

2<sup>nd</sup> June 2025

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## Q4FY25 Result Highlights

- **Q4FY25 Result** – IRCTC Q4FY25 Revenue grew 10.1% YoY and 3.6% QoQ to ₹12,685mn led by catering and tourism segment. EBITDA grew by 6.4% YoY and de-grew by 7.5% QoQ to ₹3,855mn. However, EBITDA margins contracted by 108 bps YoY and 363 bps QoQ to 30.4%. Adjusted PAT grew by 13.1% YoY and de-grew by 8.4% QoQ to ₹3,126mn.

## ➤ Q4FY25 Con-call KTAs:

### ○ Quarterly Performance Overview

The company reported quarterly revenue of ₹12,685 million, reflecting a growth of 4% quarter-on-quarter (QoQ) and 10% year-on-year (YoY). This increase was primarily driven by strong performances in Internet Ticketing (up 5% QoQ and 9% YoY) and the Tourism segment (up 23% QoQ and 36% YoY). However, Catering revenue declined by 5% QoQ, and Rail Neer remained flat sequentially.

Despite revenue growth, overall margins declined by 360 basis points (bps), primarily due to a drop in Internet Ticketing margins, which fell by 230 bps to 82.4% from 84.7% in the previous quarter—this segment has the highest margin contribution.

### ○ Segment-wise Highlights

- **Catering:** Revenue declined 5% QoQ to ₹5,294 mn, with margins stable at 12.2%. The decline was attributed to seasonal factors, and a strong recovery is expected in the upcoming quarter. Despite the Maha Kumbh event, special trains did not offer catering services, and hence the revenue wasn't reflected in this segment. The e-catering business, which partners Swiggy and Zomato, grew significantly—up 63% YoY from ₹33 crore to ₹54 crore, and 53% QoQ in Q4FY25, from ₹9 crore to ₹15 crore.
- **Internet Ticketing:** Revenue rose 5% QoQ to ₹3,725 mn, though margins declined by 230 bps to 82.4%. The average number of daily bookings stood at 14.33 lakh tickets. The convenience fee generated ₹242 crore, with UPI contributing 64%. AC and non-AC ticket volumes were 252.5 mn and 195.27 mn, respectively, totaling 506.5 mn tickets.
- **Tourism:** This segment was the key growth driver, with revenue at ₹2,744 mn—up 23% QoQ and 36% YoY. Margins improved by 115 bps to 18.1%.
- **Rail Neer:** Revenue and margins remained flat sequentially at ₹960 million.

### ○ Other Key Updates

- **Exceptional Items:** The quarter included exceptional items worth ₹45 crore, which comprised receivables from the Karnataka Tourism Development Corporation (KTDC) and ₹5crs in excess provisioning for PRP.
- **Train Operations:** Tejas Express reported an occupancy rate of 93.2% (up from 85% YoY) and generated a profit of ₹9.74 crore. The Bharat Gaurav and Maharaja Express trains posted profits of 8% and 18–20%, respectively.
- **Strategic Developments:** The company expects in-principal approval from the RBI for a payment aggregator license within 2–3 months. Revenue contribution from this license is anticipated approximately one year after receiving final approval. Additionally, the company aims to boost non-railway revenue (hotel bookings, MICE activities) by 30%, which management sees as a strong future growth catalyst.

