



इंडियन रेलवे केटरिंग 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. 2019/IRCTC/CS/STEX/356

August 19, 2021

<b>BSE Limited (Through BSE Listing Centre)</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 (Through NEAPS)</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: Outcome of investors/analysts meet – Transcript of the Post result Conference Call held on Friday, August 13, 2021**

**Ref: Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015,**

Sir/Ma'am,

In reference to our communication dated 12<sup>th</sup> August, 2021, regarding investors/analyst conference call, please find enclosed the transcript of the Post Result Conference call held on Friday, August 13, 2021 to discuss the financial results and operations for the quarter ended on June 30, 2021.

You are requested to kindly take the same on records.

Thanking you.

Yours sincerely,

**For Indian Railway Catering and Tourism Corporation Limited**

*Suman Kalra*  
19/8/21

**(Suman Kalra)**

Company Secretary and Compliance Officer  
Membership No: F9199



**Encl: as above**

# “IRCTC Q1 FY-22 Results Conference Call”

## August, 13,2021



### IRCTC MANAGEMENT:

**SMT. RAJNI HASIJA –**

**CHAIRPERSON & MANAGING DIRECTOR**

**SHRI. AJIT KUMAR –**

**DIRECTOR (FINANCE) & CFO, IRCTC**

### PRABHUDAS LILADHAR Pvt. LIMITED:

**MR. JINESH JOSHI**

## **IRCTC Q1 FY22 Earnings Conference Call**

- **Moderator**
- Ladies and gentlemen, good day and welcome to the Q1 FY22 Earnings Conference Call of Indian Railway Catering and Tourism Corporation Limited, hosted by Prabhudas Lilladher Private Limited. As a reminder all participant lines will be in the listen only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing \* then 0 on your touch tone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Jinesh Joshi, from Prabhudas Lilladher Private Limited. Thank you and over to you sir.
- **Jinesh Joshi -- Prabhudas Lilladher Private Limited**
- Thanks Rutika. Good afternoon everyone. On behalf of Prabhudas Lilladher I welcome you all to the Q1 FY22 earnings call of IRCTC Limited. We have with us the management represented by Mrs. Rajni Hasija, CMD, and Mr. Ajit Kumar, Director Finance and CFO. I would now like to hand over the call to the management for opening remarks and later we can open the floor for Q&A. Thank you and over to you Rajni ma'am.
- **Ms. Rajni Hasija – CMD, IRCTC**
- A very good afternoon to everyone. At the outset let me welcome you all to this concall of IRCTC Limited for the quarter ended on 30<sup>th</sup> June 2021. I hope that you and your dear ones are fine and safe in these challenging times. It is good to see that the infections in the country are coming down from the peak that we had seen in the last year and also in the second wave. Same is the case with the vaccination rate which is also gradually picking up. So as the things are improving, there is an eagerness to travel and enjoy the hospitality facilities are also increasing which is a good time for any hospitality company. Although the risk of the third wave is also not very far, and not completely behind two. Hopefully it doesn't come but we have to be in the readiness for that.
- Yesterday company had announced the financial results for the quarter ended in June 2021 and the same has been disclosed on both the stock exchanges too. The board of directors have also recommended subdivision of a company's one equity share of face value of Rs. 10 into 5 equity shares of the face value of Rs. 2 each subject to approval of Ministry of Railways, shareholders, and all other necessary approvals that maybe required. While the second wave that we know that has impacted the travel and the hospitality industry badly, especially the two months April and May, and IRCTC was not dispensed of too; however IRCTC has been able to demonstrate a resilience with the revenue and profitability once again and our revenue and profitability in the current Q1 is not only higher than the previous year Q1, it is our revenue is also higher and our profit EBITDA is also higher and profit

after tax is also higher as compared to the Q3 of the last year also. This was only for a reference and our business performance should be compared on year to year basis. However endeavours to improve the performance will always be on. Q1 fiscal year of 2022 for some search in the COVID-19 infection in the initial months. The same has been brought under control with the consistent efforts taken by all the states and government of India. And of course citizens also contributed to that. We have also seen significant improvement in the vaccination. The number of cases are coming down and few states are pretty good. However the third wave of infection and the impact of the same remains still uncertain. As IRCTC we will try to fight out this tough situation once again as we have done in the past 5 quarters. And I am pretty confident that we would come out even stronger than before. I shall now hand over this concall to our – my team colleague our Director Finance and CFO of the company Shri Ajit Kumar, who shall brief you about the financial performance of this quarter. After which the house will be open and the floor will be open for questions and answers. Thank you very much.

- **Mr. Ajit Kumar – CFO, IRCTC**

- Good afternoon everybody. I shall first give a brief overview about Q1 FY22 results, post which we shall have the question and answer session. Q1 FY22 revenues saw a sharp improvement year on year at Rs. 243 crores versus Rs. 131 crores in the same quarter last year. EBITDA margin continues to make a new high and increased to 45.8% versus 42.8% quarter on quarter, and compared to a loss in Q1 FY21. Quarter on quarter improvement has been driven by decline in losses in the catering segment and turnaround of the packaged drinking water segment.
- Let me now move to the business segments of the company. Different business segments are like this.
- Internet ticketing segment, continued to be the most resilient business segment in these challenging times. The Q1 FY22 revenue internet ticketing came at Rs. 150 crores substantially higher year on year due to the impact of the pandemic in the base quarter. Revenue declined quarter on quarter with ticketing volume impacted by the second wave which impacted the EBITDA margin which still came at 77.9%.
- Catering segment, as discussed in our previous earnings call, has been clearly hit by the pandemic. While the revenue saw moderation quarter on quarter, there was a good reduction in the EBITDA loss to Rs. 4.7 crores versus Rs. 7.2 crores in Q4 FY21.
- Tourism segment of course worldwide this was most severely hit by the pandemic for us as well as the industry. The Q1 FY22 revenues saw a sharp decline versus Q4 FY21. The segmental EBITDA loss saw a decline quarter on quarter to Rs. 14.5 crores from Rs. 42.2 crores in Q4 FY21 as the latter had the impact of provisions for haulage and Custody to Indian Railways for entire FY21.
- And next is the promising one was the Rail Neer which was the only segment where we saw a quarter on quarter improvement in revenue .Due to the base impact , the year on year

growth has been very strong. Importantly this segment reported positive EBITDA to a loss in the previous four quarters which was encouraging.

