



इंडियन रेलवे कॅटरिंग 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-L74899DL1999GOI101707", E-mail : info@irctc.com, Website: www.irctc.com

No. 2019/IRCTC/CS/ST.EX/356

February 13, 2024

<b>BSE Limited</b> 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> "Exchange Plaza", C-1, Block-G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051  <b>Scrip Symbol: IRCTC</b>
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**Sub: Submission of the un-audited Financial Results for the quarter and nine-months ended on December 31, 2023**

**Sir/Madam,**

Pursuant to Regulation 33 of the SEBI (LODR) Regulations, 2015, the Board of Directors of the Company in their 134<sup>th</sup> Board Meeting held on Tuesday, February 13, 2024, *inter-alia* considered and approved the un-audited Financial Results of the Company for the quarter and nine-months ended on December 31, 2023 (after being reviewed and recommended by the Audit Committee).

Kindly find enclosed herewith un-audited Financial Results of the Company alongwith the limited review report for the quarter and nine-months ended on December 31, 2023.

The meeting commenced at 6.15 p.m. and concluded at 7:48 p.m.


The aforesaid information is being made available on the website of the Company i.e. [www.irctc.com](http://www.irctc.com).

This is for your information and record please.

Thanking you,

Yours faithfully,

**For and on behalf of Indian Railway Catering & Tourism Corporation Limited**

  
(Suman Kalra)  
Company Secretary and Compliance Officer  
Membership No.: FCS: 9199



**Encl: As above**



Indian Railway Catering and Tourism Corporation Limited							
CIN : L74899DL1999GOI101707							
REGISTERED & CORP.OFFICE: 11th FLOOR, B-148 , STATESMAN HOUSE, BARAKHAMBA ROAD, NEW DELHI-110001							
STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2023							
S.No.	PARTICULARS	Amount in ₹ Lakhs except EPS					
		Quarter ended			Nine Months ended		Year ended
		31.12.2023 (Unaudited)	30.09.2023 <sup>a</sup> (Unaudited)	31.12.2022 (Unaudited)	31.12.2023 (Unaudited)	31.12.2022 (Unaudited)	31.03.2023 (Audited)
I.	Revenue from operations	1,11,830.22	99,531.77	91,806.43	3,11,540.55	2,57,645.66	3,54,147.29
II	Other Income	4,556.15	4,707.07	3,075.27	13,184.32	8,116.37	12,043.05
III	<b>Total Income (I+II)</b>	<b>1,16,386.37</b>	<b>1,04,238.84</b>	<b>94,881.70</b>	<b>3,24,724.87</b>	<b>2,65,762.03</b>	<b>3,66,190.34</b>
	<b>Expenses</b>						
	Cost of Materials Consumed	1,813.94	1,808.81	1,920.97	5,525.17	5,815.28	7,567.38
	Purchase of Stock-in-Trade	5,042.56	3,924.92	3,412.91	13,920.72	8,967.07	12,068.58
	Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade	55.75	(204.77)	(65.21)	(66.50)	(102.32)	(132.48)
	Expenses of Catering Services	34,874.93	29,137.21	27,904.19	97,297.87	77,569.11	1,07,289.98
	Expenses of Tourism	14,919.10	14,064.38	11,230.28	39,998.07	28,907.48	44,235.43
	Manufacturing & Direct Expenses	4,357.12	4,035.07	4,251.49	12,195.12	12,295.71	14,673.70
	Employee benefit expense	7,517.93	6,381.87	6,772.32	20,526.40	18,944.58	24,552.41
	Finance costs	475.31	441.65	489.63	1,329.80	1,221.27	1,611.25
	Depreciation and amortization expense	1,390.35	1,399.77	1,037.24	4,159.33	4,251.36	5,372.96
	Other Expenses	3,851.92	3,728.85	3,798.95	11,792.33	10,087.20	16,270.17
IV	<b>Total Expenses (IV)</b>	<b>74,298.91</b>	<b>64,717.76</b>	<b>60,752.77</b>	<b>2,06,678.31</b>	<b>1,67,956.74</b>	<b>2,33,509.38</b>
V	<b>Profit/(Loss) before exceptional items and tax (III - IV)</b>	<b>42,087.46</b>	<b>39,521.08</b>	<b>34,128.93</b>	<b>1,18,046.56</b>	<b>97,805.29</b>	<b>1,32,680.96</b>
VI	Exceptional Items (Note no.8)	(1,451.24)	-	135.31	(6,641.64)	135.31	2,720.00
VII	<b>Profit/(Loss) before tax (V + VI)</b>	<b>40,636.22</b>	<b>39,521.08</b>	<b>34,264.24</b>	<b>1,11,404.92</b>	<b>97,940.60</b>	<b>1,35,400.96</b>
	Tax expense:						
	-Current Year	11,014.35	10,094.08	8,940.76	29,375.84	25,804.86	37,322.40
	- Earlier Years	303.69	-	-	303.69	1,146.50	1,146.50
	-Deferred tax	(681.61)	(40.75)	(229.29)	(963.86)	(860.47)	(2,797.54)
	-Deferred tax - Earlier Years	-	-	-	-	(858.51)	(858.51)
VIII	<b>Total Tax Expense</b>	<b>10,636.43</b>	<b>10,053.33</b>	<b>8,711.47</b>	<b>28,715.67</b>	<b>25,232.38</b>	<b>34,812.85</b>
IX	<b>Profit/(Loss) After Tax from continuing operations</b>	<b>29,999.79</b>	<b>29,467.75</b>	<b>25,552.77</b>	<b>82,689.25</b>	<b>72,708.22</b>	<b>1,00,588.11</b>
	Other Comprehensive Income						
	(i) Items that will not be reclassified to Profit or Loss						
	- Remeasurement of post-employment benefit obligation	(13.60)	237.39	39.18	60.95	342.08	295.26
	- Income Tax Effect	3.42	(59.75)	(9.86)	(15.34)	(86.10)	(74.32)
X	<b>Total Other Comprehensive Income/(Loss) for the period (Net of Tax)</b>	<b>(10.18)</b>	<b>177.64</b>	<b>29.32</b>	<b>45.61</b>	<b>255.98</b>	<b>220.94</b>
XI	<b>Total Comprehensive income/(Loss) for the period</b>	<b>29,989.61</b>	<b>29,645.39</b>	<b>25,582.09</b>	<b>82,734.86</b>	<b>72,964.20</b>	<b>1,00,809.05</b>
	Paid-up Equity Share Capital (Face value of ₹2/- each)	16,000.00	16,000.00	16,000.00	16,000.00	16,000.00	16,000.00
	Other Equity						2,31,840.41
	<b>Earning per equity share (EPS)*</b>						
	Basic (₹)	3.75	3.68	3.19	10.34	9.09	12.57
	Diluted(₹)	3.75	3.68	3.19	10.34	9.09	12.57

