



ISS Enterprise Limited

(Erstwhile : ISE Securities & Services Ltd.)

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CIN : U67100MH2000PLC123707



Ref.: 19-20/ISS/SURV/7235/IPO
September 26, 2019

To:
All Registered Intermediaries of ISS

Dear Sirs/Madam,

Sub.: INDIAN RAILWAY CATERING AND TOURISM CORPORATION LIMITED IPO

Members are requested to note the IPO details of Indian Railway Catering and Tourism Corporation Limited as follows...

Issue Period

Issue Opens On: Monday, September 30, 2019

Issue Closes On: Thursday, October 3, 2019

Issue Details

Price Band Rs.315 -320

Bid Lot 40 Equity Shares

Rs.10/-per share

UPI - All Retail Applications compulsorily in UPI Mode. Application made using third party UPI or ASBA Bank A/c are liable to be rejected.

For any further query / clarification you may contact the undersigned or Mr. Dhananjay on M: 9987275552 or 61829530/1/2/5 email helpdesk@iseindia.com or bdc@iseindia.com.

Thanking you,

Yours faithfully,
For ISS Enterprise Ltd.


Ranjit Shaha
Surveillance.

ISS Enterprise Limited

(Erstwhile : ISE Securities & Services Ltd.)

SEBI Registration No. INZ000157633

Registered Office : International Infotech Park, Tower No. 7, 5th Floor, Sector - 30, Vashi, Navi Mumbai - 400 703. Tel. : (022) 2781 2056



INDIAN RAILWAY CATERING AND TOURISM CORPORATION LIMITED

Axis Capital

IPO NOTE

Issue highlights

- Incorporated on September 27, 1999, **Indian Railway Catering and Tourism Corporation Limited ("IRCTC")** conferred with 'the Mini Ratna-I' status, is a Central Public Sector Enterprise wholly owned by the Government of India ("GoI") under the administrative control of the Ministry of Railways ("MoR").
- **IRCTC is the only entity authorized by Indian Railways to provide catering services to railways, online railway tickets and packaged drinking water at railway stations and trains in India.** IRCTC was incorporated with the objective to upgrade, modernize and professionalize catering and hospitality services, managing hospitality services at railway stations, on trains and other locations and to promote international and domestic tourism in India through public-private participation.
- IRCTC operates one of the most transacted websites, **www.irctc.co.in**, in the Asia-Pacific region with transaction volume averaging **2.5 to 2.8 crore transactions per month** during the 5 months ended August 31, 2019.
- Currently, IRCTC operates in **4 business segments, namely, Internet Ticketing, Catering, Packaged Drinking Water** under the "Rail Neer" brand, and **Travel and Tourism**. IRCTC has also diversified into other businesses, including non-railway catering and services such as **e-catering, executive lounges and budget hotels**, which are in line with their objective to build a "one stop solution" for their customers.
- In a step towards promoting digitalization initiative of Government of India, IRCTC has introduced user friendly '**IRCTC Air**' and '**IRCTC Tourism**' mobile application. The company launched their **i-Pay payment gateway** on a pilot basis in October 2018. i-Pay is designed to handle domestic debit and credit cards transactions.

Brief Financial Details*

(Rs. In Cr)

	As at March 31,		
	2019	2018	2017
Equity Share Capital [^]	160.00	40.00	40.00
Reserves	882.84	914.53	746.56
Net worth	1,042.84	954.53	786.56
Revenue from Operations	1,867.88	1,470.46	1,535.39
Revenue Growth (%)	27.03%	(4.23)%	-
EBITDA as stated	398.98	319.07	330.12
EBITDA (%)	21.36%	21.70%	21.50%
Profit Before Tax	429.96	345.63	355.07
Net Profit after Tax	272.60	220.62	229.08
PAT as % to revenue	14.59%	15.00%	14.92%
EPS (Rs.)#	17.04	13.79	14.32
RoNW (%)	26.14%	23.11%	29.12%
Net Asset Value (Rs.)	65.18	59.66	49.16
Dividend (%)	76.00%	222.00%	212.00%

Source: RHP *Restated summary Statement, ^ Increase in equity share capital due to the Bonus issue. # EPS and NAV after taking into consideration of Bonus shares

Issue Details

Offer for sale of up to 20,160,000 Equity Shares.

(The offer will constitute upto 12.60% of the post offer paid up Equity capital)

Issue summary

Net Issue size: Rs.628 Cr - 638 Cr

No. of shares: 20,160,000 Equity shares

Face value: Rs.10

Employee Reservation: 160,000 Equity Shares

Issue summary

Price band : Rs.315 - 320

Bid Lot: 40 Shares and in multiple thereof
Retail & Employee Discount: Rs.10/- per share

Post Issue Implied Market Cap =

Rs.5,040 – 5,120 Cr

BRLMs: IDBI Capital, SBI Capital Markets, Yes Securities

Registrar: Alankit Assignments Ltd.