\The cash and bank balances and net worth of the company as on 30<sup>th</sup> June 2021 is Rs. 1614 crores and Rs. 1554 crores respectively. That brings us to the end of my opening remarks. Now we can move to the question and answer session. Thank you.

- **Ms. Rajni Hasija – CMD, IRCTC**

- We can start the question answer session now.

- **Moderator**

- Thank you very much. We will now begin the question and answer session. Anyone who wishes to ask a question may press \* and 1 on their touch tone telephone. If you wish to remove yourself from the question queue, you may press \* and 2. Participants are requested to use handsets while asking a question. Ladies and gentlemen we will wait for a moment while the question queue assembles. The first question is from the line of Viraj from Securities Investment Management. Please go ahead.

- **Mr. Viraj – Securities Investment Management Private Limited**

- Yeah hi thanks for the opportunity. I just have two questions. First is compared to pre-COVID how many trains are currently running? And second question is on our wallet, wallet offering, how is the transaction coming along and what is the revenue generation we are seeing? Thank you.

- **Ms. Rajni Hasija – CMD, IRCTC**

- When you ask me the pre-COVID level, the total number of our trains, I can give you that special trains which are running are very different from the trains which are actually running. So it may not be appropriate to compare the special trains with the regular trains. However I can give you the figure that was there. Till 31<sup>st</sup> of March 2021, we were having the trains running with pantry car 272 which has now increased to 316. On I think till yesterday it was 316. Similarly till 31<sup>st</sup> March 2021 we have trains where we were providing train side vending was 158, now we are providing in 256. So put together we are providing hospitality services or the catering services in 572 trains as compared to 430 trains. And this is much above the COVID segment, pre-COVID segment also.

- **Mr. Viraj – Securities Investment Management Private Limited**

- Ma'am on the second part?

- **Ms. Rajni Hasija – CMD, IRCTC**

- Second is the revenue from the catering segment, the segmental revenue we have – just wait for a minute – the total license fee that we have received total revenue from the catering has been around 56.72 crores out of the total revenue of 243 crores which is around I think 23% of the total revenue of the company. Out of which 44 crores we received from the license fee

and concession fees of these trains. So be it train side vending, be it a normal train with the pantry car, the earnings comes to us in the form of a license fee. That is constituting the major chunk of the fee that will get revenue from the catering segment.

- **Mr. Viraj – Securities Investment Management Private Limited**

- No I meant on the wallet, you know the wallet which we offer. How is the transaction coming along?

- **Ms. Rajni Hasija – CMD, IRCTC**

- We have a sharing of 60 to 40% with the Indian Railways. 60% is retained by IRCTC and 40% goes to railways. You asked specifically about the wallet, that is internet ticketing. So in that wallet there is no sharing with the railways. It is a closed loop wallet that IRCTC has. So as such there is no sharing with anyone. It is being run by IRCTC.

- **Mr. Viraj – Securities Investment Management Private Limited**

- So how the transaction coming along and what is is the revenue generation there?

- **Ms. Rajni Hasija – CMD, IRCTC**

- The earnings from the wallet has been – let me have a look – it is this time it has bene around 1.61 crores. Because we are not taking any re-registration fees. And we also have a – in this our business model is a little different. So the fresh registration that are coming up, they are paying the fee. The earlier registration who are with us, they are maintaining some cash flow with us. That remains with us for doing the future transactions.

- **Mr. Viraj – Securities Investment Management Private Limited**

- Okay just wanted to also understand the scale up of this how should we see this wrapping up?

- **Ms. Rajni Hasija – CMD, IRCTC**

- Scaling of the e-wallet there is a future but you know that the closed wallet are not very encouraged. You need to have an open wallet also. So we have launched an open e-wallet in the name of iMudra which is yet taking off. And before we could launch, many of the payments aggregators have also launched their wallet. In competition with that if we start promoting, this e-wallet has a future but at the same time the payment bank and other things are also coming up. So it will grow simultaneously. The few, how many users we have we already have around 6 lakh users in this e-wallet. And open wallet also we have a user. It has a future. People are using it. People have a lot of confidence in IRCTC. So but its growth is going to be a little low because other payment option is going to come, and they are already there. We have around d 75 payment options available on our website. We have our own payment gateway also. We have our own wallet also. From the both customers have liberty to use it . We can only promote our things. And that we are doing very consistently.