## Important Statistics

<b>Nifty</b>	24,750
<b>Sensex</b>	81,451
<b>LTP* (₹)</b>	757
<b>MCAP (₹ bn)</b>	596.15
<b>52 Week H/L (₹)</b>	1139/664
<b>NSE Code</b>	IRCTC
<b>BSE Code</b>	542830
<b>Bloomberg Code</b>	IRCTC:IN

Close\* as on 30<sup>th</sup> May 2025

Shareholding Pattern (%)	Mar'25
Promoter	62.40
DII	13.89
FII	07.37
Public & Others	16.35

## Financials

Particulars	2023	2024	2025	2026E	2027E
Revenue	35,415	42,602	46,748	53,029	56,755
EBITDA	12,762	14,660	15,498	18,761	23,300
EBITDA Margin	36.0%	34.4%	33.2%	35.4%	41.1%
PAT	10,059	11,697	12,670	15,100	18,177
EPS	12.6	13.9	16.4	18.9	22.7
ROE	40.6	34.4	37.2	28.7	26.3
P/E	60.0	54.4	46.0	40.0	33.3

Source: Company, Way2Wealth

## Relative Performance

Return (%)	1Yr	3Yr	5Yr
<b>IRCTC</b>	<b>-26.2</b>	<b>8.7</b>	<b>167</b>
<b>Nifty 50</b>	10.0	48.5	151.8
<b>Sensex</b>	10.2	45.6	144.5

Ashwini Sonawane

[ashwinisonawane@way2wealth.com](mailto:ashwinisonawane@way2wealth.com)

91-22-4019 2913

**View**

IRCTC delivered a muted quarterly performance, with revenue rising 4% QoQ and 10% YoY. The growth was weighed down by seasonal weakness in the catering segment (down 5% QoQ) and a flat showing in the Rail Neer business. Operating margins contracted by 350 basis points, primarily due to a 230bps decline in internet ticketing margins — a key high-margin segment.

Despite the near-term headwinds, management remains optimistic about future growth, driven by premium trains like **Tejas Express**, **Bharat Gaurav**, and **Maharaja Express**, along with continued momentum in tourism, especially religious travel and the addition of new rakes. The company also aims to boost its **non-railway revenue**, which currently contributes around 28%, by expanding into segments like hotel bookings and MICE (Meetings, Incentives, Conferences, and Exhibitions). Additionally, the expected **RBI approval for a payment aggregator license** within the next quarter could act as a long-term growth trigger, with meaningful revenue contribution anticipated from **FY27 onwards**.

While we acknowledge the company's long-term structural strengths, in the **short term**, the lack of immediate catalysts and continued margin pressure—particularly from moderating internet ticketing revenue, remain key concern. So, we recommend **HOLD** at these levels. **The company is currently trading at a P/E of 33.3x FY27E .**

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## QUARTERLY FINANCIAL PERFORMANCE

(₹ mn)								
Particulars	Q4FY25	Q3FY25	QoQ	Q4FY24	YoY	FY25	FY24	YoY
<b>Net Sales</b>	<b>12685</b>	<b>12247</b>	<b>3.6%</b>	<b>11517</b>	<b>10.1%</b>	<b>46748</b>	<b>42602</b>	<b>9.7%</b>
<b>Expense:</b>								
Cost of Materials Consumed	164	162	1.3%	167	-1.9%	664	720	-7.7%
Purchase of Stock-in-Trade	389	526	-26.0%	358	8.7%	2089	1750	19.4%
Changes in Inventories of finished goods	13	-13	-198.4%	-9	-249.7%	-1	-15	-95.2%
Expenses of Catering Services	4088	4111	-0.6%	3978	2.8%	15605	13813	13.0%
Expenses of Tourism	2004	1605	24.8%	1437	39.5%	5610	5262	6.6%
Manufacturing & Direct Expenses	531	470	13.0%	527	0.9%	1940	1746	11.1%
Employee benefit expense	897	742	20.9%	838	7.1%	3153	2890	9.1%
Other Expenses	745	478	55.8%	597	24.7%	2190	1777	23.3%
Total Expense	8830	8081	9.3%	7893	11.9%	31250	27943	11.8%
<b>EBITDA</b>	<b>3855</b>	<b>4166</b>	<b>-7.5%</b>	<b>3624</b>	<b>6.4%</b>	<b>15498</b>	<b>14660</b>	<b>5.7%</b>
<b>EBITDA Margin</b>	<b>30.4%</b>	<b>34.0%</b>	<b>-363bps</b>	<b>31.5%</b>	<b>-108bps</b>	<b>33.2%</b>	<b>34.4%</b>	<b>-126bps</b>
Other Income	612	565	8.2%	326	87.4%	2291	1645	39.3%
Operating Income	4467	4731	-5.6%	3951	13.1%	17789	16304	9.1%
Depreciation	123	133	-8.2%	156	-21.6%	526	572	-8.1%
Interest	78	32	141.7%	53	45.4%	169	185	-8.9%
<b>PBT</b>	<b>4266</b>	<b>4565</b>	<b>-6.6%</b>	<b>3741</b>	<b>14.0%</b>	<b>17094</b>	<b>15547</b>	<b>10.0%</b>
Tax Expense	1141	1155	-1.2%	978	16.6%	4424	3849.65	14.9%
<b>Adjusted PAT</b>	<b>3126</b>	<b>3411</b>	<b>-8.4%</b>	<b>2763</b>	<b>13.1%</b>	<b>12670</b>	<b>11697</b>	<b>8.3%</b>
Exception Items	457	0	NA	79	479.2%	479	-585.30	-181.8%
<b>PAT</b>	<b>3582</b>	<b>3411</b>	<b>5.0%</b>	<b>2842</b>	<b>26.1%</b>	<b>13149</b>	<b>11112</b>	<b>18.3%</b>
EPS	4.5	4.3	5.0%	3.6	26.1%	16.4	13.9	18.3%

