



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

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No. 2019/IRCTC/CS/STEX/356

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BSE Limited 1 st Floor, New Trade Wing, Rotunda Building Phiroze Jeejeebhoy Towers, Dalal Street Fort, Mumbai – 400 001 Scrip Code: 542830	National Stock Exchange of India Limited “Exchange Plaza”, C-1, Block-G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 Scrip Symbol: IRCTC
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Sub: Outcome of investors/analysts meet – Transcript of “Q3FY’24 Earnings Conference Call” held on Wednesday, February 14, 2024.

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 January 30, 2024, please find enclosed herewith the transcript of “Q3FY’24 Earnings Conference Call” held on Wednesday, February 14, 2024.

You are requested to kindly take the same on record.

Thanking you.

Yours sincerely,

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

(Suman Kalra)
Company Secretary and Compliance Officer
Membership No: F9199

Encl: a/a



“Indian Railway Catering and Tourism Corporation Q3 FY24 Earnings Conference”

February 14, 2024



Dolat Capital



MANAGEMENT: **MR. SANJAY KUMAR JAIN – CHAIRMAN & MANAGING
DIRECTOR, IRCTC**
**MR. AJIT KUMAR – DIRECTOR (FINANCE) & CHIEF
FINANCIAL OFFICER, IRCTC**
**DR. LOKIAH RAVIKUMAR – DIRECTOR (CATERING
SERVICES), IRCTC**
**MR. K.K. MISHRA – DIRECTOR (TOURISM &
MARKETING), IRCTC**

MODERATOR: **MR. RAHUL JAIN – DOLAT CAPITAL**



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February 14, 2024*

Moderator: Ladies and gentlemen, good day and welcome to IRCTC Q3 FY'24 Results Conference Call hosted by Dolat Capital.

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 touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Rahul Jain from Dolat Capital. Thank you and over to you, sir.

Rahul Jain: Good afternoon, everyone. On behalf of Dolat Capital, we welcome you all to the Q3 FY'24 conference Call of IRCTC Limited.

I know there is a delay in the call and we apologize for that because of some technical reason we could not avoid that, but now without wasting any time I just take this opportunity to welcome the management of IRCTC represented by Mr. Sanjay Kumar Jain who is CMD of the Company; Mr. Ajit Kumar, who is Director (Finance) and CFO of the Company, and also we have today with us Dr. Lokiah Ravikumar, who is Director of the Catering Services; and Mr. K.K. Mishra ji who is Director for Tourism and Marketing Segment.

Now, I would like to hand the conference over to IRCTC Management to take the proceeding forward. Over to you, Mr. S.K. Jain.

S.K. Jain: Thank you, all. A very good afternoon to everyone and a warm welcome to you all to this Conference Call of IRCTC Quarter-ending December 2023. I extend my warmest wishes to you and your family.

Just to add that, I have joined as a regular CMD of IRCTC with you all for what an opportune moment today.

The Company has announced Unaudited Financial Results for the Third Quarter of Financial Year 2023-24, which were disclosed yesterday on both the stock exchanges.

I shall first give a conscience overview of Q3, post which our Director (Finance) and CFO, will provide the Details of the Performance of our Business Segment, thereafter, we shall have the Question-Answer Session as per your convenience.

During Q3 this year, I am really happy to announce that the Company achieved a remarkable milestone with operating revenue reaching to 1,118 crores, marking its highest ever quarterly revenue, implying a growth of more than 20% year-on-year basis, 21.8% and 12.4%. Catering and tourism have been the main drivers for this revenue growth. The EBITDA for Q3 is Rs.394



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crores in absolute term, growing by 20.9% from Rs.326 crores for Q3 last year, mainly due to the decent growth in catering and tourism business. EBITDA came to around 35%, more or less similar to the last year and 36.83 % compared to the Q2. Due to the change in the product mix and a low margin in catering and other verticals as compared to the internet ticketing.