- **Mr. Viraj – Securities Investment Management Private Limited**
  - Okay fine I will come back in queue. Thank you.
  - **Moderator**
  - Thank you. The next question is from the line of Mayank Chawla from Dalal and Broacha. Please go ahead.
  - **Mr. Mayank Chawla – Dalal and Broacha**
  - Thank you for taking my question and congratulations on a great set of numbers ma'am and sir. Ma'am my question is around internet ticketing. Could you please give us the split between the convenience and non-convenience fee?
  - **Ms. Rajni Hasija – CMD, IRCTC**
  - Total amount that IRCTC has earned, from this particular stream of internet ticketing is around 149 crores. Out of which convenience fee has been the 69% and non-convenience fee resources have been 31%. Like 104 crores is from the convenience fee, rest 45 crores is from the non-convenience fee resources which includes the service charge, the additional service charge that we collect from the B2C partners, our earning from the advertisement and promotions, the lead generation schemes, then the earning from our co-branded card, and especially e-wallet charges also. And annual maintenance fee that we charge from our B2B and B2C partners. And integration charges that we take for the onetime integration that we do. It is good income from the advertisements, income from the SMS, income from the promotional mailers. So that consists....
  - **Mr. Mayank Chawla – Dalal and Broacha**
  - Yeah sorry ma'am what will be the revenue from advertisements specifically if you could give us a break-up?
  - **Ms. Rajni Hasija – CMD, IRCTC**
  - If you ask me advertisement revenue should not be quoted alone. It should be advertisement in the website in the form of a banner also in the form of an SMS also, in the form of a mailer also. Put together this quarter we have been able to generate 8.5 crores. Out of which 2.4 crores have been generated from the banners, and I think 4.5 we have earned from the advertisements. And rest from the other resources. From promotional mailers also we have been able to generate 1.1 crores. From SMS also we have been able to generate around 44 lakhs. So put together it was 8.5 crores that is the total earning from this segment. Last year there was around to the tune of less than 10 crores.
  - **Mr. Mayank Chawla – Dalal and Broacha**
- Okay.

- **Ms. Rajni Hasija – CMD, IRCTC**
- So industry in the advertisement is also improving it seems.
- **Mr. Mayank Chawla – Dalal and Broacha**
- And ma'am my second question was also in the same space. Ma'am what is the number of tickets booked? If you could give us that figure.
- **Ms. Rajni Hasija – CMD, IRCTC**
- Yeah. The total tickets in the first quarter has been around 6.37 crores. And number of passenger normally it comes out to be 1.7 or 1.8 is the factor per ticket. So number of passengers is around 8.1 crores. So you can say 81% of the overall ticketing of Indian Railways in the reserve segment is online and is being done through IRCTC.
- **Mr. Mayank Chawla – Dalal and Broacha**
- Right, right. And ma'am my last question was relating to the Rail Neer. Ma'am if you could give what was the latest capacity that we would and the reason for the segment turning from loss to profit please.
- **Ms. Rajni Hasija – CMD, IRCTC**
- In fact this has been a little same story for us also. We have a capacity in the Rail Neer is around 14.8 lakhs bottles per day, litres per day. When I say bottles per day I talk about the 1 litre bottle only.
- **Mr. Mayank Chawla – Dalal and Broacha**
- Yes.
- **Ms. Rajni Hasija – CMD, IRCTC**
- And the current production in the first quarter has been around roughly you can say 35 – 32 to 35% of the capacity. Because April and May had been bad for us. Had April and May been bad for us, because of the second wave, the profit margins from the Rail Neer would have been much better. Normally this is the peak season for the Rail Neer and the water intake increases every year. So the percentage actual capacity we have all the capacity. We are as of now working with the 35% of the capacity. Till June I had 14 plants operational. But in July we have opened one additional plant in Una. So per day production has been to the tune of 4.20 lakh bottles a day. That is the consumption and that we were able to sell off. The production is normally 20% more than that because we keep some storage also to handle the holidays or any periods which are coming in between.
- **Mr. Mayank Chawla – Dalal and Broacha**
- Nice, nice.

**Ms. Rajni Hasija – CMD, IRCTC**

- So when the summer increases it is a good day for Rail Neer.
- **Mr. Mayank Chawla – Dalal and Broacha**
- Okay. Ma'am just one last request I had. I don't want to be sounding extra demanding. But ma'am if all these pointers could be in an investor presentation every quarter it would really go a long way for our candidates to use that data.
- **Ms. Rajni Hasija – CMD, IRCTC**
- This Rail Neer data should I bring all the time? That is what you want?
- **Mr. Mayank Chawla – Dalal and Broacha**
- No ma'am all these tickets booked and all that. All the data points.
- **Ms. Rajni Hasija – CMD, IRCTC**
- We will include. We will include.
- **Mr. Mayank Chawla – Dalal and Broacha**
- Sure ma'am. Thank you so much and best of luck for the rest of the year.
- **Ms. Rajni Hasija – CMD, IRCTC**
- Yeah, yeah thank you very much. We need it.
- **Moderator**
- Thank you. A reminder to the participants, to ask a question, please press \* and 1. The next question is from the line of Urmil Shah from Haitong Securities. Please go ahead.
- **Mr. Urmil Shah – Haitong Securities**
- Yeah good afternoon ma'am and sir. Thanks for the opportunity. Ma'am as regards the ticketing volume maybe in July and August, have we seen majority of the days being getting back to 9 to 10 lakhs ticket per day?
- **Ms. Rajni Hasija – CMD, IRCTC**
- In fact it has been more on many days. So you can compare like this that the average ticket size which were booked in these three months was around 2.12 crores, average ticket in one month. But in the month of July this figure was 2.44 crores. So we were more in July by 1 crore. And passenger travelled is also more. Normal passenger travelled in that particular quarter had been around less than 3 crores. But this month it has been more than 5 crores.
- **Mr. Urmil Shah – Haitong Securities**  
11 lakhs average.
- **Ms. Rajni Hasija – CMD, IRCTC**

