	237.91	2.48	193.92
<b>Salary Growth Rate</b>	Increase of 0.50%	130.24	442.59	222.87	–	181.32
	Decrease of 0.50%	(156.13)	(402.92)	(203.20)	–	(174.78)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognized within the statement of financial position.

**(l) Maturity Profile of Defined Benefit Obligation**

Amount (₹ in Lakhs)

S. No.	Year	Gratuity	Leave Encashment	Half Pay Leave	LTC	PRMB
a	0 to 1 Year	160.08	147.46	-	161.08	-
b	1 to 2 Year	203.13	187.57	-	-	-
c	2 to 3 Year	200.52	165.31	-	-	-
d	3 to 4 Year	177.39	158.16	-	-	-
e	4 to 5 Year	255.88	209.19	-	-	-
f	5 to 6 Year	176.16	154.51	-	-	-
g	6 Year onwards	4,587.07	4,289.99	-	-	-

**Note 43 :**

During the year 2020-21, the sharing with various Zonal Railways has been made in terms of Memorandum of Understanding, executed with the Ministry of Railways and as per the Catering Policy.

**Note 44 : Related Party Disclosures**

As per Ind AS - 24 'Related Party Disclosures', the names of the related parties are given below :-

Nature of Relationship	Name of the Related Party
Joint Venture	Royale Indian Rail Tours Limited
Key Managerial Personnel	(i) Shri M.P. Mall, CMD (ceased from 01.02.2021) (ii) Smt. Rajni Hasija , Director ( T&M) with additional charge as CMD, IRCTC w.e.f. 01.02.2021 (assumed charge w.e.f. 03.02.2021) (iii) Shri Ajit Kumar, Director (Finance) (appointed w.e.f. 29.05.2020) (iv) Shri Neeraj Sharma (Nominee Director) (v) Shri Vinay Srivastava (Nominee Director) (vi) Shri Sanjeeb Kumar (Additional Director) (ceased from 05.05.2020) (vii) Prof Sachin Chaturvedi (Independent Director) (ceased 10.10.2020) (viii) Shri Comal Ramchandran Sundaramurti (Independent Director) (ceased from 13.10.2020) (ix) Ms. Sarita Deshpande (Independent Director) (ceased from 29.03.2021) (x) Shri Ajai Srivastava (CFO) (ceased from 10.07.2020) (xi) Smt. Suman Kalra (Company Secretary)

**Note 44.1 : Transactions with Key Managerial Personnel**

The remuneration of directors and other members of key management personnel during the year was as follows:

Description	Amount (₹ in Lakhs)	
	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
Short term benefits	228.68	230.99
Post-employment benefits	22.07	18.72
	<b>250.75</b>	<b>249.71</b>
<b>Note 44.2 : Sitting Fees to Independent Directors</b>	<b>6.30</b>	<b>10.95</b>

**Note 44.3 : Transactions with the Government Related entities**

IRCTC is a central public sector undertaking controlled by Central Government by holding majority number of shares. Pursuant to paragraph 25 and 26 of IND-AS 24, entity over which the same Government has control or joint control, or significant influence, then the reporting entity and other entities shall be regarded as related parties. Transactions with these parties are carried out at market terms at Arm Length basis. IRCTC has applied the exemptions available for Government related entities and have made limited disclosure in the financial statements. Such entities with which IRCTC has significant transactions include but not limited to are as follows:-

<b>Name of the Entities:</b>	Government of India, through Ministry of Railway (Significant Influence over company)
	Rail Vikas Nigam Limited (Controlled through Ministry of Railways)
	CRIS (Controlled through Ministry of Railways)
	Railtel Corporation of India Limited (Controlled through Ministry of Railways)

**Certain significant Transactions:-**

S. No.	PARTY	NATURE OF TRANSACTION	Amount (₹ in Lakhs)	
			2020-21	2019-20
1	RAILWAYS	Income from Catering & Comprehensive Services provided Income from On Board Catering & Other Services- Rajdhani/Shatabdi/Premium Trains	8,730.91	51,245.56
2	RAILWAYS	Railway Share on Licensee Catering Services	4,652.85	20,012.52
3	CRIS	Expenditure on Maintenance and Development and Leased Line Expenses for Internet Ticketing	1,385.74	1,315.00
4	CRIS	Income -Integrated 139 and Rail Madad	580.21	217.83
5	RAILWAYS	IVRS Passenger Feedback System	1,005.27	–
6	RAILWAYS	Railway Share on Internet Ticketing Service Charges & Advertisement, Office Rent and Water & Electricity	201.15	99.49
7	RAILTEL CORPORATION OF INDIA LIMITED	Lease Line & Maintenance & Development Expenses	640.31	–
8	RAILWAYS	Haulage Charges on Maharaja Express, Tejas and Other Trains (Refer Note No.	5,356.75	3,582.80
9	RAILWAYS	Reimbursement Against Service Charges	–	3,226.67
10	RAILWAYS	Provision For Doubtful Debts	274.10	–

**Other Disclosures:**

\* Capital Advance of ₹ 780 Lakhs (previous year ₹ 780 Lakhs) to RVNL for Construction of Flats & Land.

\* Capital Advance of ₹ 211.43 Lakhs (previous year ₹ 211.43 Lakhs) to MOR for Construction of Flats & Land

\* In relation to the Internet Ticketing ₹ 50790.58 Lakhs (previous year ₹ 48330.89 Lakhs) deposited with Min. of Railways (MOR).

These transactions are conducted in the ordinary course of the Company's business.

**Note 44.4 : Balances with Joint Venture**

Sr. Particulars No.	Amount (₹ in Lakhs)	
	31/03/2021	31/03/2020
(i) Investments	250.00	250.00
(ii) Impairment in value of investment	250.00	250.00
(iii) Advance Lease Rent	1,741.50	1,741.50
(iv) Lease Rent Receivable	269.08	269.08
(v) Trade Payables	(1,471.71)	(1,471.71)

Impairment in value of investment has been made for IRCTC share of investment i.e. ₹250.00 Lakh as the cumulative losses of RIRTL has wiped out its net worth. Further, the -Balance Sheet of RIRTL for 2011-12 to 2020-21 have not been finalized pending dispute with M/s Cox and Kings (India) Ltd.

**Note 45 : Financial Reporting of Interest in Joint Ventures**

Company had formed a joint venture company with Cox & Kings Limited with 50-50 equal partnership in the name of Royal Indian Rail Tours India Limited (RIRTL), by virtue of joint venture agreement dated 10th December 2008. However due to issues between the equity partners, IRCTC terminated the agreement with Cox & Kings Limited as on 12th August 2011, and also withdrawn the train from RIRTL.

The Corporation's share of ownership interest, assets, liabilities, income, expenses, contingent liabilities and capital commitments in the joint venture company as at 31st March, 2021 are not available in view of non-finalization of its accounts because of dispute between the parties, due to which the consolidation of Financial Statements as required under Ind AS 110 could not be done. These Financial Statements are the separate financial statements as per Ind AS.

Sr. No.	Name of the Joint Venture Company	% of Corporation's ownership interest	Assets	Liabilities	Income	Expenditure	Contingent Liabilities	Capital Commitments
1	RIRTL	50%	Not available	Not available	Not available	Not available	Not available	Not available

**Note 46 : Impairment of Assets**

IRCTC has made an assessment on 31st March, 2021 for any indication of impairment in the carrying amount of IRCTC's Property, Plant & Equipment (PPE), Intangibles and ROU assets. On the basis of such assessment, in the opinion of the management no provision for the impairment of Property, Plant & Equipment and intangible assets of IRCTC is required to be made during the year.