The Company reported a net profit of Rs.300 crores in the December quarter of this year, making an increase of 17.4%. So, as I told that the Company reported a net profit of Rs.300 crores as against Rs.255 crores last year, the net profit also is the highest ever profit registered in the history of IRCTC in this quarter, despite making a provision of Rs.14.5 crores in Q3 on account of differential profit sharing for PPP plants in Rail Neer segment with railways.

I would like to conclude my opening remarks by conveying warm wishes to all our investors and wishing you all a very profitable venture ahead. Thank you for your continued support and trust in us.

I shall now hand over the call to my colleague and our Director (Finance) and CFO, Ajit Kumar to brief you on the “Financial and Segmental Performance” of the Company. Thank you very much.

Ajit Kumar:

Good afternoon. Ajit Kumar, Director, Finance and CFO.

Now, I will first give a “Brief Overview” about Q3 FY'24 Results, post with which we shall have that question-answer session.

In Q3 FY'24, IRCTC experienced yet another quarter of robust revenue growth, marking another significant milestone in its journey. Revenue of Rs.1,118 crores grew by 21.8% year-over-year and 12.4% quarter-on-quarter basis. Consolidated EBITDA margin is more or less the same, that is quarter-on-quarter to 35.23% versus 36.83% and 35.49% year-on-year due to change in the revenue mix.

Now, net profit after exceptional items for the quarter came at Rs.299.9 crores versus Rs.255.2 crores in Q3 FY'23 and Rs.297.67 crores in Q2 FY'24.

Now, let us move to the different business segments of the Company:

The catering segment reported a 29.1% year-on-year growth in revenue, reaching Rs.507.76 crores and a 17.6% increase on a quarter-on-quarter basis.

Additionally, it may also be noted that the Q3 and nine months revenue in FY'24 is the highest ever recorded in the catering segment. The EBITDA margin continued to show substantial improvement reaching 15.44% compared to 10.73% year-on-year. However, there was a slight decrease compared to the 17.21% quarter-on-quarter margin, mainly due to changes in the



product mix within the catering vertical as the prepaid trains revenue having low EBITDA, has increased Q3 to Rs.59.76 crores from Q2 Rs.207 crores.

The next vertical, the "Internet Ticketing." This segment continues to demonstrate the resilient amid conversion of reserve to tickets back to the early reserve tickets during the pre-pandemic period. And the revenue for the quarter was Rs.335.31 crores growing by 11.4% year-on-year and 2.39% quarter-on-quarter. The EBITDA margin for the quarter came at 83.02% versus 83.7% quarter-on-quarter and 84.15% year-on-year.

The next segment is tourism and state distance. That segment saw strong growth in revenue for the quarter at Rs.195.47 crores, implying a growth of 32.28% year-on-year and 21.11% quarter-on-quarter. Given the revenue growth, the segment reported positive EBITDA margin of 12.10% versus 3.6% on quarter-on-quarter and 10.79% year-on-year basis.

The other segment, Rail Neer in Q3 FY'24, reported a value of Rs.83.76 crores marking a sequential growth quarter-on-quarter of 7.39% and year-on-year increase of 6.05%. The reported EBITDA margin stood at 13.43% representing an improvement compared to both year-on-year figure of 11.20% and quarter-on-quarter figure of 12.43%. However, the segment's quarterly profit showed a negative return of minus 3.3 crores contrasting with the previous quarter profit of 8.8 crores. This decline was primarily attributed to an adjustment of an exceptional item amounting to Rs.14.51 crores in this quarter. This exceptional item involved a sharing of an additional 25% revenue from the PTC railway plant for previous year, which was accounted for in the third quarter.

For Q3 FY'24, the cash and bank balances and the net worth of the Company at the end of the quarter is Rs.2,258 crores and Rs.2,946 crores respectively.

That brings to the end of the opening remarks. And we wish you all the best. So, now we can straightaway move to the question-answer session. Thank you.

Moderator: We will now begin the question-and-answer session. The first question is from the line of Jinesh Joshi from Prabhudas Lilladher Private Limited. Please go ahead.