- Yeah. So it is coming out, 11 lakhs is coming out to be my average roughly mota-moti.
- **Mr. Urmil Shah – Haitong Securities**
- Sure, sure, sure. Ma'am and as regards the second seater capacity given that the third wave still remains very unpredictable, would it be reasonable to expect that at least till end of this financial year you will continue to get the benefit of that capacity available for reservation?
- **Ms. Rajni Hasija – CMD, IRCTC**
- See it is very difficult to predict because we are not the deciding authority. But one thing is for sure that Ministry of Railways is very keen and keep inducting the trains every day. Whenever I handle the investors' call, the number of trains where the catering services is being provided and the number of the trains where we are doing the booking and providing the reservation to our customers, is increasing. So we cannot comment upon what the decision is going to be taken by the Ministry. But this two way segment is also profitable for Ministry of Railways. So it is not easy to disassociate with the profits so easily. This I am telling you from my experiences.
- **Mr. Urmil Shah – Haitong Securities**
- Sure, sure.
- **Ms. Rajni Hasija – CMD, IRCTC**
- I cannot commit anything on this behalf because I am not the controlling authority.
- **Mr. Urmil Shah – Haitong Securities**
- I totally understand. Ma'am and if we look at the non-ticketing revenue of say internet ticketing segment, I mean non-service charge revenue rather, that has been quite resilient from Q2 onwards. So once we have normalisation you know in Q3 FY20 we did a peak of about 67 crores. Should we expect the non-service charge revenue to grow much faster than the service charge revenue once normalisation comes in?
- **Ms. Rajni Hasija – CMD, IRCTC**
- This particular thing, non-convenience fee, the process depends upon how the industry, overall travel industry behaves. If the restriction from the state is taken away, and the third wave is not there, then the people will gradually shift from the need based travel to the leisure travel or the excursion travel. In that case the travel will increase, so the advertisement will also in a consequent manner they will also increase. The banners will be opted. You will get better rates from Google also, from all your partners. And all new government contracts will also come. We have been able to fetch few government contracts for our advertisements which we will be executing this quarter or the next quarter as the government decides. So our revenue in this segment I anticipate personally that it is going to increase. Because if the things keep on improving the way they are. Any third wave danger or any decrease in the vaccination however will have direct impact on the travel industry. So if

the travel industry improves, everything related to the travel industry shall improve. That is what our past experience has been.

- **Mr. Urmil Shah – Haitong Securities**

- Sure ma'am that was encouraging. Ma'am and just wanted an update on the talks with Zomato and Swiggy on the e-catering front. And if you could share what has been the daily order in Q1 and the first month of this quarter.

- **Ms. Rajni Hasija – CMD, IRCTC**

- In fact our experiences in the catering are improving. Because if we compare with pre-COVID we are very high. We are very near to that I am sorry. We are very near to that. Few days we have been able to catch that figure also. Although the number of our trains is overall trains running is less, on few days we could catch, we could match the average figure of pre-COVID levels also. It is consistently increasing our number of stations increasing, number of vendors who are providing the services is also increasing. People are opting. Our talks with Zomato and Swiggy are not very encouraging because one they were all busy in their IPOs etc. And they were charging pretty high for the few things. So we are in talks with another brand to bring our own brand in the matter who can supply the food, who can work as an aggregator, delivery aggregator the way they are. So we are coming up with another brand and we are going to tie up. One such brand is also our B2C partner. We are in discussion with them. They are coming up as a delivery aggregator so we will bring our own brand as an aggregator to provide the e-catering food. That is what we are thinking. Otherwise things will become so costly for the customer ,people may not opt for that.

- **Mr. Urmil Shah – Haitong Securities**

- Sure. Ma'am did I understand that we might launch our own brand in e-catering?

- **Ms. Rajni Hasija – CMD, IRCTC**

- We may launch in association with others. So we will support them, provide them area, handholding will be done. Zomato, Swiggy yes talks are not yet closed because they were busy with other things. And the total quantum, the kind of a – I think I cannot explain because the way Swiggy serves and Zomato serves is very different from the Railway's deliveries are. It is a static segment, it is a mobile segment. The kind of deliveries are very different and expectations of the customer are also very different. So we have to bring them to our level so that the delivery is ensured in the cases of the non-delivery are not there in their cases. If any delay is there, train is gone. So we have to ensure that if order is taken it has to be delivered to. Logistics is very important in e-catering to be done on the railways. Unless and until we are ascertained of that, we may not do any tie up further. For where we are certain we will do our tie ups. Otherwise we will invite a lot of complaints and dissatisfaction amongst the customers.

- **Mr. Urmil Shah – Haitong Securities**

- Sure, sure ma'am. This would really enhance our presence. And ma'am my last question was you know there has been a news flow as regards the strategic partner we had talked about on the private train front. It appears that it might be more of a financial partner rather than a strategic partner. So if you could throw some light on that front and the news report suggests that the bids received for the 12<sup>th</sup> cluster has been much lower than the earlier interest. So how, what does that change for us? That was my last question.

- **Ms. Rajni Hasija – CMD, IRCTC**

- IRCTC was looking for a partner to participate in the private train tender since last one year. We had floated our expression of interest thrice. But somehow for individual clusters we could not find a partner. So we thought let's go for a bid thing. And we should now finalise our strategic partner. So we came up with another expression of interest in a very transparent manner. And we could pursue many fund houses. And NIFL was one of them. They came, they had filled the bid and they became our expression, they become our partner. And we have already signed a non-binding MoU with them and binding MoU is in process for which the legal consultant etc. on both the ends are working. So we have also participated in the bid in three clusters, and results from the Ministry are awaited. So we are yet to receive any LoA. This is the update.

- **Mr. Urmil Shah – Haitong Securities**

- Sure ma'am. That was very helpful and all the very best.

- **Ms. Rajni Hasija – CMD, IRCTC**

- Thank you.

- **Moderator**

- Thank you. The next question is from the line of Richard D'Souza from SBI Mutual Funds. Please go ahead.

- **Mr. Richard D'Souza – CBI Mutual Funds**

- Yeah good afternoon ma'am. Just one question from my side. When we look at the number of trains where the ticketing services were offered, there seems to be a substantial increase. Now is this increase in number of trains because Indian Railways have launched new trains? Or is it because some of the trains which were out of your ambit have come under your ambit? Just wanted to know the reason ma'am.