Further in the impairment assessment of the ROU Assets, all the assets are stated at less than its recoverable value except the Tejas express (Lucknow-New Delhi- Lucknow) trains. Carrying value of the Tejas express (Lucknow) is ₹ 922.69 lakhs and Recoverable amount (i.e. ) value in use discounted at the rate 8.15% is ₹ 799.72 Lakhs which resulted in recognition of the impairment loss amounting to ₹ 122.97 lakhs during the year on the Right of Use Assets in the Statement of the Profit and Loss.

**Note 47 : Value of Imports calculated on CIF basis by the Company for year 2020-21 in respect of**

Particulars	Amount (₹ in Lakhs)	
	2020-21	2019-20
Capital goods	NIL	NIL

**Note 48 : Expenditure in Foreign Currency**

Nature of Expenses	Amount (₹ in Lakhs)	
	2020-21	2019-20
Foreign Travelling Expenses Directors	-	8.01
Foreign Travelling Expenses-others	-	38.73
Other Expenses	0.61	-
<b>Total</b>	<b>0.61</b>	<b>46.74</b>

## Note 49 : Earnings in Foreign Exchange

Amount (₹ in Lakhs)

Particulars	2020-21	2019-20
Other Income	985.02	4331.61

## Note 50 : Duty Credit License

During F.Y. 2020-21, the duty credit license has been utilized / redeemed for an amount of ₹ 311.15 lakh (previous year ₹ 141.01 lakh) under "Service Exports from India Scheme (SEIS)". This is net of discount of ₹ 13.30 lakh and ₹ 6.03 lakh respectively for FY 2020-21 and 2019-20.

## Note 51 : Corporate Social Responsibility Expenditure

- (a) Gross amount required to be spent by the Company during the year is ₹ 1044.00 lakhs.
- (b) Amount approved by the Board to be spent during the year ₹ 1247.16 Lakhs.
- (c) Details of amount spent during the year :-

Amount (₹ in Lakhs)

Sr. Particulars No.	2020-21			2019-20		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
(i) Expenditure on Swacch Bharat Kosh & Ganga Rejuvenation Kosh	344.52	–	344.52	253.11	–	253.11
(ii) Expenditure on Education and Health Care	26.61	–	26.61	484.14	–	484.14
(iii) Expenditure on Sanitation, Social Empowerment & Environment	51.68	–	51.68	24.75	–	24.75
(iv) PM Care Fund	650.00	–	650.00	–	–	–
(iv) Others (Supply of Railneer & Community meal etc.)	174.35	–	174.35	5.00	–	5.00
<b>Total</b>	<b>1247.16</b>		<b>1247.17</b>	<b>767.00</b>		<b>767.00</b>
Less: Excess over requirement of ₹ 1044 Lakhs shown as an asset	203.16	–	203.16	–	–	–
<b>Amount shown in Statement of Profit and Loss</b>	<b>1044.00</b>	<b>–</b>	<b>1044.01</b>	<b>767.00</b>	<b>–</b>	<b>767.00</b>

Note: IRCTC has spent an amount of ₹ 203.16 Lakh in excess of the amount to be spent as per the statutory requirement under Companies Act, 2013 and hence, IRCTC has decided to carry forward the excess amount to next financial year for adjustment as per the rules and shown as an asset in note no.12 i.e. "Other Current Assets".

## Note 52 : Prior Period Items

### Note 52.1 : Prior Period Transactions are as follows:

Amount (₹ in Lakhs)

Nature	2020-21
Advertisement Expenses	2.52
Business Development/Marketing Exp.	3.57
COMMUNICATION EXPENSES	5.03
Contractual Fines & Penalties received	(9.54)
Contribution to Provident Fund, Leave Encashment and Other Funds	(0.06)
Conveyance Expenses	1.43
DEPARTMENTAL CATERING	5.80



## Note 52 : Prior Period Items (Contd..)

Nature	Amount (₹ in Lakhs)
	2020-21
ELECTRICITY & WATER	14.35
Expenses of Maharaja Express	(2.38)
EXPENSES OF STATE TEERTHA	21.78
Food Inspection Expenses	0.81
Freight Outward & CFA Charges	(1.30)
INCOME FROM LICENSE FEE	640.98
Income from License Fee-Food Plaza	531.20
LEGAL & PROFESSIONAL CHARGES	19.41
License Fee	12.72
License Fee - Railneer	10.72
License Fee-Land	17.09
MAHARAJA EXPRESS REVENUE	30.91
Maintenance & Other Charges	32.52
Miscellaneous Expenses	1.55
OFFICE RENT	(4.60)
On Board Catering & Other Charges - Rajdhani & Shatabdi/Premium Trains	6.25
Other Direct Expenses (Catering)	(31.45)
Printing and Stationary	1.30
Purchase – Non–Railway Catering	19.32
Purchase of PD/Cooked food items for resale	0.35
Repair & Maintenance - Others (Railneer)	5.46
Repair Maintenance & other*	10.43
Salaries, Wages & Bonus	7.02
STAFF WELFARE EXPENSES	0.10
Tourism & Train Operation	(3.13)
TRAVELLING EXPENSES	0.88
ELECTRICITY & WATER	(8.79)
FOOD INSPECTION EXPENSES (CATERING)	(1.12)
Income from Catering & Comprehensive Services provided Income from On Board Catering & Other Services- Rajdhani/Shatabdi/Premium Trains	(85.72)
INCOME FROM CONCESSION FEE	0.87
INCOME FROM STATE TEERTHA	50.43
Miscellaneous Income	(20.91)
NON-RAILWAY BUSINESS	3.52
REVENUE-MAHARAJA EXPRESS	(0.72)
COMMISSION PAID	74.36
INTEREST ON INCOME TAX	241.56
Tourism & Train Operation (EXPENSES)	(67.31)
CUSTOMER SATISFACTION SURVEY EXP	(114.00)
PROVISION FOR INCOME TAX	(221.56)
Depreciation on Rights of use Assets	27.24
Interest Expense on Lease Liability	6.66
Duties, Rates & Taxes	264.10
Deferred tax Impact	(100.03)
<b>Total</b>	<b>1,399.60</b>

## 52.2 : Correction of Prior Period transactions with impact on profit.

Note 52.2.1 : Impact on Balance Sheet Items is as follows

Line Items	Amount (₹ in Lakhs)		
	Impact on 2019-20	Prior to 1st April 2019	Total
Trade Receivables	(1,106.58)	(42.04)	-1,148.62
Other Current Financial assets	–	–	–
Right of Use Assets	129.62	–	129.62
Deferred tax Assets	100.03	–	100.03
Current tax Assets (Net)	(241.56)	326.14	84.58
<b>Total Assets</b>	<b>(1,118.49)</b>	<b>284.10</b>	<b>(834.39)</b>
Trade Payables	76.06	16.82	92.88
Other Current Financial Liabilities	49.11	(108.98)	–59.87
Other Non Current Financial Liabilities	163.52	–	163.52
Other Current Liabilities	66.12	197.98	264.10
Current Tax Liability (Net)	70.55	34.03	104.58
<b>Total Liability</b>	<b>425.36</b>	<b>139.85</b>	<b>565.20</b>
<b>Net Assets (Equity)</b>	<b>-1,543.85</b>	<b>144.26</b>	<b>-1,399.60</b>