Jinesh Joshi: My question is on the catering business, which reported a very strong growth in this quarter. So, was it due to higher coaches booked on FTR basis or did we get more TSV contract in this quarter, if you can highlight that? and also a related question is, we had plans to expand into the non-railway catering business. So, if you can share some progress on that line as well?

S.K. Jain: So, I'm seeing two, three reasons for the increase in such a robust catering revenue enhancement. First is introduction of Vande Bharat Train. As against the announcement of 75 Vande Bharat trains this year, already 41 trains have been announced and running. The old contract which expired this year is around 1,200, has now increased to 1,518 contracts to be precise. FTR has



also increased and FTR is also giving us revenue because of that policy that now all the catering to be done by IRCTC. Yes, you are right that because of that also it is adding to our revenue and it will further add to our revenue. Then, you talked about NRC. NRC also like this year only we have already started eight NRC projects, seven are in pipeline and these are mostly government offices, high court, etc., In addition, we are tied up with Zomato also as a food aggregator. We are on to more than around 400 stations. We are providing e-catering services, whereas we have direct contact with around 480, 490 vendors. We are eyeing aggregators like Zomato and recently they have onboarded onto our system. Till now, we have 17 such aggregators with us. So, all these results led to the growth in catering. One more thing which I want to add is that recently Ministry of Railways has announced a new catering policy, basically, it is a corrigendum to the old one wherein a new concept of this cluster-based catering being announced. We have already floated some of the tenders and we are going very aggressively towards that. The main highlight of the tender is that this is a long-term tender; it will be given for five plus two years. That's all.

Jinesh Joshi: A related follow up is that you mentioned that the current contracts are roughly at about 1,500-odd. So, if my memory serves me right, I mean in the last quarter, I think we were at about 1,300-odd contracts and the opportunity size was 1,500. And given we have already reached that number; do you foresee a catering revenue plateau out a bit from here on?

S.K. Jain: No, no, no, no. It's a very good question. And I can understand your worry, but it's a matter of joy. We are in the sector, largely our catering is all our business rather is in railways and you know that railways is going, going, going. With DFCCIL coming, the line capacity of Indian Railways will further get relief and there is a huge demand from passenger side. So, once the passengers are there, they need food to eat that IRCTC provide and they need tickets which we will issue. So, we should try to serve as much as we can.

Jinesh Joshi: My second question pertains to the additional provisioning that we have wherein profits in our Rail Neer business. So, our press release states that the incremental provision is taken until FY'23. So, do we expect some additional provisioning crop up in future from here on due to higher share which we need to give to Indian railways?

S.K. Jain: I'm not able to hear you. Kindly repeat the question. There was a disturbance.

Jinesh Joshi: Sir, the provisioning in this quarter that we have took approximately 14-odd crores with respect to share in Rail Neer profit, our press release states that we have taken provision till FY'23 and for FY'24 do we expect incremental provision come through from here on?

S.K. Jain: No, no, no, it's already provided. You see there are two things in this which I would like to explain to you. See, the departmental Rail Neer plant we have to share the revenue with railways at the rate of 15%. But all the plans which are on PPP model, the revenue sharing is 40% of our profits. So, earlier, what happened, we calculated 15% and 14.5 crores is the grand total of the difference of 40% of the net profit.