- **Ms. Rajni Hasija – CMD, IRCTC Limited:**

Actually, we operate only the tourist trains. It is the Indian Railways who operate the trains and we provide the reservations for that. And if I look at the figure, if I compare, I have some figure for the June, July and August. I can tell you the average number of trains per day. In the June, it was 2,521, in July it was around the 2,700. Now in the month of August, it is 2,750. So you can see the gradual increase happening every month. And you said that these are the

new trains or it is the previous trains? The trains are being run in the name of a special train. Regular train with the same numbers have not been restored. But same level of successes with some difference has been started like still Railway is running Rajdhani, Shatabdi, Duronto – the premium trains. But with a different number. The only thing which may not be running will be the passenger trains in the local areas where actually IRCTC was not a beneficiary. The tickets were booked through UTS under the ticketing resources. So we are the beneficiary because of that second desk class being introduced in these trains. This is an additional advantage to us.

- **Mr. Richard D’Souza – SBI Mutual Funds:**

- So when you look at this number 2750 which you said are running in August for which you would have offered ticket booking. So, pre COVID what would have been the number of trains run?

- **Ms. Rajni Hasija – CMD, IRCTC Limited:**

- See when I say 2750, I am talking to and fro. On few days back I was hearing one discussion of Ministry of Railways around 1750 to 1800 pairs they run. Total 3600 kind of a train or 3500 kind of train they run. So you can see we must be lagging behind about I think 400 more trains. That will come. 400-450 more trains will be coming in the future or the numbering may change, but with special trains we are a little gainer.

- **Mr. Richard D’Souza – SBI Mutual Funds:**

- Okay. And of this, premium segments would be how much?

- **Ms. Rajni Hasija – CMD, IRCTC Limited:**

- 30% will be the premium segment.

- **Mr. Richard D’Souza – SBI Mutual Funds:**

- Okay, in this you include the ACs and the second AC, third AC.

- **Ms. Rajni Hasija – CMD, IRCTC Limited:**

- Premium segment it is not only the Rajdhani, Shatabdi, Duronto, it is the super-fast trains also. So around 30% put together the premium trains. Rest is all normal mail express trains. And passenger trains of course is not counted in this the 750 trains of the Indian Railways which they were running earlier. Passenger trains are counted in a different kind of area because they are running between intercity, their intercity circle.

- **Mr. Richard D’Souza – SBI Mutual Funds:**

- Thanks a lot ma'am. I will come back later.
- **Moderator:**
- Thank you. The next question is from the line of Rahul Zaid from Daulat Capital. Please go ahead.
- **Mr. Rahul Zaid – Daulat Capital:**
- So in the note two account, you have given this Rs. 18.5 crores charge relating to unbundling a mode. Can you share more clarity on this? What is this relating to?
- **Ms. Rajni Hasija – CMD, IRCTC Limited:**
- Actually as per the catering policy of 2017, the trains are to be run on the model of unbundling where the production and service both has been segregated. Production has to be done from the kitchens being monitored closely by IRCTC, under the CCTV, the QR code etc. and the supply is to be done by the different service providers. In all those trains, some revenue sharing has to be done with the Railways, which was during the pre COVID period. During the COVID period, and today when this kind of a, because we are not serving any cooked food as of now, because of the impact of COVID is still being considered and the Railways has not resumed the normal operation. So last year we did not pay any commission on the unbundling to Railways, and this year also till that time, the services run on this model we need not pay.
- **Mr. Rahul Zaid – Daulat Capital:**
- Okay. And, any input we can share in terms of this privatization, potential CAPEX we may incur in FY22 and FY23 if things goes as per the current frame of mind?
- **Ms. Rajni Hasija – CMD, IRCTC Limited:**
- See, it all depends if you win the bid or not. If you get LOA so some CAPEX has to be planned and some investment has to be done by our partners, for which we are in stage of assigning one binding MOU with them. So till that I win and I get an LOA it  
  
may not be appropriate for me to design and discuss , because after that we may form a separate SPV and then SPV will decide how much investment will be done. So, I cannot speak on behalf of this SPV as of now.
- **Mr. Rahul Zaid – Daulat Capital:**
- Right. And if we could get the AC non-AC and UPI share for this quarter?
- **Ms. Rajni Hasija – CMD, IRCTC Limited:**

- I can tell you that, in this quarter, in the April-May and June, the percentage share of the second class – 2S has been around 39% and average, that is average. And sleeper class again has been around 39%. 3<sup>rd</sup> AC has been 14% and AC chair car has been roughly 2%, and 2AC has been around 3.3%.
- **Mr. Rahul Zaid – Daulat Capital:**
- And, the UPI share in all tickets?
- **Ms. Rajni Hasija – CMD, IRCTC Limited:**
- UPI share is around 26%.
- **Mr. Rahul Zaid – Daulat Capital:**
- This has dropped. Is there any reason for this?
- **Ms. Rajni Hasija – CMD, IRCTC Limited:**
- There's more drop, it is generally average is coming down as 26%. There is no drop. UPIs are picking up. Maybe the people have to prefer to opt for another model.
- **Mr. Rahul Zaid – Daulat Capital:**
- Right. And just a last one from my side. Are we seeing any improvement in terms of, license fees going up in the catering contracts, since things are opening up, our volume on the passenger side are also increasing significantly?
- **Ms. Rajni Hasija – CMD, IRCTC Limited:**
- Yes. Positivity bring positivity. So as things are opening up footfall at the station is increasing, occupancy of the train is picking up. So more trains are also coming up. So, our license fee gradually, there were a very bad time for IRCTC in the April, May. We could not find a contractor for many of our trains and we had to run departmentally. But gradually when the footfalls started improving, we are finding good contractors and we are also earning good fees. Of course this fees is not at par with the pre-COVID levels, but certainly we have improved as compared to the COVID levels and specially April and May.
- **Mr. Rahul Zaid – Daulat Capital:**
- Thank you. That's it from my side.
- **Moderator:**
- Thank you. The next question is from the line of Nitesh Shah from Motilal Oswal. Please go ahead.