Source: Company, Way2Wealth

## SEGMENTAL REVENUE BREAK UP

(₹ mn)								
Revenue	Q4FY25	Q3FY25	QoQ	Q4FY24	YoY	FY25	FY24	YoY
Catering	5294	5548	-5%	5308	0%	21251	19472	9%
% of total Revenue	41.7%	45.3%	-357.1bps	46%	-436bps	45%	46%	-24.8bps
Internet Ticketing	3725	3537	5%	3424	9%	14262	12953	10%
% of total Revenue	29%	29%	48bps	30%	-37bps	31%	30%	10bps
Tourism	2744	2237	23%	1986	38%	7449	6911	8%
% of total Revenue	22%	18%	336bps	17%	439bps	16%	16%	-29bps
Rail Neer	960	964	0%	830	16%	3940	3407	16%
% of total Revenue	7.6%	7.9%	-30bps	7%	36bps	8%	8%	43bps

Source: Company, Way2Wealth

## SEGMENTAL EBIT BREAK UP

(₹ mn)								
Particulars	Q4FY25	Q3FY25	QoQ	Q4FY24	YoY	FY25	FY24	YoY
Catering	646	675	-4%	464	39%	2715	2544	7%
Margin	12.2%	12.2%	4.0bps	8.7%	347bps	12.8%	13.1%	-29bps
Internet Ticketing	3069	2995	2%	2750	12%	11793	10675	10%
Margin	82.4%	84.7%	-228bps	80.3%	208bps	82.7%	82.4%	27bps
Tourism	496	379	31%	189	162%	937	245	282%
Margin	18.1%	16.9%	115bps	9.5%	853bps	12.6%	3.6%	903bps
Rail Neer	117	118	-1%	106	10%	461	292	58%
Margin	12.2%	12.3%	-8bps	12.8%	-63bps	11.7%	8.6%	312bps

Source: Company, Way2Wealth

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### Disclosure of Interest Statement: Indian Railway Catering & Tourism Corporation Ltd. (IRCTC) as on 02 June 2025

Name of the Security	Indian Railway Catering & Tourism Corporation Ltd (IRCTC)
Name of the analyst	Ashwini Sonawane
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Financial Interest	
Analyst :	No
Analyst's Relative : Yes / No	No
Analyst's Associate/Firm : Yes/No	No
Conflict of Interest	No
Receipt of Compensation	No
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