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- Jinesh Joshi:** Actually, the worry was that this difference in profit which you have provided for, you have stated in your press release that this has been provided for up till FY'23 which is 31st of March 2023. Will we have to provide more? That was my question.
- S.K. Jain:** Up to December 2023, PPP sharing has already been made at the rate of 40% in this quarter apart from the provision of 14.5 crores up to March '23.
- Jinesh Joshi:** Maybe sir, I'll take this offline. If you can share what is the convenience fee and number of tickets booked for this quarter?
- S.K. Jain:** This AC class is 550 lakhs; non-AC class is 456 lakhs and second sitting is 140 lakhs for this quarter.
- Jinesh Joshi:** And convenience revenue?
- S.K. Jain:** 219 crores is the Q3 convenience fee.
- Moderator:** The next question is from the line of Rohan Nagpal from Helios Capital. Please go ahead.
- Rohan Nagpal:** I have one question. On your catering revenue expenses, there is one line item in the income statement -
- S.K. Jain:** Can you please be louder?
- Rohan Nagpal:** So, on your income statement, there's a line item that says expenses of catering services. Now that expenses of catering services, if I look at it, it's 349 crores, but that is not the same as the difference between your catering segment revenue and your catering segment result, the catering segment result is about Rs.78 crores, catering segment revenue is Rs.508 crores. So, what all is covered in that line item, expenses of catering services and what are the other expenses within catering services that you are incurring?
- S.K. Jain:** No, this is operating profit. This is absolutely directly linked to the catering whatever we earn the revenue from the catering, and it's the net of the direct cost which is there.
- Rohan Nagpal:** So, what all is rolled up in that 350-odd crores in your expenses of catering services?
- S.K. Jain:** That is the reimbursement cost of catering charges paid to vendors and the railway share on the license fees
- Rohan Nagpal:** I was just wondering on catering revenue in terms of the trains, how many more trains are there that are still under the old catering policy and how much runway for or catering revenue increase is there on the train side?



S.K. Jain: Do you mean to ask that old catering policy; how many mobile units are there and as per the new policy?

Rohan Nagpal: Yes, exactly. So, how many trains are yet to move to the new catering policy or yet to be transitioned?

S.K. Jain: 100% has to be moved to the new policy because the policy has recently come. We have already started floating the tender. So, at the moment all are on earlier short-term tenders. So, that's why I said will be for seven years. As of now, most of the tenders are up to six months.

Rohan Nagpal: So, are all trains that are currently operational under the new catering policy or there're still trains that are yet to sort of move on to the new catering policy?

S.K. Jain: Actually, this new catering policy has recently come. Again, I'm repeating that we have just started the tendering process. We have floated a few tenders, not yet finalized.

Rohan Nagpal: So, then how long will it take for the tenders under the new catering policy to be applicable across the trains? Is there some sort of penetration number that you have in terms of, there are X number of trains and of these, why are currently on the new catering policy or on the tenders that are under the new catering policy?

S.K. Jain: All the trains which we are running at present and all the trains which will be coming. we are having around 1,200 trains at the moment putting altogether. So, all these will be put on the tender, and this will be on long term tender because the size is quite large. We are aggressively following to finalize as soon as we can. We have already decided the phases about this.

Moderator: The next question is from the line of Ashish Srikumar. Please go ahead.

Ashish Srikumar: I just wanted to ask a question about the Zomato digitally eating that you were talking about. Could you specify that how much has it grown because the catering service you said grew because of the number of trains, Vande Bharat inclusion, So, in the coming days, how much is it going to grow?

S.K. Jain: Number doesn't matter. Actually, if you want, I can give you the numbers. We are already there on POC concept, and we are at 18 stations now and we are coming up on 22 additional stations, but number doesn't matter. What I see is to create a network so that first you put the system in place and then you with your strength of the network, you create the stability in the market and confidence in the customer. That's what we have to be looking for.

Ashish Srikumar: So, I believe that first we are plumbing the entire structure and then basis that we will increase the numbers. I got your point. And one final question, sir. You might have seen that ONDC's inclusion has been included a lot and ONDC has also gotten into the eatery services through



different aggregators. So, ONDC also coming into the ticket booking section for IRCTC planning, something of that sort?

S.K. Jain: We were discussing ONDC. So, our discussion is already going with them for each recasting and bus booking.

Ashish Srikumar: So, any projected timelines by when you are foreseeing there could be an inclusion of ONDC into IRCTC?

S.K. Jain: It will be too early to say but what we are trying.

Moderator: And the next question is from the line of Madhu Chandan Day from MC Pro. Please go ahead.

Madhu C Day: I have two questions. One is the same question on the catering. I was not very clear. You mentioned about a figure of 1,518 contracts. So, that is the potential number of contracts that you have. And how many contracts have you already won, or you're already present, if you can clarify that number?