\*EPS for quarters/nine months are not annualised.

**Notes:**

- The above unaudited financial results of the Company have been reviewed by Audit Committee and approved by the Board of Directors at their respective meetings held on 13th February, 2024. The Statutory Auditors have conducted limited review of the unaudited Financial results.
- The above unaudited Financial Results of the Company have been prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.
- Railway Board vide Commercial Circular no. CC60 of 2019 has increased the catering tariff for post and pre-paid trains. However, the effect of enhancement of License Fee for the periods from 18th November,2019 to 22nd March, 2020 (for post paid trains) and 27th November,2021 to 31st December, 2023 (for post and pre-paid trains) on account of increase in catering tariff stated above has not been ascertained & recognized pending sale assessment in its entirety .After the resumption of regular train services from 27th Nov 2021 onwards, the Company has conducted and completed the sales assessment, for all the trains (post-paid trains as well as prepaid trains). Further, the company has raised certain demand notices for increased License fee, but some of the licensees have challenged Company's decision of increased License fees in respective Hon'ble High Courts of Delhi, Mumbai, Kolkata and Guwahati. Further, some of the licensees have requested for arbitration. As the matter is sub-judice and the occurrence is dependent on outcome of certain event in future, the impact of increase in License fees for pre-paid and post paid trains has not been recognized in the financial statements for the nine months ended on 31st December, 2023 and for previous years up to 31st March, 2023.