Issue opens on: Monday, 30th Sept'2019

Issue closes on: Thursday, 3rd Oct'2019

Indicative Timetable

Activity	On or about
Finalisation of Basis of Allotment	9-10-2019
Refunds/Unblocking ASBA Fund	10-10-2019
Credit of equity shares to DP A/c	11-10-2019
Trading commences	14-10-2019

Issue break-up

	No. of Shares	Rs. In Cr	% of Issue
QIB	10,000,000	315.00 – 320.00	50%
NIB	3,000,000	94.50 – 96.00	15%
Retail	7,000,000	213.50 – 217.00	35%
Emp	160,000	4.88 – 4.96	
Total	20,160,000	627.88 - 637.96	100%

Listing : BSE and NSE

Shareholding (No. of Shares)

Pre-Offer and Post-Offer Equity Shares

No. of shares	160,000,000
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Shareholding (%)

	Pre-Issue	Post-Issue
Promoters & Pro. Group	100.00%	87.40%
Public	0.00%	12.60%
Total	100.00%	100.00%

BACKGROUND

Company and Directors

The company was incorporated as “Indian Railway Catering and Tourism Corporation Limited” on September 27, 1999. Company’s Promoter is the President of India, acting through the Ministry of Railways (“MoR”), Government of India (“GoI”). The company was conferred with the 'Mini-Ratna-I' status in 2008.

Mahendra Pratap Mall is the Chairman and Managing Director of the company since September 18, 2017. He is experienced in accounting and finance sector. He was awarded “DF of the year” award by Bharat Nirman NGO in July, 2015 and “most influential CFOs of India” by Chartered Institute of Management Accounts on July, 2015.

Rajni Hasija is the Whole-time Director (Tourism & Marketing) of the company since May 18, 2018. She was an officer of Indian Railway Traffic Service and has 30 years of experience in commercial and operation of railways.

Narendra is the Director (Finance) of the company since August 19, 2019. He is an officer of Indian Railway Accounts Service and presently holding Director (Finance) of the company in addition to his present position of executive director – finance (Public Private Partnership), Railway Board. He is experienced in the field of accounts and finance.

Neeraj Sharma is the Part-time Government Director of the company since July 12, 2018. He is an Indian Railway Traffic Service Officer and has more than 25 years of experience in the railway sector.

Smita Rawat is the Part-time Government Director of the company since December 8, 2016. She is an Indian Railway Traffic Service Officer. She has more than 30 years of experience in the railway sector. She is presently posted as executive director (NFR&T), Railway Board.

Kanak Aggarwal, Sarita Deshpande, Rabi Narayan Bohidar, Dheeraj Sharma, Comal Ramachandran Sundaramurti and Sachin Chaturvedi are the Part-time (Non-official) Directors of the company.

Ajai Srivastava is the Group General Manager (Finance) and Chief Financial Officer of the company. He is experienced in the field of accounts and finance. He has been associated with the company since February 17, 2016.

Suman Kalra is the Company Secretary and Compliance Officer of the company. She has been associated with the company since November 23, 2013.

The company has won several Certificates of Recognition/ Certificates of Appreciation awards:

Year	Awards and Accreditations
2019	<ul style="list-style-type: none"> Certificate of Accreditation for meeting the professional standards of the International Air Transport Association
2018	<ul style="list-style-type: none"> Dainik Bhaskar India Pride Award in the category of India Image Enhancement / Creating a Global Brand
2017	<ul style="list-style-type: none"> Dun & Bradstreet’s PSU Award, 2017 Certificate of honor for excellence in domestic tour operations at Sattva Awards by UBM India Certificate of recognition for ranking no. 1 with 97 points in comparative product testing of packaged drinking water for ‘Rail Neer’ by Consumer Voice
2016	<ul style="list-style-type: none"> Awarded India’s Most Trusted Brand- Consumer validated, in packaged drinking water for ‘Rail Neer’ by International Brand Consulting Corporation, USA Awarded the national award for e-governance 2015-16, Gold for New Next Generation e-Ticketing System in the category of “Innovative Use of ICT by Central Government PSUs” by Government of India Received India Power Brand 2016 award in the category of “Most Recognizable Brand of Indian Origin” within its industry segment Awarded “One of the giants of tomorrow- Fortune India The Next 500” by Fortune India

OBJECTS OF THE ISSUE

(Rs. In Cr)	
Objects	Amount
To carry out the disinvestment of Equity Shares by the Selling Shareholder;	[•]
To achieve the benefits of listing the Equity Shares on the Stock Exchanges and for the Offer for Sale.	-
Total	[•]

BUSINESS OVERVIEW AND OPERATIONS

Indian Railway Catering and Tourism Corporation Limited ("IRCTC") is a Central Public Sector Enterprise wholly owned by the Government of India ("GoI") under the administrative control of the Ministry of Railways ("MoR"). **IRCTC is the only entity authorized by Indian Railways to provide catering services to railways, online railway tickets and packaged drinking water at railway stations and trains in India.** IRCTC was incorporated with the objective to upgrade, modernize and professionalize catering and hospitality services, managing hospitality services at railway stations, on trains and other locations and to promote international and domestic tourism in India through public-private participation. IRCTC is conferred the status of Mini – ratna (Category-I Public Sector Enterprise) by the GoI, on May 1, 2008.