S.K. Jain: Yes, this number is already under short term tenders. These are the short-term contracts going on. What I was telling is that a new catering policy has come for long-term tenders. At present we are having a contract of maximum six months. The new catering policy is prescribed for five years plus two years contract. And for that, we have decided to go in five phases and complete the tender.

Madhu C Day: So, my question is, what will be the number of trains where given the existing inventory from railways where there is a potential for catering where you are not present. Are there any number of trains where there is a potential for catering and you're still not present?

S.K. Jain: Largely, we are present in one or other form. You see, one who is on the train, if he is hungry, he needs to be provided with the meal. That we manage in three ways. One is a long-term contract; another is short term contract where there is a gap which fills it up through short-term contracts. Third is (TSV), Train Side Vending we get it done. And there are certain trains which are not having any pantry car. So, it will be interesting to know the e-catering is also there. Then we have food plazas all across the country besides where a refreshment food. There is no place where we are not going. The question is, if we put them from five to seven years in place of six months, certainly will give us confidence in the market firstly and there will be stability and revenue growth on our part.

Madhu C Day: But if you give it to them on a five to seven-year contract, in terms of pricing, will you have to give some concession compared to the short term?



S.K. Jain: What I feel is it will be the other way round. The pricing is controlled by ministry, but the transitional fees what they are expected to quote, if they have the surety of a longer-term contract, so I believe their fixed cost, they will be able to manage and that's how they can share more profit with us.

Madhu C Day: Sir, on an organic basis, what kind of growth should we expect in the catering revenue in the next two to three years?

S.K. Jain: Number is if I say infinite. You see we have two crores people travelling on our system on Indian Railways every day. What we are providing here is around 18, 20 lakhs of meals per day. So, the number is huge as much as I can take it.

Madhu C Day: I have another question which is a little kind of, if you can guide us with some number. So, as of now you sell about 46 crores roughly ballpark in that range internet tickets in a year. So, given that –

S.K. Jain: What's your question?

Madhu C Day: As of now, you sell about 46 crores internet tickets roughly, may not be the numbers. So, given the Vande Bharat or other additional plans for introduction of nutrients, etc., what kind of organic addition to this number can we expect?

S.K. Jain: You see, just now I told that Indian railways infrastructure is growing very fast. DFC has already come. It is creating, line capacity enhancement in the railways in a big way for the passenger trains. They are investing a huge amount in CAPEX in building the infrastructure and bringing rolling stock and all. So, the question is not what is the growth. The question is how much we can capture. The economy is also growing. And we all believe that is the next 25 years of India we are planning according to that.

Madhu C Day: I'm just asking for my curiosity. One simple number. One additional Vande Bharat train leads to what kind of annual capacity in terms of tickets?

S.K. Jain: So, there are two kinds of Vande Bharat. One, which has the capacity of 543 people with eight coaches, and another one is around 1,000. 1,100 and 540 depends upon the train is running with how many coaches per day per trip, one side because Vande Bharat goes in the morning, comes back in the evening. So, if you multiply by two, so in a day two round trip is taken, one round trip is taken means 11 into two, 2,200 passengers travel every day.

Madhu C Day: But then all Vande Bharat don't travel every day of the week also. So, ballpark -

S.K. Jain: No, it runs for six days. Not for seven days.



Madhu C Day: So, ballpark, you mentioned right that was 75 Vande Bharat announcements and 25 running. So, with this 45 running, what is the additional ticketing capacity that you have?

S.K. Jain: Madam, that we can calculate any day. We have like 543 or 1,100 into two into 300 days we can say. What I'm trying to say is that you do not only see catering parts, you see the ticketing, you see the Rail Neer, you see even tourism. Any addition of Vande Bharat has a multiplier effect on IRCTC and its services.

Moderator: And the next question is from the line of Rahul Jain from Dolat Capital. Please go ahead.

Rahul Jain: So, I just have a couple of questions. Firstly, on the Rail Neer business, we saw this exceptional charge. So, it would be great if you could give some feedback that why there is this ambiguity of earlier having this 15% versus 40% now? And it's just a provision, when we expect this to be conclusive for the future as well?