- 4 The company has recognized Railway Share amounting to ₹ 254.70 Lakhs being 15% of profit of Departmentally run Railneer plants and ₹ 197.69 Lakhs being 40% of the profits of plants run on PPP model during the nine months ended 31st December, 2023 after charging Railway Share amounting ₹ 1451.24 lakhs towards differential Railway Share @25% on profits from PPP plants for pervious years. Further, an amount of ₹ 546.60 lakhs was provided towards Railway Share during financial year 2022-23 being 15% for Departmental as well as PPP Plants. Earlier, during the financial year 2021-22, an amount of ₹ 2713.32 lakhs was paid and charged to revenue on account of 15% Railway share in profits of Railneer plants (owned and PPP plants) up to 31st March, 2021 as Railways have not agreed with the contention of the company i.e. railneer is part of catering segment which is in loss and also demanded 40% revenue share for PPP Plants which was not accepted by the Company. No provision was made for the Financial Year 2021-22 in view of the loss incurred in Railneer segment after considering above payment of ₹ 2713.32 lakhs as expense for that year. Further, Railway board has advised that for Railneer plants run departmentally by the Company, the profits between IR and Company shall be shared in the ratio of 15: 85 and for plants operated under PPP model/run by DCO, profits between IR and Company shall be shared in the ratio of 40: 60. Provision has been made for nine months ended 31st December, 2023 in the quarter ended 31st December,2023 as per the instructions of Ministry of Railways. However, provision for the differential amount of profit sharing @25% (40%-15%) up to 31st March, 2023 have been made for ₹ 1451.24 Lakhs and shown as an exceptional item in the financial results for the quarter ended 31st December, 2023, even though the Company has made representation to the Railway Board for sharing of profit at uniform ratio of 15:85 for all Railneer plants till FY 2022-23. Response from Railway Board is still awaited. These matters are subject to reconciliation with the Railways.
- 5 As per the terms and conditions of the tender, in respect of 4 PPP Railneer plants, the Developer cum Operator (DCOs) are to be reimbursed the GST on sales (net of Input Tax Credit) availed by them. In the absence of information of ITC availed by DCOs, the ITC receivable amounting to ₹ 195.95 lakhs has been accounted for during nine months ended on 31st December, 2023 only for one plant and in the previous year 2022-23, the impact of ₹ 442.46 Lakhs (Financial Year 2021-22 Rs. 309.28 Lakhs) was accounted for the two plants only. These DCOs have represented against the claim of the Company for Input Tax Credit. This matter is being examined by the Management to decide on the future course of action.
- 6 The National Anti Profiteering Authority (NAA) issued notice dated 25th February, 2022 for profiteering amount of ₹5041.44 Lakhs under section 171 of the CGST Act, 2017 for not passing the benefit of tax reduction to consumers. The show cause notice has been contested by the Company and matter was argued in August, 2022 but final order from Authority was awaited. However, as per the notification No. 23/2022-Central tax issued on 23rd November, 2022(effective from 1st December, 2022) by the Government of India, Competition Commission of India (CCI) has been empowered to adjudicate the matter. The proceedings under the notice issued by NAA therefore stands concluded and now proceedings, if any, will be commenced afresh by the Competition Commission of India (CCI) and as on date no communication has been received from CCI in this matter.
- 7 Arbitration award was pronounced in April, 2022 amounting to ₹ 7400 Lakhs plus simple interest @6% per annum from July, 2018 onwards, in favour of certain licensees which represents principal amount towards claims for supply of welcome drinks not paid to licensees and recovery of differential costs for the supply of regular meals to the passengers on the instructions of Railways whereas the price of combo meal, which is lower than the price of regular meal, was reimbursed to these licensees. The matter has been referred to the Railways for their instructions on the matter as the main liability in this matter would be of Railways and the Company has the right to recovery from Railways in case ultimately it is made liable to pay. As per the Order dated 09.10.2023, of Hon'able high court, the Company has been advised to deposit bank guarantee amounting to ₹ 10521 Lakhs (₹ 7400 Lakhs plus simple interest @6% per annum upto 19th August, 2023 i.e. till the date of filing the petition). As advised by the Railways, the Company has filed objections appeal against the award. In compliance of Hon'ble Delhi High Court order, a Bank Guarantee to the tune of ₹ 7400 lakhs has been deposited with the court registry and the award passed by the arbitrator has been stayed and the case is listed for next hearing on 14.02.2024.