IRCTC operates one of the most transacted websites, www.irctc.co.in, in the Asia-Pacific region with transaction volume averaging 2.5 to 2.8 crore transactions per month during the 5 months ended August 31, 2019. They have also diversified into other businesses, including non-railway catering and **services such as e-catering, executive lounges and budget hotels**, which are in line with their objective to build a "one stop solution" for their customers. **Currently, they operate in 4 business segments, namely, internet ticketing, catering, packaged drinking water under the "Rail Neer" brand, and travel and tourism**

I. Internet Ticketing

IRCTC is the only entity authorized by MoR to offer Indian Railways' ticket online, and their website attracts a significant number of web visitors on a daily basis. In Fiscal 2019, an average of approximately 0.14 crore passengers booked their tickets online for travel on Indian Railways on a daily basis. Such web traffic provided IRCTC with opportunities for cross-selling and possibility to generate revenue through value added services. According to *CRISIL*, annual online train bookings are expected to grow from 28.4 crore bookings in Fiscal 2019 to 42.5-43.5 crore in fiscal 2024. Their internet – ticketing system is designed and operated in conjunction with CRIS.

Company's internet ticketing service has resulted in savings for Indian Railways on its infrastructure such as buildings, air-conditioning, electricity, furniture. The core value behind their collaboration with Indian Railways is that instead of the customers travelling to the PRS, the PRS should be brought to the customers' door steps. Then, and at the same time, their website can offer other travel services to passengers who book their tickets online. The booking of railway tickets through their website is now available 24 hours per day, 365 day per year, except for routine daily maintenance from 23:45 hours to 00:20 hours.

IRCTC currently operate one of the largest websites in the Asia-Pacific region with a transaction volume of more than 2.5 crore per month, and with approximately 0.72 crore logins per day. As of August 31, 2019, they had approximately 5.37 crore active registered users, and during the 3 months ended August 31, 2019, they averaged approximately 40,000 new user registrations per day. Powered by the increasing internet penetration in India, 72.60% of total Indian Railways' ticket bookings were done online through company's website/mobile application during the 5 months ended August 31, 2019. Their continuous growth in internet – ticketing has been driven by their improved process for internet – ticketing reservations, which facilitates booking by various types of credit cards, debit cards, cash cards, e wallets, UPI and net banking facilities. As part of their on-going strategy to expand the business, IRCTC has implemented various initiatives to leverage their website traffic.

For example, they have implemented a system to automatically select the most efficient travel package to suit customer's needs in accordance with the input provided by the customer, which improves the customer's willingness to make the purchase. Additionally, with add-on services such as optional travel insurance for rail passengers since September 1, 2016 and expansion into mobile booking, their products and services are designed to meet the ever changing needs of the market.

Among the technologies IRCTC use in their internet ticketing operations is the "**Next Generation E-Ticketing System**", or **NGeT**. They first deployed NGeT in 2014 and then upgraded NGeT infrastructure regularly from 2014 onwards with 150 servers. As a result, their capacity to issue internet – ticketing has increased from 7,200 tickets per minute to 24,000 tickets per minute as of June 30, 2019. In 2019, IRCTC launched a new user NGeT interface that features a more passenger-friendly, clutter-free experience with easier log-in, easier navigation and more security.

Separately, Ministry of Finance, GoI on November 22, 2016 removed the charges levied by IRCTC on passengers booking railway tickets online as service charge at rates of ₹20 per ticket for non AC classes and ₹40 per ticket for AC classes excluding service tax. As part of its mandate, Ministry of Finance by separate notification on July 5, 2017

proposed to reimburse ₹80 crore to IRCTC until the GoI permits IRCTC to recover online ticketing cost/levy of commission on passengers utilizing the online ticketing service they provide. The MoR reimbursed the IRCTC an amount of ₹80 crore and ₹88 crore for Fiscal 2018 and 2019, respectively for its operations costs.

The Department of Economic Affairs, Ministry of Finance, GoI on July 19, 2019 withdrew the reimbursement of expenses and advised MoR to work with IRCTC to decide on the charges to be levied by IRCTC on the tickets booked by the railway passengers through their website or applications. Subsequently, MoR on August 5, 2019 has authorised IRCTC to decide on the service charges to be levied on the passengers for the booking railway tickets online. Accordingly, with effect from September 1, 2019, IRCTC propose to charge convenience fee of ₹ 15 and ₹ 30 on the passengers for the booking railway tickets online for non AC classes and AC classes, respectively. For payment made through UPI/BHIM applications, the convenience fee will be ₹ 10 and ₹ 20 on the passengers for the booking railway tickets online for non AC classes and AC classes, respectively. Till the software for UPI/BHIM is developed, payment through UPI/BHIM will be incentivised by offering prizes through lottery on regular basis.