S.K. Jain: As I explained you earlier, initially, Indian Railways and IRCTC, both thought to run the railway plant on departmental basis. So, there was a decision that in a departmental unit, railways didn't charge 15%. But, as the necessity was there, the market was growing, and it was not possible to create the capacity to the expectation, so IRCTC was allowed to go on a PPP model. So, that time, they could not visualize that, should we take it as per the departmental procedure or through PPP model which is available in all others like food plaza and all. So, now it is a settled issue that any PPP will be treated as per the same norm. Norm was already existing. But, it's a matter of interpretation earlier, now it's very clear, and there is no ambiguity, and it's a conclusive thing now. And IRCTC is not losing anything. You see, we are earning say Rs.100, we are giving 40 out of that. So, Rs.60 is the net ensured to us. But that way we are able to create additional capacity in a shorter period.

Rahul Jain: But essentially this charge never used to exist prior to FY'22, but at the time of IPO, we already had this plant. So, when this rate effectively be implemented?

S.K. Jain: You see, it is done at the ministry level. And what I'm saying is, if we have to expand and there is already a norm of 40% on PPP project, so why IRCTC will not pay, I have a different question rather. If we pay 40% in place of 15%, I am able to grab the market. So, at least in absolute term, we'll be able to manage in getting more revenue than what we are doing now.

Rahul Jain: I can understand your stance, sir. My simple question is, because all of these charges, which are levied by Indian Railways at different point of time, creates the uncertainty in terms of what kind of revenue, what kind of profit would be retained in this listed entity. So, is it safer to assume that all such changes which are relevant because we are a significant beneficiary from Indian Railways, and at the same time we have a large opportunity to capture, is it safer to assume all such necessary changes?



S.K. Jain: What I understood from your question and it's an important question, it would have been better for IRCTC to first clarify all this and then do the business. As management wisdom was there, let us start aggressively. And all these things we are not giving anything from pocket, we are just sharing the profit which otherwise the norm is there. When we are running contract, this business entity as assured business also, rather wasting time and fighting with railways first and then decide and then get the market, it would be always advisable that we should go for the market and side-by-side, we talk to them. Absolutely, there is no uncertainty. It is an interpretation and that has been settled now.

Rahul Jain: Yes, I can understand that aspect. Just one incremental input I was just saying. Since you said that it is in best interest for us to look forward, is it safer to assume for all the businesses that we are doing today, whatever is the sharing arrangement today is something which can be sustainable or you think at different point of time, something may come up which we can't predict at this point?

S.K. Jain: If I answer your question like this, the life expectancy in India is 79 years, it was previously 52 years or 59 years, now it is 79 years. So, it doesn't mean that you will not fall sick. So, you will take medicine and then move on so that you have achieved that life expectancy. That's what I can say.

Rahul Jain: Sir, just to add to your point, the analogy, whatever business problem you would face from the market is equivalent to falling sick.

S.K. Jain: We have to go on. We cannot –

Rahul Jain: We just have to understand is that sickness would be coming from our parent or would be an external sickness?

S.K. Jain: You see, every parent gives his son or the descendant, there are certain inherent diseases. But the son or the daughter, the descendants flourish. And if you see, earlier 52, after the disease would be 79. We all have reached that level. So, there will be clarity when we are going together. We can't say in a very inverted comma that there will not be any problem, there will not be any interpretation issue, all will remain there. But the main thing what I see as a management here is how we grow and we grow together to the satisfaction of the customer and to the investor that way.

Rahul Jain: Just last one aspect. we've been providing this UPI incentive to the user who do ticketing through the UPI mode and there is a significant subsidization on that aspect. Is there any timeline that we have decided that how long we would offer this to our customers, or this is going to be a permanent thing?



S.K. Jain: See, promotion of UPI is government directive and as a citizen of India, as a response when we are talking of involvement sustainability, we talk of everything. So, this is a dream project of India which is taking India to a different level. We can't be left behind. So, we have to promote it and we can find out many other ways and means to enhance our earning. So, what I feel is that we should not restrict ourselves in such a conservative side of thinking.