- **Mr. Nitesh Shah – Motilal Oswal:**

- Ma'am, just a couple of questions. One is in terms of there was some article recently being highlighted that the Railways is planning to add one more AC coaches to the trains and that will be over a period of next two years or so. Is it possible for you to give us some details around it?

- **Ms. Rajni Hasija – CMD, IRCTC Limited:**

- You might have heard reply of Honourable Railway Minister in the parliament also. In one of the reply where I was also privy, in front of one committee, because the discussion that happened in that committee cannot be brought in public. I cannot discuss about that. But the reply of the Honourable Minister is very clear that as of now pantry car services or services to customer cannot be compared with the revenue. That is the reply he had given. So then indirectly we interpret the likelihood of removing the pantry cars is not being seen. Although I am not the right person to comment on that, there is no likelihood appears.

- **Mr. Nitesh Shah – Motilal Oswal:**

- Okay. And ma'am, as far as the number of trains are concerned, what are we operating at as compared to pre COVID levels?

- **Ms. Rajni Hasija – CMD, IRCTC Limited:**

- We are around, I think 700 odd train short.

- **Mr. Nitesh Shah – Motilal Oswal:**

- On a basis of 2000?

- **Ms. Rajni Hasija – CMD, IRCTC Limited:**

- 400 pairs you can say. We are short of 400 pairs. Once they are introduced then we will be able to match the pre COVID levels also, although our bookings are much higher than the pre COVID levels.

- **Mr. Nitesh Shah – Motilal Oswal:**

- Yeah. That is because of 2S. But ma'am on the basis of 2200 trains, we are 400 short, on a basis of 2000?

- **Ms. Rajni Hasija – CMD, IRCTC Limited:**

- I just know I answered this question, that previously the ministry was operating around 1,750 pairs of trains. So you can see 3,500 trains. As in the month of August we are operating

around 2750 trains. So this much is the difference, which will be freed subsequently once the situation improves further and it is happening almost every day. We are getting new trains.

- **Mr. Nitesh Shah – Motilal Oswal:**

- Got it. And ma'am one final question. Last time you did highlight that you had already applied for it. Is that integration kind of close to and as a consumer we are, we can use the IRCTC app for booking the tickets? Will we make some money on the payment gateway side of it?

- **Ms. Rajni Hasija – CMD, IRCTC Limited:**

- Yes we do. Ipay is our kind of a very important product that we have launched in this year. Rather we have been working on this product last three years. If I share my revenue from my payment gateway and the volume that we are handling around, you can say that 61 lakh transactions happened in the first quarter of this year. And around Rs. 635 crores transaction happened through using our Ipay gateway. Our revenue last year has been to the tune of Rs. 14 crores and this this year it has been around Rs. 4 crores or so netting of , if I calculate the entire revenue in our payment gateway you earn through various methods. You have much in PMC amount also, you have a net earning also, you get from the other banks also, revenue sharing with bank is also there. So revenue sharing is also there. So, we share different revenue with our banks also and the net revenue which is coming to IRCTC comes out to be around Rs. 3.5 crores. .

- **Mr. Nitesh Shah – Motilal Oswal:**

- Got it, in the first quarter. And ma'am where are we on the integration part on the app?

- **Ms. Rajni Hasija – CMD, IRCTC Limited:**

It is there already in the app. Recently, we have changed the place, you will find it in a different one. It was not prominently place earlier. Now you will find the difference from the 16<sup>th</sup> of August. In all our website our PG will be appropriately placed, so that people are able to locate it faster.

- **Mr. Nitesh Shah – Motilal Oswal:**

- What kind of transaction should we have in numbers because of this integration? Because the market size is very-very large as far the other segment is concerned. So just trying to understand if you can give us some sense on the size of the opportunity here.

- **Ms. Rajni Hasija – CMD, IRCTC Limited:**

- Other than we have to think beyond the internet ticketing because the PG sizes vary, you know the payment gateway it works in a two manner. One is the PG manner, other is the payment aggregator. For becoming a payment aggregator, we require a certain approval from the RBI for which we are applying and the necessary changes in the Memorandum of Association will also be made. If the need comes our SPV will be formed subsequently, if the need comes. So we are going beyond internet ticketing, also in the IPay, and we are talking to many agencies like EPFO etc. so that this particular gateway who has now stabilized in the last three years, and we are tweaking our internal processes and making our reconciliation work strong so that we can take this payment gateway outside. There the more revenue will come. Here the revenue, which is there it is going to be, finally we are going to share someone else's share. The total inventory, the booking online internet ticketing side is correlated to the total inventory available, which is going to be fixed or may increase or may not increase substantially. If you really want to increase the revenue of the Ipay means we have to go out. For which the efforts are on, and we are strengthening our internal processes, which we have done in this quarter. We will add in this quarter also. Maybe in the third quarter, you will see that we are starting going out and the necessary approvals from RBI etc. are available with us. And the product is to be launched in the open market.
- **Mr. Nitesh Shah – Motilal Oswal:**
- Got it. So ma'am just to reconfirm the UTS integration is already been done and will be visible from the 16<sup>th</sup> of August, right?
- **Ms. Rajni Hasija – CMD, IRCTC Limited:**
- Yes, we are trying our level best to bring it all the forums. In fact we have also applied to agencies also to bring Ipay. Because earlier we did not have net banking, now we have net banking also. So time has come, then we can now take it to UTS for all government payment gateways, maybe income tax we may think of. So we can work our processes, the internal processes. So far we are there, anything goes wrong we could manage because we were the controller. But for going outside you may need to have a very strong system which we have. We are only formalizing that the cookies, the rates etc. so that we can take out this product in the market.
- **Moderator:**
- Thank you. The next question is from the line of Hasmukh Vasaria from SUD Life. Please go ahead.