▪ **IRCTC e Wallet**

IRCTC offers the IRCTC e-Wallet, which allows users to deposit money in advance with IRCTC that can later be used as a payment option along with the other payment options they provide to pay money at the time of booking tickets. IRCTC e-Wallet supports and speeds up internet ticketing to their users and had 0.8 million registered users as of August 31, 2019. Their main objective for e-Wallet is to improve their system performance by allowing users to book tickets faster and reduce dependency on banks. Users will get the benefit of saving precious booking time and service charges. An average of approximately 2,800 tickets were booked per day using e-Wallet during the month of August 2019.

▪ **Other technologies**

IRCTC also provides a **loyalty scheme through a co-branded credit card with SBI Card Limited** and had approximately 0.49 million card holders as of August 31, 2019. Further, to keep abreast of current market trends, they also provide a mobile application on the Android Platform to their users which has attracted more than 50% of their website traffic. Another mobile application on i-OS platform is underway.

IRCTC launched an innovative solution based on artificial intelligence and machine learning to provide quick responses to their users. It helps the website and mobile application visitors by answering their queries without any time lag and improves customer satisfaction and helps to create competitive advantages, drive new business opportunities and foster innovation.

The company launched their **i-Pay payment gateway** on a pilot basis in October 2018. i-Pay is designed to handle domestic debit and credit cards transactions. They are currently evaluating its operational utility and technical capabilities. If successful, they intend to position i-Pay for use in various additional market segments in the future.

II. Catering

In Fiscal 2003, catering service of Indian Railways was handed over to IRCTC on "as is where is" basis along with its staff, until 2010, where the MoR mandated majority of these catering services to be handed back to Indian Railways. With the Catering Policy 2017, the responsibility for the entire catering services on all mobile units having pantry car service from Indian Railways, as well as part of static catering services of Indian Railways have been handed over to IRCTC, and are planning to roll out at least 10 new pantry cars in Fiscal 2020 once the design is approved by Indian Railways.

Presently, their catering services are divided into two areas of focus:

▪ **Mobile Catering**

This business segment involves catering services on trains. These include services on prepaid trains like Rajdhani, Shatabadi, Duronto, Gatiman, Tejas, Vande Bharat trains and post-paid trains such as mail express trains having pantry cars, as well as trains without pantry cars which are served by train-side vending services. A network of base kitchens supports the supply of meals on mobile trains in accordance with the Catering Policy 2017. IRCTC has identified 54 such kitchen units/stations which supply food to these trains. 36 out of the 54 kitchen units are existing

units to be renovated and modified and the other 18 kitchen units will be set up on land to be provided by Indian Railways.

Separately, IRCTC is managing on-board catering services in 295 pairs of mail express, and 69 pairs of Rajdhani, Shatabdi, Duronto, Gatiman, Tejas, Vande Bharat trains through licensees awarded by them or Zonal Railways. In September 2015, MoR issued directions and permitted e-catering services to be offered to all trains passing through nominated 45 A1 category stations, which later expanded to most of the A1 & A category railway stations. As of August 31, 2019, e-catering is available at approximately 350 stations and served by more than 700 food outlets. This, together with the handing over of all catering services on Indian Railways is expected to significantly increase their revenue generated from catering services.

As part of the Catering Policy 2017, all pantry car service contracts awarded by Zonal Railways have been reassigned to IRCTC on the same terms and conditions. The sharing of license fee between Indian Railways and IRCTC is in the ratio of 40:60 as agreed with the MoR. As of August 31, 2019, the majority of food production and services have been unbundled in accordance with the Catering Policy 2017.

With an aim to improve quality control, IRCTC has introduced new technology to monitor the food production process in their base kitchens. The new system comprises a network of CCTV cameras, installed at its base kitchens which enable **live streaming of food preparation for the public through Rail Drishti**.

IRCTC has engaged third party food safety supervisors to audit all kitchens they manage for the quality of food preparation and testing of prepared food by NABL accredited laboratories.

IRCTC has been mandated by the MoR to redesign their existing pantry cars with a view to equip them with modern equipment for the ease of cooking and maintaining hygienic standards. In these cases, the revenue sharing between them and the MoR will be 85:15 for a period of 5 years from the date of commissioning such redesign pantry cars.

▪ **Static Catering**

This includes offboard catering services at stations comprising fast food units, food plazas, Jan Ahaars, refreshment rooms, base kitchens, and at executive lounges and other facilities at station premises such as budget hotels and Rail Yatri Niwas.