### 52.2.2

Nature	Amount (₹ in Lakhs)	
	2019-20	
Advertisement Expenses	2.25	
Business Development/Marketing Exp.	3.57	
COMMUNICATION EXPENSES	5.03	
Contractual Fines & Penalties received	(9.44)	
Contribution to Provident Fund, Leave Encashment and Other Funds	(0.06)	
Conveyance Expenses	1.43	
DEPARTMENTAL CATERING	5.80	
ELECTRICITY & WATER	14.24	
Expenses of Maharaja Express	(2.38)	
EXPENSES OF STATE TEERTHA	17.62	
Food Inspection Expenses	0.81	
Freight Outward & CFA Charges	(1.30)	
INCOME FROM LICENSE FEE	642.21	
Income from License Fee-Food Plaza	531.20	
LEGAL & PROFESSIONAL CHARGES	14.76	
License Fee	0.05	
License Fee - Railneer	10.72	
License Fee-Land	17.09	
MAHARAJA EXPRESS REVENUE	30.91	
Maintenance & Other Charges	32.52	
Miscellaneous Expenses	1.55	
OFFICE RENT	(4.60)	
On Board Catering & Other Charges - Rajdhani & Shatabdi/Premium Trains	6.25	
Other Direct Expenses (Catering)	(31.45)	
Printing and Stationary	1.30	
Purchase – Non–Railway Catering	19.32	
Purchase of PD/Cooked food items for resale	0.35	
Repair & Maintenance - Others (Railneer)	5.46	
Repair Maintenance & other*	10.43	
Salaries, Wages & Bonus	7.02	
STAFF WELFARE EXPENSES	0.10	

## Note 52 : Prior Period Items (Contd..)

Nature	Amount (₹ in Lakhs)	
	2020-21	2019-20
Tourism & Train Operation		(66.39)
TRAVELLING EXPENSES		0.88
ELECTRICITY & WATER		(8.79)
FOOD INSPECTION EXPENSES (CATERING)		(1.12)
Income from Catering & Comprehensive Services provided		(85.72)
Services- Rajdhani/Shatabdi/Premium Trains		
INCOME FROM CONCESSION FEE		0.87
INCOME FROM STATE TEERTHA		50.43
Miscellaneous Income		(1.01)
NON-RAILWAY BUSINESS		3.52
REVENUE-MAHARAJA EXPRESS		(0.72)
COMMISSION PAID		74.36
INTEREST ON INCOME TAX		241.56
Tourism & Train Operation (EXPENSES)		(67.32)
Depreciation on Rights of use Assets		27.24
Interest Expense on Lease Liability		6.66
Duties, Rates & Taxes		66.12
Deferred tax Impact		-100.03
PROVISION FOR INCOME TAX		70.55
<b>Net impact</b>		<b>1,543.85</b>
<b>Profit before Tax</b>		<b>1,543.85</b>

### 52.2.3 Impact of Prior Period Errors in Earning Per Share (Basic & Diluted):

Year	Amount (₹ in Lakhs)	
	2020-21	2019-20
Impact on Profit attributable to Equity Share Holders (₹ in Lakhs)	1,399.60	(1,543.85)
Weighted average nos. of Equity Shares (In Lakhs)	1,600.00	1,600.00
Impact on Earnings Per Share (Basic & Diluted)	0.87	-0.96

## Note 53 : Bank Balances other than Cash & Cash Equivalents

IRCTC has availed overdraft facility for ₹ 10,000 Lakhs (previous year ₹ 10,000 Lakh) from State Bank of India against fixed deposit of ₹11,892.52 Lakhs (previous year ₹11,200 Lakhs). The OD facility shall be availed @ 0.25% higher than the interest rate on fixed deposit for the period for which OD is being availed. Fixed deposits to that extent are under lien.

## Note 54 : Railway Share

License fees / service charges are shown at gross value and corresponding share paid/payable to Indian Railways have been shown as expense under note no. 27, 28 & 29.

## Note 55 : Capital Advances For Flats & Land

The following amounts were paid for Purchase/construction of flats and land which are still pending as on date:-

- ₹ 211.43 lakh paid to Indian Railways in the year 2002-03/2006-07.
- ₹ 342.00 lakh to RVNL in the F.Y. 2010-11.
- ₹438 Lakhs to RVNL for type V/type VI Flats near Safdarjung Railway Station New Delhi in the FY 2018-19. - ₹671.63 Lakhs for purchase of 06 flats from AIR INDIA LTD
- ₹ 1275.00 Lakhs and ₹ 61.48 Lakhs for purchase of land at Kevadia and Bhubeneshwar respectively for Hotel.

## **Note 56 : Reimbursement against Service Charges for Internet Ticketing from Railway**

W.e.f. 22nd November, 2016, the Government of India through Ministry of Railways, in the public interest had waived off the service charges charged by IRCTC from passengers for booking of online train tickets. Therefore, the IRCTC is not charging any amount towards the service charges from the passengers. The IRCTC is incurring operating expenses such as up gradation and maintenance cost of server, manpower deputed to maintain the server and other incidental cost. IRCTC has received a sum of Nil (previous year - ₹ 3226.67 Lakh) from Ministry of Railways towards the operating cost incurred by IRCTC for providing e-ticketing facilities to the passengers.

However, w.e.f. 01st September, 2019, as against the erstwhile “Service Charges”, IRCTC has again started charging a “Convenience Fee” from the passengers on booking of Rail Tickets through website of IRCTC as approved by the Board of Directors in accordance with the guidelines from the Ministry of Railways. No Railway share is payable on such convenience fee.”

## **Note 57 :**

Company had received ₹ 1200 lakhs from Ministry of Tourism for Manufacturing of 3 Class Coaches on cost to cost basis out of which balance of ₹ 121.66 Lakhs is refundable to Ministry of Tourism.

## **Note 58 : Segment Reporting**

The CODM & Manager for corporate planning examines the business performance on the basis of the nature of the services rendered by the company, organization structure & internal reporting system and has identified five reportable segments of its business as follows.

- Catering
- Railneer
- Tour & Train Operation
- State Teertha
- Internet Ticketing.

The corporation caters mainly to the needs of the domestic market. As such there are no reportable geographical segments.

The accounting principles used in the preparation of the financial statements is consistently applied to record revenue & expenditure in individual segments, as set out in the note of significant accounting policies.

Revenue and direct expenses in relation to segment are allocated based on items that are individually identifiable to the respective segment while the remainder of the costs are categorized as unallocated expenses. The management believes that it is not practical to provide segment disclosure to these expenses and accordingly these expenses are separately disclosed as unallocated and adjusted only against the total income of the Corporation. The overall percentage of such unallocable expenses to total revenue is not material.

Assets and Liabilities used in the company's business are not identified to any of the reportable segments as these are used interchangeably between segments. The company believes that it is currently not practicable to provide segmental disclosure relating to total assets and liabilities since a meaningful segregation of the available data could be onerous.

## Segment Reporting

Amount (₹ in Lakhs)