- 8 (a) (i) The Company has received revised fixed, variable and Custody charges for the two Tejas express trains w.e.f. 13th August, 2021 from the Ministry of Railways. Provision has been made for the quarter ended 30th June, 2023 at revised rates. However, provision for the differential amount of fixed, variable and custody charges of previous years (13th August, 2021 to 31st March, 2023) has been made for ₹5190.40 Lakhs and shown as an exceptional items in the financial results for the quarter ended 30th June, 2023 even though the Company has made representation to the Railway Board for waiver of this amount. Response from Railway Board is still awaited. (ii) Ministry of Railways has advised that the profits of departmentally run Railneer plants shall be shared between IR and Company in the ratio of 15: 85 and in case of plants operated under PPP model/run by DCO, profits between IR and Company shall be shared in the ratio of 40: 60. Provision has been made for nine months ended 31st December, 2023 in the quarter ended 31st December, 2023 as per the instructions of Ministry of Railways. However, provision for the differential amount of profit sharing @25% (40%-15%) up to 31st March, 2023 have been made for ₹ 1451.24 Lakhs and shown as an exceptional item in the financial results for the quarter ended 31st December, 2023, even though the Company has made representation to the Railway Board for sharing of profit at uniform ratio of 15:85 for all Railneer plants till FY 2022-23. Response from Railway Board is still awaited.
- (b) For the previous Financial Year 2022-23, net income on account of Exceptional items amounting to ₹ 2720.00 Lakhs includes: (i) ₹ 1198.59 Lakhs being excess provisions written back for previous years relating to Performance Related Pay (PRP), (ii) ₹ 1085.74 lakhs being excess provisions written back for previous years relating to Maintenance & Development charges for Internet Ticketing and (iii) ₹ 435.67 Lakhs being excess provisions written back for previous years relating to various other expenses.
- 9 The Arbitral Tribunal award, earlier kept in reserve, in Cox and Kings vs IRCTC case was sent in original to Indian Council of Arbitration ("ICA"), involving Claim of Cox and Kings against IRCTC amounting to ₹ 2270 Lakhs along with interest, for its pronouncement. The said award has been published. As per the award, IRCTC has wholly prevailed in the arbitration and the reliefs claimed by Cox and Kings (C&K) have not been fully accepted. Hence, no financial implication of the said award on the Company. The arbitral award has attained finality as no appeal has been preferred by the claimant till date.
- 10 The figures for the previous year/periods have been regrouped/reclassified/restated, wherever considered necessary.

For & on behalf of the Board of Directors



Sanjay Kumar Jain  
Chairman & Managing Director  
DIN:-09629741

Place : New Delhi  
Dated : 13th February, 2024





Indian Railway Catering and Tourism Corporation Limited						
CIN : L74899DL1999GOI101707						
REGISTERED & CORP.OFFICE: 11th FLOOR, B-148 STATESMAN HOUSE BARAKHAMB ROAD, NEW DELHI-110001						
STANDALONE SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2023						
PARTICULARS	Amount in ₹ Lakhs					
	Quarter ended			Nine Months ended		Year ended
	31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1. SEGMENT REVENUE</b>						
a) Catering	50,776.67	43,152.43	39,414.90	1,41,637.00	1,08,070.81	1,47,648.66
b) Rail neer	8,376.59	7,800.52	7,898.74	25,771.02	24,120.19	31,456.73
c) Internet Ticketing	33,531.95	32,750.40	30,099.73	95,289.51	90,291.22	1,19,803.42
d) Tourism	16,750.22	9,655.79	12,227.51	39,461.86	27,366.11	41,220.59
e) State Teertha	2,796.88	6,484.42	2,549.79	10,473.55	8,833.16	15,377.83
<b>TOTAL</b>	<b>1,12,232.31</b>	<b>99,843.56</b>	<b>92,190.67</b>	<b>3,12,632.94</b>	<b>2,58,681.49</b>	<b>3,55,507.23</b>
Less: Inter Segment Revenue	402.09	311.78	384.24	1,092.39	1,035.83	1,359.94
<b>Revenue from Operations</b>	<b>1,11,830.22</b>	<b>99,531.77</b>	<b>91,806.43</b>	<b>3,11,540.55</b>	<b>2,57,645.66</b>	<b>3,54,147.29</b>
<b>2. SEGMENTS RESULTS</b>						
Profit/(Loss) (before tax, interest and investments income from each segment)						
a) Catering	7,839.07	7,425.40	4,229.02	22,234.16	11,995.78	16,800.73
b) Rail neer	(326.27)	969.41	884.86	1,856.64	2,342.72	3,644.02
c) Internet Ticketing	27,836.87	27,415.06	25,329.41	79,249.04	76,100.48	1,02,092.51
d) Tourism	1,737.83	(557.93)	1,191.18	(2,834.53)	288.67	1,645.47
e) State Teertha	627.19	1,138.97	403.89	1,965.18	1,482.65	2,879.39
<b>TOTAL</b>	<b>37,714.69</b>	<b>36,390.91</b>	<b>32,038.36</b>	<b>1,02,470.49</b>	<b>92,210.30</b>	<b>1,27,062.12</b>
Add: Interest & Dividend Income	2,921.53	3,130.17	2,225.88	8,934.43	5,730.30	8,338.84
<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>40,636.22</b>	<b>39,521.08</b>	<b>34,264.24</b>	<b>1,11,404.92</b>	<b>97,940.60</b>	<b>1,35,400.96</b>