- **Mr. Hasmukh Vasaria - SUD Life**
- Thanks for giving me the opportunity. Most of my questions have been answered. I just want to clarify one thing, the number of our tickets and the passengers travel numbers that you have provided so, I think 6.3 crores is the number of tickets and number of passengers travelled would be, in Q1?
- **Ms. Rajni Hasija - CMD, IRCTC Limited:**
- Yes. 6.37crores is the number of tickets travelled in the first quarter. Number of tickets booked in the first quarter. 8.1 crores is the number of our passenger travelled for the tickets booked through our website.
- **Mr. Hasmukh Vasaria - SUD Life**
- Okay. So that turns out to be just 1.2 passenger per ticket versus earlier average of 1.6-1.7.
- **Ms. Rajni Hasija - CMD, IRCTC Limited:**
- Yes, but it is normally 1.7 to 1.8. On few days it has been 1.6, due to holidays it is not there.
- **Mr. Hasmukh Vasaria - SUD Life**
- Okay. And what would be the average capacity utilization number this quarter, on the train? Any approximate number around that.
- **Ms. Rajni Hasija - CMD, IRCTC Limited:**
- Regarding occupancy number. Occupancy because book, we don't take.
- **Mr. Hasmukh Vasaria - SUD Life**
- Okay, thank you.
- Moderator:**
- Thank you. The next question is from the line of Soumil from Capital Mind. Please go ahead.
- **Mr. Soumil – Capital Mind:**
- So I just didn't get the part on e-catering. Kindly request you to repeat what was the upgrade on the UTI train business and the tie ups with Zomato, Swiggy you were talking about?
- **Ms. Rajni Hasija - CMD, IRCTC Limited:**
- E-catering is a business where a person can order online using our app or our website and the food is provided on the site. We were intending to tie up with Zomato and Swiggy. The talks

were on. It got delayed because those facilities were busy and they were charging a little higher for serving the food. And our food being served in the train is of a, because service in the train, and the service in the static unit or in the house is very different. Someone has to be very-very strong logistics. So though our deals with the Zomato and Swiggy are not yet finalized, talks are still on. Meanwhile we could succeed in one of our B2C partners who is also coming up with a delivery aggregators with our own brand. So where IRCTC can also provide some hand-holding kind of a thing so that the hot food is served. We could achieve the pre-COVID levels on few days with the limited number of trains we had. And our average booking of e-catering food is around 17,000 meals a day as compared to 21,000 meals pre COVID levels. Although on few days we were able to achieve 21,000 meals a day also, the number of a station providing e-catering is gradually picking up still less than pre COVID levels. The number of orders that we are receiving is although less than pre COVID levels, but still picking up.

- **Mr. Soumil – Capital Mind:**

- So at this moment, who is providing this service of delivery to you?

- **Ms. Rajni Hasija - CMD, IRCTC Limited:**

- We have all the vendors, we have delivery aggregators, we have food aggregators we have Domino's, we have Subway, we have Haldirams, all the food plazas are linked and all the other brands of the local brands are also linked. So many brands are there, 252 stations we have opened this and more than 1000 vendors are already with us who have started the work.

- **Mr. Soumil – Capital Mind:**

- And will be B2C partners you are looking to tie up?

**Ms. Rajni Hasija - CMD, IRCTC Limited:**

- Yes. We have recently started with our B2C partners last three months, and the first quarter results are very encouraging. And many other partners like Make My Trip, Ixigo, Yatra, Railofy and Confirm Tkt, they have started selling e-tickets and we are giving some share of our revenue to them also. Some charges we are sharing with them. With that the booking has increased. And the booking that we get from them is around 2,500 meals a day, normally we are getting on the B2C partners also. And we are also thinking of revising our policy, maybe subsequently we will do.

- **Mr. Soumil – Capital Mind:**

- I wanted two names of the B2C partners who is coming out with the delivery aggregation.

- **Ms. Rajni Hasija - CMD, IRCTC Limited:**

- We are in talks with many. Let us see where we succeed.

- **Mr. Soumil – Capital Mind:**

- Thank you, that is all.

- **Moderator:**

- Thank you. The next question is from the line of Suresh Sanvi from IDBI Capital. Please go ahead.

- **Mr. Suresh Sanvi – IDBI Capital:**

- Good afternoon ma'am. My question is with regard to DFCCIL. Have you seen any progress in DFCCIL and any space being vacant with regards to passenger trains? Is the Ministry and IRCTC in discussion for any vacant space and what is the status? Because earlier the deadline for the DFCCIL was June 2022. I am in we are in less than a year space of that. So just need update on that.

- **Ms. Rajni Hasija - CMD, IRCTC Limited:**

- Though it may not be very appropriate to me comment upon the working of a DFCCIL, but I can certainly tell you from the news I read and in the Railway column, it is a continuous improvement they are showing. That freight traffic that is moving through dedicated freight corridor is increasing day after day. In fact during the COVID period etc. oxygen etc. many of them moved through that corridor. So the corridor is showing consistent improvement, but how I may not be able to share any figure you on this. Because I don't have actually.

**Mr. Suresh Sanvi – IDBI Capital:**

- Ma'am my question was with regards to, has any space opened up because of the shifting of a goods train to DFCCIL? And has that been converted into passenger train?

- **Ms. Rajni Hasija - CMD, IRCTC Limited:**

- As of now the passenger trains have not started moving on the dedicated freight corridor. The private train angle is yet to be decided, and the new train, passenger trains in case of an emergency of course, when any exigency happens in the railways the alternative route, I don't know exactly, but, maybe they may be using the dedicated freight route also. But provided that as a fitness for the passenger, with this level of the track for the passenger and for the goods is very different.