Rahul Jain: But do we have any other precedence in India apart from this UPI incentive in such a big hearted manner?

S.K. Jain: You see, somebody has to take the lead. If I am taking the initiative, you should be happy that the management here in IRCTC are lied to the occasion.

Rahul Jain: Sir, my only point is that it was well understood five years ago, but since that 67% of all volumes in India now happens on UPI, it's fairly acceptable medium of payment. So, do we need to promote it beyond this point as well?

S.K. Jain: What I see, time is a learning process. The time cycle may differ for two years, five years, 10 years. You see, 10 years before, we could not have thought that India will become the fifth largest economy. Now, we are daring to reach the third largest economy in the ten years itself. So, what I feel that we should not be bound by the time to pass on India for two years, three years. We should see how we can progress further, how we can add to our revenue, how we can add to our profit and there are very various ways and means to do that. So, you see, after getting this concession also, just now we told that we are happy to announce that this was the highest of the revenue in this quarter.

Moderator: And the next question is from the line of Devang Bhatt from IDBI Capital. Please go ahead.

Devang Bhatt: Just a few bookkeeping questions like what is the current Rail Neer plant capacity and what is the utilization and what -?

S.K. Jain: Utilization is 75% and the capacity is around 18 lakhs. We are adding to its capacity by 72,000 plant. In fact one of the plants is going to be inaugurated tomorrow, another plant by July. So, we are enhancing the capacity. Our utilization is 75%. There also we are planning to enhance our capacities because you see there are certain plants which are running at more than 100% capacity. There we are adding another add-on capacity, and we are coming with the new plants also.

Devang Bhatt: So, sir, how much your capacity will increase by FY'25 and beyond?

S.K. Jain: 18.4 lakhs bottle per day.

Devang Bhatt: So, that is the current capacity, right?



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S.K. Jain: No, no, no, current is 16.96. I may be wrong in telling. We will enhance it to 18.4 as of now. But '25 is like long period for me. Let us see.

Devang Bhatt: So, 18.4 by FY'25. By this year or by -

S.K. Jain: As on date there is a plan by 2025 18.4 lakhs of bottle per day. But what I feel, we are sitting here in January, February 2024. So, we have time to think it again.

Devang Bhatt: In this quarter, what drove your tourism revenues, I mean what was the key driver and how many additions of stages are expected in the coming quarters?

S.K. Jain: You see, in tourism, we have a very good product, Vande Bharat Train. So, about tourism business, let me explain it to you. We are basically catering to rail-based mass tourism. And Bharat Gaurav Train 10 plus one we are running, and secondly, interesting part is that recently only we have an MoU with Uttarakhand government I think in the last week itself, where we have a contract with them for two years that we will promote their tourist places and they are investing into raise Bharat Gaurav Trains, and we will be slicing it. And we are talking to some other state governments also like Maharashtra also because it is a nascent stage, I should not talk about the state, but we can just say to you that these are the two products, one is the MoU with the state government catering to like mass tourism and promoting their state tourism and Bharat Gaurav Train. So, these are the two futuristic in India.

Devang Bhatt: This MoU with Uttarakhand, what kind of revenues it will generate for you?

S.K. Jain: It will generate good revenue.

Devang Bhatt: Sir in Tejas, what kind of additions are you seeing?

S.K. Jain: It's not a concept of revenue my dear. What I feel is that if we are opening something, so there are many such states are there, which wants to promote their tourism. So, if I say that in the next two years we are having MoU with 10 or 12 state governments, it will generate huge revenue. So, I see the potential. I am not calculating the absolute terms.

Moderator: That was the last question. I would now like to hand the conference over to management for closing comments.

Management: Thanks to this. After this Q3 result which is one of the highest, I mean this for the nine months and three months this quarter, and especially talking to the investors gives us confidence and whatever the suggestions we take it forward. It's your Company and we look forward that in the next quarter, we do much better with your best wishes. Thank you very much.

Moderator: On behalf of Dolat Capital, that concludes this conference. Thank you for joining us and you may now disconnect your lines.