As of August 31, 2019, IRCTC managed 57 Jan Ahaars, 169 refreshment rooms, 27 cell kitchens and 14 base kitchens. They are also operating 138 food plazas and 152 fast food units and increased the total number of operational units to 290. IRCTC currently has 100 FP/FFU units at various stages of commissioning. Most of these food plazas and fast food units are ISO certified.

As of August 31, 2019, IRCTC operated executive lounges at New Delhi, Jaipur, Agra Cantt, Vishakhapatnam, Madurai, Sealdah and Ahmedabad railway stations. Additionally, they have awarded contracts for setting up, operation, maintenance and transfer back of these executive lounges at Nizamuddin and Varanasi Cantt., Gorakhpur, Lucknow Charbag (NR), Trivandrum Central, Bangalore City, Ernakulam, New Delhi (Pahar ganj side).

As of August 31, 2019, their 14 base kitchens were located at New Delhi, Mumbai Central, Mumbai CSMT, Ahmedabad, Howrah, Rajendra Nagar (Patna), Sealdah, Khargpur, Borsore, Nagpur, Ballarshah and Bengaluru. These base kitchens supply food to premium Rajdhani/Shatabdi/Duronto trains through the Company's managed catering operations.

As of August 31, 2019, IRCTC operated retiring rooms at Jaipur, Madurai, Vadodara, Sealdah, Tirupati, Bilaspur, Udupi, Kacheguda, Lucknow, Thivim, Madgaon railway stations in order to upgrade services provided to travellers of Indian Railways. Additionally, they have awarded contracts for setting up, operation, maintenance and transfer back of retiring rooms at Gorakhpur, Agra Cant, Gwalior, Ahmedabad, Tata Nagar, Lokmanya Tilak Terminus, Mumbai CSMT, Nagpur, Thane, Patna, Raipur, Palakkad, and Tiruchirapalli.

III. Packaged Drinking Water (Rail Neer)

IRCTC has 10 operational Rail Neer plants located at Delhi, Patna, Palur, Ambernath, Amethi, Parassala Bilaspur, Hapur, Ahmedabad and Bhopal, out of which Rail Neer Plants at Amethi, Parassala, Hapur, Ahmedabad, and Bhopal are under PPP mode. With improving awareness on health and hygiene, increased tourism, and the easy availability

of packaged drinking water, per capita consumption of packaged drinking water in India is on the rise. The organized packaged drinking water market is expected to continue its growth and reach more than ₹8,000 crore in 2019 according to CRISIL Industry Report. To capture this market growth, IRCTC has implemented quality control systems and a nationwide distribution network to ensure all products and services are properly produced and delivered on time at the request of their customers. Additionally, they are setting up 6 new Rail Neer plants at Sankrail, Jagi Road, Nagpur, Bhusawal, Jabalpur, and Una, which when completed, are expected allow them to deliver up to approximately 80% of the total market demand of packaged drinking water at railway premises and trains. 4 additional plants have been approved by the company and will be set up by 2021.

The Rail Neer plants have stringent filtration process for removal of pesticide residue. Their Rail Neer plants at Danapur, Nangloi, Ambernath and Palur Rail Neer plants are accredited with ISO: 9001 - 2015 quality management. The quality of other plants is ensured through internal quality checks.

IRCTC has also installed WVMs at different train stations and other locations to provide purified, chilled and potable drinking water to railway passengers at an affordable rate. As of August 31, 2019, they have installed more than 1,950 WVMs at approximately 700 stations (out of a total of 1,194 stations of category A1, A, B and C).

IV. Travel and Tourism

IRCTC has been mandated by the Indian Railways to provide tourism and travel related services. The various tourism services offered by them include Luxury Train Tours Maharajas' Express, Buddhist Circuit Special Train, Bharat Darshan Special Tourist Trains, theme based tourist trains, Rail Tour Packages, international and domestic air packages, land tour packages, hotel booking, car rental, LTC tours and event management. They are a one stop shop for all travel and tourism related services, and operate their own tourism portal, www.irctctourism.com through which they offers these products and services.