- **Mr. Suresh Sanvi – IDBI Capital:**

- Right ma'am. For the old route, I mean not the DFC but for the old route has any space been created for the high speed or semi-high speed trains?
- **Ms. Rajni Hansija – CMD, ICRTC Limited:**
- I am sorry I am not aware of it. Not yet, I don't know.
- **Mr. Suresh Sanvi – IDBI Capital:**
- Okay ma'am. Thank you very much.
- **Moderator:**
- Thank you. The next question is from the line of Vikrant Kashyap from K R Institution. Please go ahead.
- **Mr. Vikrant Kashyap –**
- Good afternoon, and congrats on a very good set of numbers. Ma'am, my first question is regards to the touring package that we offer. So could you just give some updates where we stand and how are the numbers, since we are half of the second quarter?
- **Ms. Rajni Hasija – CMD, IRCTC Limited:**
- Tourism, we domestic tourism also and we do inbound also, and we are doing outbound also. We are into all sectors of tourism, we have a product ranging from Rs. 800 to \$850 a day. So, if you ask me what kind of tourism we are doing now, we are doing majority of our...since our regular trains are not running, so in rail based tourism we are doing only the mass tourism. In fact once that trains opened up after  
  
June, I am very happy to announce to this house that my first Bharat Darshan has come back successfully which we operated on the south zone and two are running. So we have already started our mass tourism after the second wave, and we would be operating around 22 trains. So far up to, this I am telling you up to December, we had announced, and we would be adding more trains, now if the situation remains the same and we carry the people. So the tourism will pick up. And last year, if you are ask me the total number of our Bharat Darshan train, and pilgrim special was 25. So that was in the entire year. So, if the things go right up to December, we would have operated these many trains.
- In addition to this, in the Delux segment, we have already announced one train called the Char Dham Yatra which is already full, which is Buddhist rake which we are using in our lie over period and taking it to all that traditional four Char Dham, that is Badrinath, Dwarkapuri, and Rameshwaram and that has been a big hit. Since it was a big hit, we had to launch another itinerary. Ramayana is already hit. We have launched that also in the delux segment.

So that is very encouraging and we are getting lot many bookings. Two-three circuits of mine are already booked. Then to promote the North frontier – NF region, 7 sisters, we have also launched another good package which is also getting good attention from other tourists. And air packages, yes, our Ladakh package has been a great hit. Our Kerala package, in spite of the pandemic and the situation over there, people booked many. In fact we had to launch a series of the Ladakh package and the Kashmir also we had launched. So tourism is gradually taking off. Land tour is picking up, Delux train is picking up. And our mass tourism in the name of Bharat Dharshan and pilgrims stations has also started picking up. So our air bookings have gone up. The circuits although not very encouraging, we are also going to do some promotions in the air ticketing business, because many of the visa restrictions are still there so we are keeping our fingers crossed for inbound tourism this year. And outbound also till the restrictions open we can't take the people out. So, let us focus on the domestic tourism. That is what the company has decided. And, we are all way out to promote our schemes, that you might be seeing through our social media handles also and other places.

- **Mr. Vikrant Kashyap –**

- Got it. Ma'am can you give us the run rate of air ticket booking?

- **Ms. Rajni Hasija – CMD, IRCTC Limited:**

- It was around I think 2700 segments a day, till yesterday when I enquired.

- **Mr. Vikrant Kashyap –**

- Since our catering business is 100% e-catering and we are reaching to the pre COVID levels, so how to look at the margin profiles over here?

- **Ms. Rajni Hasija – CMD, IRCTC Limited:**

- Are you talking to me specifically about the E-catering business?

- **Mr. Vikrant Kashyap –**

- Yes E-catering margin profiles.

- **Ms. Rajni Hasija – CMD, IRCTC Limited:**

- E-catering our margins have gone up by about 12% to 15% recently we have increased the rates.

- **Mr. Vikrant Kashyap –**

- So the increase is across the board with the new as well as the old partners?

- **Ms. Rajni Hasija – CMD, IRCTC Limited:**
- Yes. When we do we have to ensure level playing, we cannot segregate.
- **Mr. Vikrant Kashyap –**
- And ma'am can you give us the update on our CAPEX program for the year and then next year?
- **Ms. Rajni Hasija – CMD, IRCTC Limited:**
- CAPEX last time also the leftover work of the previous year will be completed because some few things in the April-May could not be completed. Last year I think, we had announced that Rs. 100 crores will be spend so we will continue with that and we will, if we win this tender for the private train, then the CAPEX is going to be much-much more. It may not be this year, maybe next to next year we will have that.
- **Mr. Vikrant Kashyap –**
- Thank you very much and wish you best of luck.
- **Ms. Rajni Hasija – CMD, IRCTC Limited:**
- Thank you.
- **Moderator:**
- Thank you. As this was the last question for today, I now hand the conference over to the management for closing comments.
- **Ms. Rajni Hasija – CMD, IRCTC Limited:**
- Well it has been a very thought-provoking session. I must say, industry is well-read and all our investors are well read and they were quite intuitive to know the developments happening in the company and it has always been a pleasure interacting with the investors. At times it really has helped us in taking few decisions, what the market is actually looking for or to know the market trends I think interaction with the investors is a continuous process. And really strengthens the bond between the investor and a company. So I wish you all the best for the Rakshabandan, the festival and of course a very happy Independence Day to all of you. Hopefully, this third wave doesn't imbibe us and tourism and the hospitality industry is sail off. If we sail off well, investors will certainly. Wishing you all the best once again. Thank you very much.

- **Moderator:**
- Thank you. On behalf of Prabhudas Lilladher Private Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines.

**End of file**