Particulars	Catering		Railneer		Internet Ticketing		Tourism & Train Operations		State Teertha		Elimination		Total	
	Year ended March 2021	Year ended March 2020	Year ended March 2021	Year ended March 2020	Year ended March 2021	Year ended March 2020	Year ended March 2021	Year ended March 2020	Year ended March 2021	Year ended March 2020	Year ended March 2021	Year ended March 2020	Year ended March 2021	Year ended March 2020
	Revenue													
Sale of products	1,987.52	3,154.83	5,603.97	21,834.47	-	-	-	-	-	-	-	-	7,591.49	24,989.00
Sale of services	20,351.87	100,166.77	111.84	331.99	44,855.55	61,980.45	5,384.84	29,523.53	-	9,408.95	-	-	70,704.10	201,411.69
Other Operating Income	1.49	0.92	7.95	29.76	-	-	-	-	-	-	-	-	9.44	30.68
Inter-Segment Sales			1,701.22	1,592.68	-	-	-	-	-	-	(1,701.22)	(1,592.68)	-	-
Other Income	6,871.8	1,588.77	174.69	379.76	825.29	250.75	105.89	234.08	-	34.77	-	-	1,793.05	2,488.13
Interest and Dividend Income			-	-	-	-	-	-	-	-	-	-	6,770.60	5,321.60
<b>Total Revenue</b>	<b>23,028.06</b>	<b>104,911.29</b>	<b>5,898.45</b>	<b>22,575.68</b>	<b>45,680.84</b>	<b>62,231.20</b>	<b>5,490.73</b>	<b>29,757.61</b>	<b>9,443.72</b>	<b>9,443.72</b>	<b>-</b>	<b>-</b>	<b>86,868.68</b>	<b>234,241.10</b>
<b>Segment Results</b>	<b>(9,270.38)</b>	<b>10,698.70</b>	<b>(748.90)</b>	<b>5,136.41</b>	<b>32,665.71</b>	<b>49,258.70</b>	<b>(7,267.93)</b>	<b>995.09</b>	<b>1,436.41</b>	<b>1,436.41</b>	<b>-</b>	<b>-</b>	<b>22,149.11</b>	<b>72,846.91</b>
Unallocated Corporate Income														
Unallocated Corporate Expenses														
<b>Operating Profit</b>	<b>(9,270.38)</b>	<b>10,698.70</b>	<b>(748.90)</b>	<b>5,136.41</b>	<b>32,665.71</b>	<b>49,258.70</b>	<b>(7,267.93)</b>	<b>995.09</b>	<b>1,436.41</b>	<b>1,436.41</b>	<b>-</b>	<b>-</b>	<b>22,149.11</b>	<b>72,846.91</b>
Exceptional Items	840.50	34.68	213.22	3.90	2,656.56	9.00	229.54	62.45	1.37	1.37	-	-	3,939.81	111.40
<b>Profit Before Tax</b>	<b>(8,429.88)</b>	<b>10,733.38</b>	<b>(535.68)</b>	<b>5,140.32</b>	<b>35,322.27</b>	<b>49,267.69</b>	<b>(7,038.39)</b>	<b>1,057.53</b>	<b>1,437.78</b>	<b>1,437.78</b>	<b>-</b>	<b>-</b>	<b>26,088.92</b>	<b>72,958.31</b>
Income Taxes													7,098.80	21,647.56
<b>Net Profit</b>	<b>(8,429.88)</b>	<b>10,733.38</b>	<b>(535.68)</b>	<b>5,140.32</b>	<b>35,322.27</b>	<b>49,267.69</b>	<b>(7,038.39)</b>	<b>1,057.53</b>	<b>1,437.78</b>	<b>1,437.78</b>	<b>-</b>	<b>-</b>	<b>18,990.12</b>	<b>51,310.76</b>
<b>Other Dislosures</b>														
Interest Expenses	161.35	445.89	41.33	95.24	320.07	262.46	292.23	132.04	39.98	39.98	-	-	814.98	975.60
Depreciation	565.63	613.98	1,107.22	1,039.18	1,439.97	1,278.44	1,515.60	1,043.74	45.74	45.74	-	-	4,628.42	4,021.07
Unallocable Corporate Depreciation														
<b>Total Depreciation</b>	<b>565.63</b>	<b>613.98</b>	<b>1,107.22</b>	<b>1,039.18</b>	<b>1,439.97</b>	<b>1,278.44</b>	<b>1,515.60</b>	<b>1,043.74</b>	<b>45.74</b>	<b>45.74</b>	<b>-</b>	<b>-</b>	<b>4,628.42</b>	<b>4,021.07</b>

### Note:

1. IRCTC is mandated to carry out unbundling by creating a distinction primarily between food preparation and food distribution, thus Departmental and Licensee Segments has been combined. (Catering includes Departmental, Non-Railway Catering & Licensee Catering)
2. Inter-segment sales are not taken into total revenue.
3. Assets and Liabilities used in the company's business are not identified to any of the reportable segments as these are used interchangeably between segments. The company believes that it is currently not practicable to provide segmental disclosure relating to total assets and liabilities since a meaningful segregation of the available data could be onerous.
4. Previous year figures have been re-arranged /regrouped and re-casted, where ever necessary to make them comparable with the current year figures.

## Note No 59 : Disclosure under Ind AS-115 on Revenue from contracts with Customers

### (a) Disaggregation of revenue

(i) Below is the disaggregation of the Company's revenue from contracts with customers: Type of Products and Service Wise

Type of goods or service	Amount (₹ in Lakhs)	
	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
Sale of Products	7,591.49	24,989.00
Sale of Service-		
i) Internet Ticketing	44,855.55	61,980.45
ii) Income From Catering Services	8,730.91	51,245.56
iii) Income from Concession Fee, License Fee etc.	11,620.96	48,921.21
iv) Tour & Train Operation	5,384.84	38,932.48
v) Railneer License Fee	111.84	331.99
vi) Other Operating Income	9.44	30.68
<b>Total</b>	<b>78,305.03</b>	<b>226,431.37</b>

(ii) Below is the disaggregation of the Company's revenue from contracts with customers: Segment Wise

Segment Wise	Amount (₹ in Lakhs)	
	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
Catering	23,028.06	104,911.29
Railneer	5,898.45	22,575.68
Internet Ticketing	45,680.84	62,231.20
Tour & Train Operation	5,490.73	29,757.61
State Teerath	-	9,443.72
<b>Total</b>	<b>80,098.08</b>	<b>228,919.50</b>

(b) Revenue from segment reporting is ₹ 80,098.07 Lakhs (₹ 228,919.51 Lakhs in F.Y 2019-20).

(c) The Company has applied modified retrospective approach for the application of Ind AS 115 "Revenue from contracts with customers" and the effect is ₹ 514.24 lakhs on retained earnings as at April 1, 2019.

Particulars	Amount (₹ in Lakhs)
	Amount
Retained Earnings As on 01-04-2019	74,774.41
Less: Impact due to Ind AS-115	-514.24
Restated Retained Earnings as on 01-04-2019	74,260.17

Integration Charges payable by the Principal Service Provider to IRCTC for registration and integration with IRCTC for reserved rail e-ticketing service has been recognized over the contractual period in which the parties to the contract have present enforceable rights and obligations.

### (d) Contract balances

Contract balances	Amount (₹ in Lakhs)	
	March 31, 2021	March 31, 2020
Trade receivables (Note 10.1)	54,004.83	77,792.64
Contract assets	-	-
Contract liabilities (Note 19)	12,692.24	20,385.98

(i) Trade receivables are non-interest bearing and the customer profile include Ministry of Railways, Government of India, public sector enterprises etc. The Company's average project execution cycle is upto 12 months.



**Note No 59 : Disclosure under Ind AS-115 on Revenue from contracts with Customers (Contd..)**

- (ii) Contract assets is recognised over the period in which services are performed to represent the Company's right to consideration in exchange for goods or services transferred to the customer. Any amount previously recognised as a contract asset is reclassified to trade receivables on satisfaction of the condition attached i.e. future service which is necessary to achieve the billing milestone.

Particulars	Amount (₹ in Lakhs)	
	March 31, 2021	March 31, 2020
Contract Asset at the beginning of the year	—	—
Transfer from Contract Asset to Trade Receivable and increase as a result of changes in measure of progress	—	—
Contract Asset at the end of the year	—	—

- (iii) Contract liabilities represents the amount received as advance from Customers related to Unexpired concession fee, Unexpired License fee, Unexpired User Charges, Unexpired Integration Charges & advances against the package tour

Particulars	Amount (₹ in Lakhs)	
	March 31, 2021	March 31, 2020
Contract Liabilities at the beginning of the year	20,385.98	19,150.60
Contract Liabilities at the end of the year*	12,692.24	20,385.98

\* Reduction in Contract Liability is due to refunds given for advances received from Customers related to Unexpired concession fee, Unexpired License fee, advances against the package tours and on account of short term licensee contract for operation of special trains instead of long term licensee contract entered earlier.