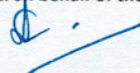
**Notes:**

1. 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.

2. For the nine months ended 31st December, 2023 and for the year ended 31st March, 2023 segment results include exceptional item representing expenses of ₹6641.64 Lakhs and net income of ₹2720.00 Lakh respectively which are allocated to various segment results as under:-

Segment	For the nine months ended 31st December, 2023	For the year ended 31st March, 2023
	₹ In Lakhs	₹ In Lakhs
Catering	-	528.04
Railneer	1,451.24	174.15
Internet Ticketing	-	1,584.99
Tourism	5,190.40	378.30
State Teertha	-	54.52
<b>Total</b>	<b>6,641.64</b>	<b>2,720.00</b>

For & on behalf of the Board of Directors



**Sanjay Kumar Jain**  
Chairman & Managing Director  
DIN:-09629741

Place : New Delhi  
Dated : 13th February, 2024







**Independent Auditor's Review Report on Unaudited Standalone Financial Results of Indian Railway Catering and Tourism Corporation Limited pursuant to the regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended for the Quarter and Nine Months ended December 31, 2023.**

To  
The Board of Directors,  
Indian Railway Catering and Tourism Corporation Limited  
New Delhi

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Indian Railway Catering and Tourism Corporation Limited ("The Company") for the quarter and nine months ended December 31, 2023, ("The Statement") being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("The Listing Regulations").

**2. Management's Responsibility for the Interim Financial Results**

The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013 ("The Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

**3. Scope of Review**

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. The standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making enquires, primarily of company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.







#### 4. Conclusion

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement read with the Notes thereon, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard specified under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed, in terms of the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

#### 5. Emphasis of Matter

We draw attention to:

- i. Note No. 3 regarding non-recognition of revenue for the financial years 2020-21 to 2022-23 and for nine months ended December 31, 2023 from the increase to be made in license fee for trains due to tariff revision made by the Railway Board, Ministry of Railways in financial year 2019-20 as the exercise regarding sale-assessment of lean period in respect of post-paid trains, which will determine the % of increase in license fee, is still under progress in respect of certain trains as on date. Regarding prepaid trains, even though the sale assessment is over but no revenue was recognised as certain licensees have disputed demand of additional license fee on account of tariff revision. As the revenue to be recognised can't be either ascertained or is disputed at this stage, the same has been postponed.
- ii. Note No. 4 regarding 15% share of Railneer Segment profit for the period 2007-08 to 2020-21 amounting to Rs. 2,713.32 Lakhs paid to Railways during the year ended March 31, 2022. The Railway Board has demanded 40% share of PPP plants revenue whereas the Company has contended that PPP plants are not run on license basis and accordingly paid 15% share of profits of these plants which is included in above payment. Same basis has been adopted by the Company for making provision for expenses for financial year 2022-23. From the current financial year, the Company recognized 15% of profit of departmentally run railneer plants and 40% shares of profits of plants run on PPP model after charging the additional provision in exceptional items for making provision for expenses for the nine months ended December 31, 2023. No provision for share of Railways was considered necessary by the Company for the financial year 2021-22 in view of treatment of above payment of Rs. 2,713.32 Lakhs as an expense for the year ended March 31, 2023 which resulted into loss of railneer segment in that year. However, the company has made additional provision of Rs. 1,451.24 Lakhs being 25% (40%-15%) for PPP plants up to 31<sup>st</sup> March, 2023 and same is reported under