Services	Service details
Domestic Tourism	
• Rail Tour packages:	All-inclusive and comprehensive packages that include confirmed onward and return rail journey in addition to other elements of a package at reasonable rates.
• Holiday packages:	It includes road transfers, accommodation, meals and sight-seeing.
• Packages with charter coach and train:	All inclusive packages like rail tour packages, where the train travel is arranged through chartered coaches or trains by IRCTC.
• Customized tour packages:	These packages are tailor-made as per the requirement of the customers after considering factors such as budget, level of luxury, places of interest and other customer requirements.
• Leave Travel Concession	The Government authorized IRCTC as one among 3 CPSE for operating LTC tours.
Domestic Air packages	IRCTC provides packages to various destinations like Shirdi, Goa, Delhi, Tirupati, Gangtok, Darjeeling, Kalimpong, Andaman & Nicobar, Ladakh, Srinagar, Kashmir, Mumbai, Mysoor, Coorg, Bangalore and more.
Educational Tours	IRCTC operates educational tours for students under the "travel to learn" scheme, and they have tie-ups with various schools.
Inbound Tourist Targeted Tours	
• Maharajas' Express (www.the-maharajas.com)	Maharajas' Express has created a brand image for IRCTC in the field of luxury tourism in the international arena. Maharajas' Express operates on 4 different itineraries. 3 itineraries are of 6 nights/7 days and 1 is of 3 nights/4 days. These tours cover cities like Ajanta, Udaipur, Jodhpur, Bikaner, Jaipur, Ranthambore, Agra, Balasinor, Gwalior, Khajuraho, Varanasi and Lucknow.
• Buddhist Circuit Special Train:	This is a fully air-conditioned train offering a 7 nights and 8 days package covering all major Buddhist Pilgrim locations in India and Lumbini in Nepal.
• Majestic Rajasthan Tourist Train: (www.majestictouristtrains.com)	The special train to promote various tourist destinations of the princely state of Rajasthan along with the visit to Agra in one of the itineraries. The train tour package primarily targeted to the mid-segment domestic and inbound tourist market, the package will be all inclusive covering all elements of train journey.
• AC Tourist Trains	Utilising the old rake of Buddhist Circuit for operation of AC Tourist Train, which target both international and domestic passengers with fully air-conditioned coaches.
Outbound tour packages	IRCTC operates various tours to international destinations from major cities across India to various international destinations, such as the Middle East, Europe, the United States, Australia and Southeast Asia, among other locations.
Air Ticketing (www.air.irctc.co.in)	The online booking facility of domestic as well as international air-tickets at very competitive prices and facilitation charges as compared to other portals in online travel agents market.

Services	Service details
	They also offer complete travel services to corporates, which include air ticketing, booking of domestic as well as international hotels, visa facilitation, overseas insurance and FOREX services.
Mass Tourism	
<ul style="list-style-type: none"> Bharat Darshan/ Aastha Circuit Tourist Train: 	One of the special tourist train tour packages offered by IRCTC primarily targeting tourists seeking affordable travel and holidays. These trains operate from various cities across India covering numerous tourist destinations. The tour packages are inclusive of rail and road travel, all meals, sightseeing and accommodation.
State Special trains	IRCTC runs these (Senior Citizens) special tourist train tours in collaboration with various state governments. These train tours cover various destinations of tourist and pilgrim importance across India.
<ul style="list-style-type: none"> Election Special Trains: 	IRCTC is entrusted with the job of moving the para-military forces for duty for the general and assembly elections from Fiscal 2014 onwards. They have also been nominated as single window for booking and movement of Election Special Trains. During Fiscal 2019, they operated more than 240 trains for moving para-military forces for assembly elections.
Theme Based Tourist trains	
<ul style="list-style-type: none"> Ramayana Express: 	IRCTC has operated 4 special tourist trains covering places importance connected with the life of Lord Rama. The destinations covered are Ayodhya, Nandigram, Sitamarhi, Janakpur, Varanasi, Prayag, Shringverpur, Chitrakoot, Nasik, Hampi and Rameshwaram. A slip tour to Sri Lanka by flight to Colombo from Chennai was also offered to passengers for an additional charge.
<ul style="list-style-type: none"> Unity Express: 	On the inauguration ceremony of statue of Sardar Vallabh Bhai Patel (Statue of Unity), Indian Railways offered through IRCTC a special tourist train named "Unity Express" from October 31, 2018 to November 11, 2018. The package offered was all inclusive tour package ex-Rajkot and covered places like Rameshwaram, Madurai, Kanyakumari, Trivandrum, Tirupathi, Shirdi and Shani Singnapur.
<ul style="list-style-type: none"> Ram Sethu Express: 	This is another unique tour package IRCTC offered covering the temples situated in the state of Tamil Nadu. The package named "Ram Sethu Express –Tamil Nadu Temple Tour" operated from February 28, 2019 to March 3, 2019 ex-Chennai (Tambaram Railway Station). This maiden temple tour provided an exclusive opportunity to witness rich architecture and history of these 18 temples of Tamil Nadu.
Other Tourism Activities	
<ul style="list-style-type: none"> Event Management: 	IRCTC has ventured into the event management business, operating and organising various conferences, events and incentive packages for Indian Railways, PSUs and other institutions.
<ul style="list-style-type: none"> Charter Trains and Coaches: 	IRCTC has operated more than 700 (both trains and coaches) charters in Fiscal 2019 for various tourists' groups. They are nominated as single window agency for booking of full tariff rate (FTR) train and coaches on charter basis across India and a new online module has been developed and launched on May 18, 2018.
Hill and Heritage Charters	IRCTC promote the 5 hill railways of India viz Nilgiri mountain railway, Darjeeling Himalayan railway (DHR), Kalka-Shimla railway, Kangara Valley Railway and Matheran Railway. IRCTC operates hill charters over Kalka-Shimla, Nilgiri Mountain Railway and Darjeeling Himalayan Railways. They have recently launched packages for Kalakund.
<ul style="list-style-type: none"> Luxurious Railway Saloon Car: 	IRCTC offers chartering of saloon cars which has a living room, 2 air-conditioned bedrooms – 1 twin bedroom and the other similar to AC First Class coupe with attached baths, dining area and a kitchenette. Optional services like attendant, catering, pick and drop can be arranged as per demand of tourists. During Fiscal 2019, IRCTC empanelled back-end service providers to provide back-end services to passengers. Indian Railways allocated 3 fully air-conditioned and 1 partially air-conditioned saloon cars and 5 non air-conditioned saloon cars. In Fiscal 2019, they have operated 9 saloon cars successfully.
<ul style="list-style-type: none"> Cruise Packages: 	The first Cruise Tour package launched in association with Norwegian Cruise ex-Delhi to Denmark. The company also building relationships with reputed companies in India to offer Luxury River Cruise Tours on the Ganges and Mighty Brahmaputra.
<ul style="list-style-type: none"> Online booking of Retiring Rooms at Stations and Hotel Booking: (www.irctctourism.com) 	IRCTC has strategic alliances with various hotels and other accommodation providers. They are therefore able to provide online booking of various accommodation facilities in addition to their own Rail Yatri Niwas hotels, executive lounges and railway retiring rooms. IRCTC also provides off line hotel booking to their various corporate clients and also to walk in tourists at their various tourism facilitation centres. Railway passengers having confirmed PNR can now do online booking of retiring rooms across approximately 490 railway stations through their tourism portal.