**Notes 60 : Capital management**

The company objective to manage its capital in a manner to ensure and safeguard their ability to continue as a going concern so that company can continue to provide maximum returns to share holders and benefit to other stake holder Company does not have any borrowings as at 31st March 2021.

Further, company manages its capital structure to make adjustments in light of changes in economic conditions and the requirements of the financial covenants. No changes were made in the objectives, policies or processes of managing capital during the year ended 31st March 2021.

**Note 61 : Fair Value measurements****(i) Financial Instruments by Category**

Particulars	Amount (₹ in Lakhs)					
	As at 31 <sup>st</sup> March 2021			As at 31 <sup>st</sup> March 2021		
	FVTPL*	FVTOCI**	Amortized Cost	FVTPL*	FVTOCI**	Amortized Cost
<b>Financial Assets</b>						
(i) Investment	—	—	0.32	—	—	0.32
(ii) Security Deposits	—	—	1,144.19	—	—	1,207.05
(iii) Trade Receivables	—	—	54,004.83	—	—	77,792.64
(iv) Cash and Cash Equivalents	—	—	34,502.41	—	—	59,739.41
(v) Bank Balances other than Cash & Cash Equivalents	—	—	11,547.15	—	—	69,903.38
(vi) Others	—	—	10,308.60	—	—	14,806.89
<b>Total Financial Assets</b>	<b>—</b>	<b>—</b>	<b>211,507.50</b>	<b>—</b>	<b>—</b>	<b>223,449.69</b>
<b>Financial Liabilities</b>						
(i) Security Deposits	—	—	11,496.39	—	—	13,543.41
(ii) Earnest Money Deposit	—	—	3,969.59	—	—	4,272.24
(ii) Trade payables	—	—	18,030.96	—	—	17,046.68
(iii) Lease Liabilities	—	—	7,784.88	—	—	7,923.44
(iv) Others	—	—	47,910.71	—	—	54,567.27
<b>Total Financial Liabilities</b>	<b>—</b>	<b>—</b>	<b>89,192.53</b>	<b>—</b>	<b>—</b>	<b>97,353.04</b>

\*Fair Value through Profit & Loss

\*\*Fair value through Other Comprehensive Income

## Note 61 : Fair Value measurements (Contd..)

### (ii) Assets and liabilities which are measured at amortized cost for which fair values are disclosed.

Amount (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2021		As at 31 <sup>st</sup> March 2021	
	Carrying Value	Fair value	Carrying Value	Fair value
<b>Financial Assets</b>				
Security Deposit	1,144.19	1,144.86	1,207.05	1,165.61
<b>Total Financial Assets</b>	<b>1,144.19</b>	<b>1,144.86</b>	<b>1,207.05</b>	<b>1,165.61</b>
<b>Financial Liabilities</b>				
Security Deposit	11,496.39	11,615.31	13,543.41	13,118.18
Lease Liabilities	7,784.88	7,784.88	7,923.44	7,923.44
<b>Total Financial Liabilities</b>	<b>19,281.27</b>	<b>19,400.19</b>	<b>21,466.85</b>	<b>21,041.62</b>

- The carrying amounts of trade receivables, trade payables, Short term Security Deposit, cash and cash equivalents and other short term receivables and other payables are considered to be same as their fair values, due to short term nature.
- The fair value of long term security deposits were calculated on the cash flows discounted using current market rate of fixed deposits. They are classified as level-3 of fair values hierarchy due to inclusion of unobservable inputs.

#### Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e.derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis and at amortised cost

#### Quantitative disclosures fair value measurement hierarchy for financial assets as on 31 March 2021:

Amount (₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial assets measured at Amortised Cost for which fair value are disclosed:				
Security Deposit	–	–	1,144.86	1,144.86
	–	–	<b>1,144.86</b>	<b>1,144.86</b>

#### Quantitative disclosures fair value measurement hierarchy for financial liabilities as on 31 March 2021:-

Amount (₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial liabilities measured at Amortised Cost for which fair value are disclosed:				
Security Deposit	–	–	11,615.31	11,615.31
Lease Liabilities	–	–	7,784.88	7,784.88
	–	–	<b>19,400.19</b>	<b>19,400.19</b>

#### Quantitative disclosures fair value measurement hierarchy for financial assets as on 31 March 2021 :-

Amount (₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial assets measured at Amortised Cost for which fair value are disclosed:				
Security Deposit	–	–	1,165.61	1,165.61
	–	–	<b>1,165.61</b>	<b>1,165.61</b>

## Note 61 : Fair Value measurements (Contd..)

Quantitative disclosures fair value measurement hierarchy for financial liabilities as on 31 March 2020:-

Particulars	Amount (₹ in Lakhs)			Total
	Level 1	Level 2	Level 3	
Financial liabilities measured at Amortised Cost for which fair value are disclosed:				
Security Deposit	–	–	13,118.18	13,118.18
Lease Liabilities	–	–	7,923.44	7,923.44
	–	–	<b>21,041.62</b>	<b>21,041.62</b>

## Note 62 : Financial Risk Management

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the company's operations and to provide guarantees to support its operation. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The company financial risk activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with the companies policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risk, which are summarized below:-"

### a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises Interest rate risk and foreign currency risk. Financial instruments affected by market risk includes loans and borrowing, deposits and other non derivative financial instruments.

#### i) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate. The company manages its interest risk in accordance with the companies policies and risk objective. Financial instruments affected by interest rate risk includes deposits with banks. Interest rate risk on these financial instruments are very low as interest rate is for the period of financial instruments.

#### ii) Foreign Currency Risk

The company operated internationally and is exposed to foreign currency risk arising form foreign currency transactions. Company does not hedge any foreign currency risk.

### b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customer. The company is exposed to credit risk from its financial activities including trade receivable, deposits with banks, financial institutions and other financial instruments. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factor

### c) Financial Instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed in accordance with the company's policy. Investment of surplus are made only with approved counterparty on the basis of the financial quotes received from the counterparty.

### d) Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they become due. The company manages its liquidity risk by ensuring , as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the company's reputation.

## Note 62 : Financial Risk Management (Contd..)

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has no bank borrowings. The company believes that the working capital is sufficient to meet its current operational requirements. Any short term- surplus cash generated, over and above the amount required for working capital management and other operational requirements, are retained as cash and investment in short term deposits with banks. The said investments are made in instruments with appropriate maturities and sufficient liquidity.

## Note 63 : Allowances for Expected Credit Loss

Amount (₹ in Lakhs)

Particulars	Upto 3 year	More than 3 less than 5	More than 5 years	Defaulted	Total
Railways/ Government	Gross carrying amount	34,021.11	5,870.76	3,252.91	3,440.72
	Expected credit rate	0%	0%	50%	100%
	Expected credit losses (Loss provision Allowance)	–	–	1,626.46	3,440.72
	Gross carrying amount of trade receivables	34,021.11	5,870.76	1,626.46	–
Non-Railways/Non- Government	Gross carrying amount	9,048.07	1,432.45	2,285.83	4,690.17
	Expected credit rate	0%	25%	50% & 70%	100%
	Expected credit losses (Loss provision Allowance)	–	358.11	1,502.18	3,109.73
	Gross carrying amount of trade receivables	9,048.07	1,074.34	783.65	1,580.44

- The ECL provision on disputed receivables for WVM contract , in the event of non realization of claim from the licensee at the time of due settlement, liability to pay corresponding 40% Railways share shall also lapse. Hence, the provision as been made on 60% of the amount receivable by the company.
- The ECL provsion on undisputed receivable from Private party has been provided @70% on ₹ 1798.83 lakhs & 50% on ₹ 487 lakhs on old Payment gateway
- Disputed Receivables upto 3 years, includes outstanding claimes from Licensee's pertaining to increased license fee on sales assessment, on Tea and Coffee serving and hike in meal tariff rate. That in the event of non realization of claim from the licensee at the time of dipute settlement, liability to pay corresponding 45% Railways share (including maintenance charges) shall also lapse. Hence the Provision has been made on 55% of the amount receivable by the company.