exceptional items. These matters are subject to confirmation/reconciliation by / with the Railways.

- iii. Note No. 5 regarding amount of input tax credit of GST for certain periods not shared by Developer cum Operators ("DCO") of four Railneer plants resulting in non-recognition of these claims receivables in the books of account of the Company. Amount of such claims are not ascertainable at this stage. Further, an amount of Rs. 1,265.02 Lakhs was debited to their accounts based on information shared by certain DCOs. Ascertainment of these dues stated above and recovery of these dues from DCOs is pending as the DCOs are disputing these due. Matter is being examined by the management to decide the future course of action.
- iv. Note No. 6 regarding notice dated 25.02.2023 issued by the National Anti-Profitteering Authority (GST) alleging profiteering amounting to Rs. 5,041.44 Lakhs for the period July 1, 2017 to May 31, 2020 against the Company under Section 171 of the CGST Act, 2017 for not passing on the benefit of reduction in rate of tax to the consumers by way of commensurate reduction in the MRP of Railneer brand of drinking water manufactured and sold by the Company even though there was reduction in the tax rate on the introduction of GST with effect from July 1, 2017. The Company contends that Railneer drinking water falls under controlled price segment as the Maximum Retail Price ("MRP") is fixed by Ministry of Railways, Government of India and the MRP fixed in the year 2012 is still continuing despite substantial increase in prices of raw-materials, power, HR cost, freight etc. Legal opinion obtained by the Company justifies the contention of the Company. Competent Commission of India ("CCI") is now vested with powers to adjudicate all such cases in which benefit of tax reduction not being passed to consumers by the assesses and the matter is now pending with CCI.
- v. Note No. 7 regarding arbitration award pronounced in April 2022 amounting to Rs. 7,400.00 Lakhs plus simple interest @ 6% per annum from January 2018 onwards in favour of certain licensees against which the Company has filed objections and the same is pending before Honourable High Court of Delhi. The Company contends that the main liability in this matter would be of Railways and the Company has the right to recovery from Railways in case ultimately it is made liable to pay and the same has been informed to the Railways. As per order of Hon'ble Delhi High Court, a bank guarantee of Rs. 74.00 crores have been deposited with the court registry.
- vi. Note No. 8(a) regarding enhancement of charges for operation of two Tejas trains by the Railway Board, Ministry of Railways with effect from August 13, 2021 vide its letter dated June 05, 2023 as the earlier instructions for charges were valid till August 12, 2021. During the nine months ended December 31, 2023, the Company has made provision for enhanced charges with effect from August 13, 2021 for the period up to March 31, 2023 amounting to Rs. 5,190.40 Lakhs and shown as an "Exceptional Item" in the financial results. However, the Company has made representation to the Railway Board All for withdrawal of these instructions for enhanced charges from retrospective effect which is pending.








**6. Other Matter**

The Statement includes comparative figures for the corresponding quarter and nine months ended December 31, 2022, which have been reviewed by the predecessor Statutory Auditor of the Company, where they had expressed an unmodified conclusion vide their reports on Financial Results.

The Statement also includes figures for the year ended March 31, 2023, which have been audited by the predecessor Statutory Auditor of the Company, where they had expressed an unmodified opinion on such Financial Statements.

Our conclusion on the Statement is not modified in respect of the matters stated in Para 5 above.

**For N. K. Bhargava & Co.**  
Chartered Accountants  
(Firm Registration No. 000429N)

  
(N. K. Bhargava)  
Partner  
Membership No: 080624

Place: New Delhi  
Date: February 13, 2024

UDIN: 24080624BKEJVB6224