Mobile Applications:

In a step towards promoting digitalization initiative of Government of India, IRCTC has introduced user friendly 'IRCTC Air' and 'IRCTC Tourism' mobile application were launched on 2016. Mobile applications are already available for Android and IOS users. An integrated IRCTC application featuring rail and air ticketing and IRCTC Tourism was released on January 10, 2017 named as "Rail Connect". As of August 31, 2019, more than 1 crore downloads of their Rail Connect application has taken place and regular packages are being booked regularly on the application.

IRCTC launched their tourism portal www.irctctourism.com in 2007 and has been offering complete online travel solutions to the customers over the last 12 years. The portal has won "Website of the Year" for consecutive Fiscal 2014 and 2015 by "Leisure & Travel" by MatrixLab. The portal offers on-line booking of tourist trains, air tickets, tour packages be it through rail, air or land, hotel and cabs, saloon cars, AC tourist trains, and event management.

REVENUE FROM OPERATIONS

Revenue Segment	Fiscal 2019		Fiscal 2018		Fiscal 2017	
	Rs. In Cr	% to Total	Rs. In Cr	% to Total	Rs. In Cr	% to Total
Revenue from Sale of Products	207.21	11.09%	435.39	29.61%	387.53	25.24%
Railneer (Packaged Drinking Water)	172.02		162.25		154.56	
Catering :						
– Sale of Food & Beverages	29.53		264.44		217.11	
Non–Railway Business						
– Income from Catering	5.52		8.67		15.75	
– Income from Other Services	0.13		0.02		0.11	
Revenue from Services	1,659.08	88.82%	1,033.76	70.30%	1,146.60	74.68%
Internet Ticketing	231.49		196.61		466.39	
– Income From License Fee-Call Centre	0.21		1.35		2.50	
– Income from Advertisement/SBI CO-Branded Cards & Loyalty Cards	99.23		102.80		80.85	
– Income From Fees from IATA/RTSA/Internet Cafe etc.	43.99		12.40		20.79	
– Service Charges Earned–IR Tickets	0.06		0.06		362.25	
– Reimbursement Against Service Charges	88.00		80.00		-	
Income From Catering Services, Concession Fee, License Fee etc.	988.28		441.82		156.83	
– Income from On Board Catering & Other Services [^]	516.13		167.83		36.04	
– Income from Concession Fee	26.05		3.77		0.69	
– Income from License Fee	381.68		217.25		82.01	
– Income from User Charges-Food Plaza	0.52		0.89		1.98	
– Income from License Fee-Food Plaza	63.90		52.08		36.11	
Tourism	988.28		441.82		156.83	
– Travel & Tour revenue	380.17		350.26		479.72	
– Income from User Charges-Rail Yatri Niwas	1.41		1.32		1.23	
– Income from License Fee-Rail Yatri Niwas	3.90		1.70		1.94	
– Maharaja Express-Revenue	53.83		42.06		40.49	
Other Revenue from Operations	1.60	0.09%	1.31	0.09%	1.26	0.08%
– Scrap Sale–Railneer	0.41		0.28		0.52	
– Scrap Sale– Catering	0.13		0.02		0.02	
– Scrap Sale–Non–Railway Catering	0.01		0.00		0.01	
– License Fee – Railneer	1.05		1.01		0.71	
Total-Revenue from Operations	1,867.88	100.00%	1,470.46	100.00%	1,535.39	100.0%