## Note 64 : Estimates and assumptions

The followings are the key assumptions concerning the future, and the key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within next financial year.

### a) Fair valuation measurement and valuation process

The fair values of financial assets and financial liabilities are measured using the valuation techniques including DCF model. The inputs to these methods are taken from observable markets where possible, but where this it is not feasible, a degree of judgement is required in arriving at fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### b) Taxes

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which losses can be utilized Significant management judgement is required to determine the amount of deferred tax asset that can be recognized, based upon the likely timing and level of future taxable profit together with future tax planning strategies.

## Note 64 : Estimates and assumptions (Contd..)

### c) Defined benefit Obligations

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date

### d) Useful lives of property, plant and equipment

The estimated useful lives of property, plant and equipment is as given in the note no 2(n). Estimated useful lives of property, plant and equipment are based on number of factors including the effects of obsolescence, demand, competition, and other economic factors. The Company reviews the useful life of property, plant and equipment at the end of each reporting date.

### e) Leases

Company uses its judgement in determining whether or not contract contains a lease, extension option of the lease agreement and termination option of the lease agreement will be exercised or not. Further company uses estimation in calculating the appropriate discount rate to use and lease term of the leases. The land on lease from the railways have no defined lease term period and are likely to continue. In the absence of any defined term, a period of 10 Years have been taken as future lease term effective as on date of transition of IND-AS 116.

## Note 65 : Train Operations

Corporation is engaged in the operations of the trains received from the Zonal railways on haulage charge principle basis. The income from the operations of the special train includes the basis fare collected from the passengers, catering charges and other charges as fixed by the Company. The income from operations of trains is recognized over the period of time of the operations of the train as per the requirement of the Ind AS-115.

## Note 66 : Ticket Deposit Receipt Refund (TDR) Cases

The TDR refund is made by the Company to the passengers after receipt of the same from Indian Railway. As on 31st March 2021, number of cases pending were 14101 (previous year 49480) with value of ₹ 153.91 lakhs (Previous year 482.07 Lakh).

## Note 67 : Railneer Plants on PPP Model

In addition to 5 nos. of self operated Rail Neer Plants, the company had decided to set up 15 nos. of Rail Neer Plants at various locations on PPP model. Out of these 15 plants, 9 plants are in operation and other 6 Rail Neer plants will start in coming years. For these plants, a capital support will be provided by IRCTC to the contractors as per the contract agreement with the respective plant operators.

## Note 68 :

The company has incurred Total Capital Expenditure of ₹ 7734.12 lakhs including CWIP and Capital Advances but excluding ROU assets ( previous year ₹3530.25 lakhs) .

## Note 69 :

The company does not foresee any financial liability with regards to the CBI Enquiry against the Ex-Railway Minister involving the Ex-Senior Official of IRCTC as per reports in the media.

## Note 70 :

Reconciliation of GST input amounting to ₹ 1735.45 Lakhs shown under Note No.12 "Other Current Assets" as at 31st March, 2021 is subject to its modification/amendment on reconciliation with GST portal.

## Note 71 :

The employee advances are paid to avoid genuine employee hardships to meet official expenses. The expenses are reimbursed to the employees separately subsequently. Accordingly although the advance are non-refundable until employment the same have not be discounted and deemed as current in nature.

## Note 72 :

IRCTC has entered into in agreement with private parties “the operator” wherein operator is responsible for Set Up (Building & Plant Machinery), Operation and Maintenance of water treatment Plant on the land owned by IRCTC against consideration for procurement of Rail Neer, CFA and Transportation services by IRCTC. Terms of agreement provides that at the end of contract period the commissioned assets at plant along with building shall be transferred to IRCTC. That since the contract for such O & M Contractor is tendered and selection is made based on commercial bids, in absence of sufficient information to ascertain the additional consideration towards cost of building and plant and conservative approach, assets has not been recognized. Accordingly such assets shall be accounted for in the books of accounts based on technical assessment at the time of takeover .

## Note 73 :

That Licensee Fee as per Note No 27, includes contingent provision of 25 % Railway Share ( 15% as per Circular 36/2015 ) against license fee received on Water Vending Machines, pending clarification from the railway board under the Catering Policy 2017.

## Notes 74 : Leases

### Disclosure as required by Ind AS 1 “Presentation of Financial Statements”

#### Changes in significant accounting policies:

Policy of ‘Leases’ has been modified in the significant accounting policies due to the applicability of Ind AS 116 “Leases” during the F.Y 2019-20

Ind AS 116 was notified with effect from April 1, 2019 which replaces Ind AS 17. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of April 1, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. **The Company elected to use the transition practical expedient not to reassess whether contract is or contains lease at April 01, 2019.** Instead, the Company applied the standards only to contracts that were previously identified as leases applying Ind AS 17.

The Company has lease contracts for land, Building, and vehicles . Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases except for short-term leases. The standard provides specific transition requirements and practical expedients, which have been applied by the Company.

#### Leases previously classified as finance leases

The Company did not change the initial carrying amounts of recognised assets at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets equal the lease assets recognised under IAS 17). The requirements of Ind AS 116 were applied to these leases from April 01, 2019

#### Leases previously accounted for as operating leases

The Company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases. The lessee recognizes a lease liability measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate at the date of initial application and correspondingly measured the right-of-use asset at an amount equal to the lease liability, adjusted for previously recognized prepaid or accrued lease payments.



## Notes 74 : Leases (Contd..)

The Company also applied the available practical expedients wherein it:

- (i) Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- (ii) Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application and the total lease term is less than 12 months
- (iii) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- (iv) Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

The difference between the lease obligation under the Ind AS-17 and value of the lease liability as on the date of transition is primarily is on account of extension and termination option reasonably certain to exercised in measuring the lease liability in accordance to the Ind AS-116 and discounting of the lease liabilities to the present value under the Ind AS-116.

That in the absence of any borrowing made by company the weighted average incremental borrowings rate applied to lease liabilities as at 1st April, 2019 is taken at 8.15% p.a.

## Notes 75 : Leases

### a) Company as a Lessee

The Company as a lessee has entered into various lease contracts, which includes lease of land, office space, and vehicles. Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

The Company also has certain leases of offices and guest house with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

### Right of Use Assets

The carrying amounts of right-of-use assets recognised and the movements during the year are disclosed in Note 5B.

### Lease Liabilities

Set out below are the carrying amounts of lease liabilities recognised and the movements during the year:

Particulars	Amount (₹ in Lakhs)	
	As at 31st March 2021	As at 31st March 2020
Balance at Opening of the year	7,923.44	–
Addition /Adjustments	–88.22	8600.13
Accredition of interest	626.14	534.31
Payments	676.47	1,211.00
<b>Balance as at the year end</b>	<b>7784.90</b>	<b>7923.44</b>
Current	1,714.63	2,240.28
Non-current	6,070.25	5,683.16

The maturity analysis of the lease liability on an undiscounted basis as on 31st March 2021 are as follows :-

Particulars	Amount (₹ in Lakhs)		
	Less than 1 year	1-2 years	2 year and above
Lease liabilities	2,196.19	1,479.98	4,625.82
	<b>2,196.19</b>	<b>1,479.98</b>	<b>4,625.82</b>

## Notes 75 : Leases (Contd..)

The maturity analysis of the lease liability on an undiscounted basis as on 31st March 2020 are as follows :-

Particulars	Amount (₹ in Lakhs)		
	Less than 1 year	1-2 years	2 year and above
Lease liabilities	2,240.28	2,118.76	6,409.70
	<b>2,240.28</b>	<b>2,118.76</b>	<b>6,409.70</b>

### Amounts recognised in Statement of Profit and Loss

Particulars	Amount (₹ in Lakhs)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
Depreciation expense of right-of-use assets (Refer Note 32)	1,861.48	1,284.87
Interest expense on lease liabilities (Refer Note 31)	626.14	534.31
Expense relating to short-term leases (Refer Note 33)	507.55	593.81
	<b>2995.17</b>	<b>2412.99</b>

The Company has several lease contracts that include extension and termination options. These options are negotiated by management and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Gain/loss from sale and leaseback transactions is not applicable to the Company.

### b) Company as a Lessor

The Company has given its Assets on the leases, details of the same are given under the Note No-5 Investment Property.

Lease Rental recognized as income during the year is ₹ 234.98 Lakh (Previous year ₹ 76.13 Lakhs)

Details of the maturity of lease payment receivables are as follows:-

Particulars	Amount (₹ in Lakhs)	
	As at 31st March 2021	As at 31st March 2020
Not later than one year	92.42	277.27
Later than one year and not later than five years	–	92.42
Later than five years	–	–

## Notes 76 : Tejas and Mahakal Express trains:

Railway Board had mandated IRCTC to operate 02 rakes of Tejas trains and 01 rake of Kashi Mahakal express trains as passenger trains to provide passenger with an option of travelling in premium segment private trains. IRCTC has inaugurated both the trains on 4th Oct, 2019 and 17th Jan, 2020 on the sector Lucknow –New Delhi-Lucknow and Admedabad –Mumbai-Ahmedabad respectively.

In the current financial year 2020-21, both Tejas trains have been run from the month of October, 2020 and stopped due to the COVID -19 pandemic and suspension of passenger's trains services. The representations have been made to Railway Board for waiver of fixed commitments against both Tejas and Kashi Mahakal trains for the non operational period during the financial year 2020-21 due to present pandemic. Railway Board vide letter no TC-II/2910/20/Trains dated 11.5.2021 has only agreed to waive off the component of "loss of paths to Good trains" in calculation and charging of fixed cost for IRCTC passenger trains for non – operational period up to 31.12.2020 and has decided that other charges applicable will remain the same. IRCTC has again requested Railway Board to reconsider waiving off the fixed charges (fixed haulage and Custody charges) amounting to ₹ 2793 Lakhs for non-operational period of the three trains considering it as a force majeure situation , as the lockdown and restriction imposed by Government of India due to COVID-19 pandemic was beyond control of IRCTC. However, IRCTC has made full provision for the fixed charges for both the Tejas trains and Kashi Mahakal express trains train in the Financial Year 2020-21.

## Notes 77 : The Company has applied for advance ruling for following issues for which decision of AAR is still awaited:

1. Reimbursement of Service Charges: The Government of India through Ministry of Railways, in the public interest had waived off the service charges from the passengers for booking of online train tickets through IRCTC's website. The Government of India has reimbursed consolidated amount of ₹ 8000 lakh, 8800 lakh and 3227 lakh for the 2017-18 , 2018-19 and 2019-20(up to July-19) respectively. Section 15 (2) of CGST Act 2017, excludes the amount of reimbursement of expenses received from the Central Government and State Governments from the value of taxable supply, hence the amount received from the Indian Railways being the Central Government towards the reimbursement of expenses incurred for the providing of same should not be charged to GST. Therefore no GST was paid by IRCTC for above reimbursement.
2. Reimbursement of Travel Insurance: The Government of India has decided to provide travel insurance on free of Cost to the passengers who have booked the train ticket through online to promote digitalization. Accordingly, IRCTC provided the Insurance free of Cost for which Ministry of Railway had been reimbursed the travel insurance of ₹ 47 Cr on which no GST was paid by the Company being reimbursement of expenses received from the Central Government.
3. MDR Received from Acquirer Banks. The IRCTC has received ₹ 300 lakh in FY 2019-20 from Acquirer Banks towards its share of MDR charges being rate or fee charged on the merchant service provide ₹ The Company has treated this payment as subsidy and no GST was paid on the aforesaid amount, as subsidy received from Central Government and State Governments shall be excluded from the value of supply and same shall not form part of consideration for the purpose of levying GST.
4. The IRCTC has received pro-rata Licensee fees from Indian Railways for taken over of catering of SBD trains in the terms of Catering Policy, 2017 of ₹ 1385 lakh, ₹ 7058 lakh., ₹ 125 lakh for the years 2017-18, 2018-19 & 2019-20 respectively and no GST was paid on the aforesaid amounts in view of the fact that the GST is not applicable on the aforesaid amount as it was received from Licensee by the Indian Railways prior to Introduction of GST and service tax was not applicable on the grant of licence for payable to Indian Railways as per Finance Act at the time of its receipt. The proportionate amount paid by Indian Railways to IRCTC is towards the remaining part of the tender period which was awarded prior to the implementation of GST. The assigning of licence by Indian Railways to its wholly owned subsidiary i.e. IRCTC does not change the nomenclature of the transaction as the licence has been awarded prior to the implementation of GST. The incidence of tax is the event when the service is provided/supplied to the service recipient. Thus, the Service being "grant of licence" was provided by Indian Railways at the time when the licence was awarded.

## Notes 78 : Status of SBD contracts

In pursuant to the Catering Policy-2017 issued by Ministry of Railways, IRCTC has been mandated to take over the mobile units contracts over Indian Railways. Accordingly, IRCTC has takeover 184 contracts from Zonal Railways by executing tripartite agreement between Zonal Railway, IRCTC and Licensee. As on 31.3.2021 the status of SBD contracts are as under.

		Amount (₹ in Lakhs)
S No.	Particular	No. Of Contract
1	Total no. Of contracts renewed post completion of initial 05 years	120
2	Renewal could not be processed due to suspension of regular train services w.e.f. 22.03.2020	16
	<b>Total</b>	<b>136</b>

Further, pursuant to the instructions issued by Railway Board dated 23.02.2021, IRCTC vide letter dated 02.03.2021 & 04.03.2021 has terminated all the 120 SBD contracts under IRCTC. However, Hon'ble High Court at Madras vide order dated 12.05.2021 had quashed the Railway Board letter dated 23.02.2021 and termination letter dated 02.03.2021 & 04.03.2021 issued by IRCTC.

Railway Board has decided to assail the said order dated 12.05.2021 before the higher court.

## Notes 79 : (Refer Note No.37.6)

- a. Ministry of Railway vide CC-60/2019 dated 14.11.2019 had revised Menu and Tariff of Catering Services on Rajdhani/Shatabdi/Duronto and Standard Meals on Indian Railways which come into force w.e.f. 18.11.2019 for Mail/Express trains. However, the said instructions could not be implemented in Rajdhani/Shatabdi/Duronto trains due to suspension of regular passengers train services by Ministry of Railways, on account of COVID-19 pandemic.