[^]Rajdhani/Shatabdi/ Premium Trains

COMPETITIVE STRENGTHS

- **Only entity authorised by the Ministry of Railways to offer Railway tickets online**

IRCTS is the only entity authorized by Indian Railways to offer railway tickets online through their website www.irctc.co.in and mobile application, "Rail Connect". During June 2019, an average of more than 0.14 crore passengers reserved online tickets and travelled on Indian Railways every day. Approximately 72.60% of Indian Railways' tickets are booked online with an average of more than 0.08 crore tickets booked through www.irctc.co.in and "Rail Connect" on a daily basis.

Between Fiscal 2014 and Fiscal 2019, online rail bookings have registered an approximately 12.5% CAGR to reach approximately 28.4 crore annually, with e-booking penetration rising to approximately 70% in Fiscal 2019. Online rail bookings are expected to grow at approximately 8% CAGR to reach approximately 42.5-43.5 crore in fiscal 2024, with e-booking penetration rising approximately 81 – 83% during the same period, according to CRISIL.

- **Authorised catering service provider to passengers traveling by Indian Railways**

As a CPSE under the MoR, IRCTC is the only entity authorized to manage the catering services on board trains and major static units at railway stations under the Catering Policy 2017. With the mandate from the MoR to transfer catering services in their entirety to IRCTC under the Catering Policy 2017, IRCTC is now responsible for catering services in all mobile catering units (trains) and static units, except refreshment rooms at stations which are of Category B or below and other minor units operated by Indian Railways.

- **Comprehensive tourism and hospitality service provider in India**

According to the World Travel and Tourism Council ("WTTC"), direct contribution of India's travel and tourism industry to GDP will grow by approximately 12%, and is expecting to reach approximately ₹11.7 trillion in 2024. To capture the market growth, IRCTC work closely under the MoR directive. Through cross-selling, e-commerce and intelligent travel solutions, their close ties with the Government and private entities have positioned them well to serve as the "one window solution" to customers in the tourism and hospitality industry.

Additionally, IRCTC is one among the 3 entities (others are M/s Balmer Lawrie & Co Ltd and M/s Ashok Travels & Tours,) permitted by the GoI to offer air ticketing service to different ministries at both the Central and State Government level. To facilitate service to these central and state ministries, IRCTC has introduced an advance rolling deposit system, whereby they issue air tickets to the extent that the costs have been prepaid by the respective ministries. They have also developed a "Corporate Tool" that enables corporates to issue tickets themselves from their own premises.

- **Exclusively authorized for manufacturing and supplying packaged drinking water at railway station and trains**

IRCTC is the only entity authorized by the MoR to manufacture and distribute packaged drinking water at all railway stations and trains, subject to availability of Rail Neer. The total average daily demand for packaged drinking water in India at all railway stations and in trains is approximately 0.18 crore liters per day, and they are able to cater to approximately 45% of the total demand based on the existing production capacities of their 10 Rail Neer plants located at Nangloi, Danapur, Palur, Ambernath, Amethi, Parassala, Bilaspur, Hapur, Ahmedabad and Bhopal. They have also installed 1,950 WVMs at 700 railway stations as of August 31, 2019 to provide purified, chilled and potable drinking water to railway passengers at an affordable rate.

- **Robust operating system and internal controls**

IRCTC has a robust operating system and internal controls that have enabled them to deliver quality products and services to their customers across different segments of their operation. Over the years, they have implemented several well-tested systems and internal controls procedures.

- **Qualified and experienced employees and management team**

IRCTC has a qualified and trained employee force to service their customers. As of August 31, 2019, they had 1,384 full time employees across their business verticals including more than 350 graduates from the Institute of hotel

managements and Food Craft Institutes with expertise in hospitality industry. They have also trained 10% of their middle and senior managerial officials in various management institutes MDI, Gurugram, and IIM Rohtak covering various topics e.g. Data analytics, operation and supply chain management, finance and non-finance, developing communication competencies.

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INDIAN RAILWAY CATERING AND TOURISM CORPORATION LIMITED**Note - A discount of Rs.10/- to the issue price is being offered to Retail & Emp Individual**

Opening Dt	Closing Dt	Lot	Band	Min App	Ret 200K	QIB Size(50%)	HNI Size(15%)	Ret Size(35%)	Total
9/30/2019	10/3/2019	40	315 - 320	40	640	10,000,000	3,000,000	7,000,000	20,000,000
				12400	198,400	3,200,000,000	960,000,000	2,170,000,000	6,330,000,000
Retail for 1 time Registrar		175000 Alankit	320.0096.00217.00633.00						