## Notes 79 : (Refer Note No.37.6) (Contd..)

- b. The license fee (LF) is to be revised by IRCTC in Mail/Express trains as per the terms & conditions of the contracts i.e. reassessment of sales (for the period 18.11.2019 to 22.03.2020). However, the reassessment could not be carried out on account of suspension of regular train services as there was a change in the scope of work of catering services post Covid 19 and the assessment under the present contracts was not feasible.
- c. In view of above facts, the IRCTC has decided to increase the License Fee on @15.50 % on quoted license fee for SBD Trains on account of increase of catering tariff for mail express train as per the CC-60/2019 and accordingly all the Licensees were advised to pay the enhanced LF.
- d. M/s Griham Food & Hotel Pvt. Ltd. had filed a W.P. (C) No. 2979/2021 i.e. Indian Railways Onboard Catering Contractors Asso. & Anr. -Vs-The Union of India & 2 ors at Hon'ble Gauhati High Court, wherein Hon'ble High Court passed the following order at Para-19, which is reproduced as under,

Accordingly, while the Railway authorities would be at liberty to dispose of the representation dated 27.05.2021 submitted by the petitioner No. 2 within a period of 2 (two) weeks from today, this Court directs that, in the interim and until further order, the Railway authorities shall not resort to any coercive action against the petitioner No. 2 in terms of the impugned demand notice dated 25.05.2021 read with impugned decision dated 13.05.2021".

- e. As the matter is sub-judice and there is an uncertainty and occurrence is dependent on outcome of certain event in future, the tentative amount of enhanced LF is approx ₹1445 Lakhs based on the average percentage increase in LF after implementation of CC-60/2019 of 15.50 % has not been recognized as revenue and is shown as a Contingent Asset..

## Note 80 :

The World Health Organisation (WHO) declared outbreak of novel Coronavirus (COVID -19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared nationwide lockdowns on March 24, 2020 and ordered temporary closure of non-essential businesses, imposed restrictions on the movement of goods and services, travel etc.

As the nature of business performed by the Company, falls under the non-essential category, further the government has suspended the operation of the train services, which results in the significant impact on the operations of the company.

The Central and State Government have initiated the steps to lift the lockdown and the Company is adhering to the same as it has resumed its activities based on the resources available. The Company has been able to resume some of its operations from the beginning of May in a gradual manner. The Company has taken necessary precautions to ensure the health, safety and wellness of all employees and also put in place all the guidelines as per the Central and State Governments to prevent the spread of COVID-19. The Company expects its operations to reach satisfactory levels once situation normalises post lifting of lockdown.

### Financial performance

The Company believes that for the year 2020-21, there has been significant impact of Covid 19 pandemic on the financial performance of the Company in terms of revenue and profitability of the Company.

### Liquidity

The Company has access to sufficient liquidity for its operation.

The Company expects to recover the carrying amount of its assets comprising property, trade receivables, deferred taxes, other financial and non-financial assets etc. in the ordinary course of business based on information available on current economic conditions.

### Steps taken for smooth functioning

During the lockdown period, the Company has taken various steps towards rethinking the new normal for the business post COVID-19 lockdown. The working at non-critical locations of the Company was streamlined with work from home norms and roster for the employees as per the guidelines issued by the government authorities was finalised. Further, the Company has put in place stringent monitoring processes for COVID-19 ensuring the following:

- Thermal Screening of all employees and visitors
- Sanitizing the premises and vehicles on regular basis

- Maintenance of social distancing at all work places
- Enforcing wearing of masks and regular cleaning of hands
- Regular health updates of all the employees and their families
- Conducting awareness programs regularly for all its employees

#### **Estimation of the future impact of CoVID-19**

Management expects to have reduction in Revenue and Profitability in the FY 2021-22 due to local lockdowns declared by various State Governments, the impact of the lockdowns disruption will have to be assessed from time to time and communicated as we progress during the current financial year. A lot depends on the success of the various pandemic containment efforts being undertaken by the State and Central Governments and Health authorities including vaccination. It is therefore premature to forecast the future impact with credibility at this stage.

The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID 19 situation evolves in India and globally. However, the Company will continue to closely monitor any material changes to future economic conditions. In view of sufficient liquidity, profitability and improvement expected in operations during 2021-22, no major disruption in operations are expected in future and IRCTC expects to continue its operations in future without any material uncertainty.

#### **Note 81 :**

Ministry of Corporate Affairs (MCA), vide its notification dated March 24, 2021, amended Schedule III of the Companies Act, 2013 with effect from April 1, 2021. Management is of the view that since the changes are applicable from April 1, 2021, those are applicable for the financial year commencing from April 1, 2021 and are applicable to Financial statements issued in respect of accounting years commencing on or after April 1st, 2021. Therefore, related disclosures are not considered in these financial statements for the year ended on March 31, 2021.

#### **Note 82 : Exceptional Items**

Exceptional items amounting ₹ 3939.81 Lakhs includes (i) ₹ 2576.18 lakhs being excess provisions for previous years relating to Performance Related Pay (PRP), (ii) ₹ 1005.27 lakhs being claim made on Railways for payment of Passenger Feedback undertaken w.e.f. July ,2015 wherein Railways agreed for claim and (iii) ₹ 358.36 Lakhs (previous year ₹ 111.40 Lakhs) being excess provisions written back for previous years relating to various other expenses.

#### **Note 83 :**

Identification/Reconciliation/Adjustment of legacy items representing old debit and credit balances is in progress.

#### **Note 84 : Approval of Financial Statements**

The financial statements were approved for issue by the Board of Directors on 29th June, 2021.



भारतीय लेखापरीक्षा एवं लेखा विभाग  
प्रधान निदेशक लेखापरीक्षा का कार्यालय  
रेलवे वाणिज्यक ,नई दिल्ली



**INDIAN AUDIT AND ACCOUNTS DEPARTMENT**  
**OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT**  
**RAILWAY COMMERCIAL, NEW DELHI**

4, दीनदयाल उपाध्याय मार्ग, नई दिल्ली 4, Deen Dayal Upadhyaya Marg, New Delhi-110002

संख्या/पी.डी.ए/आर.सी/IRCTC/AA/14-18/2021-22/ 128

दिनांक: 09.09.2021

सेवा में,

अध्यक्ष एवं प्रबंध निदेशक  
11 वी मंजिल, स्टेट्समैन हाउस  
B-148, बाराखम्बा रोड  
नई दिल्ली -110001.

विषय: 31 मार्च 2021 को समाप्त वर्ष के लिए इंडियन रेलवे कैटरिंग एंड टूरिज्म कारपोरेशन लिमिटेड के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143 (6) (b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ ।

महोदय,

मैं, इंडियन रेलवे कैटरिंग एंड टूरिज्म कारपोरेशन लिमिटेड के 31 मार्च 2021 को समाप्त वर्ष के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143 (6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रहा हूँ ।

कृपया इस पत्र की संलग्नको सहित प्राप्ति की पावती भेजी जाए ।

भवदीय,

(के.एस. रामवालिया)  
प्रधान निदेशक (रेलवे वाणिज्यिक)

संलग्न: यथोपरी



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF INDIAN RAILWAY CATERING AND TOURISM CORPORATION LIMITED FOR THE YEAR ENDED 31ST MARCH, 2021**

The preparation of financial statements of **INDIAN RAILWAY CATERING AND TOURISM CORPORATION LIMITED** for the period ended 31st March, 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29th June, 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **INDIAN RAILWAY CATERING AND TOURISM CORPORATION LIMITED** for the period ended 31st March, 2021 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143 (6) (b) of the Act.

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



**(K.S. Ramuwalia)**

**Principal Director of Audit  
Railway Commercial, New Delhi**

**Place: New Delhi  
Dated: 02.09.2021**









**Indian Railway Catering and Tourism Corporation Limited**  
(A Govt. of India Enterprise-Mini Ratna Category-I)

**Registered & Corporate Office**

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**CIN** L74899DL1999GOI101707