Indian Railway Catering and Tourism Corporation Ltd. (IRCTC)

17th November 2025 | Close*: ₹705/- | View – **HOLD**

Q2FY26 Result Highlights

- **Q2FY26 Result** – IRCTC delivered stable set of Q2FY26 numbers with revenue grew 8% YoY and de-grew 1% QoQ to ₹11,460mn. EBITDA grew 8% YoY and 2% QoQ to ₹4,043mn. Also, EBITDA margin expanded by 22.6 bps YoY and 102 bps QoQ to 35.3%; PAT grew by 11% YoY and 3% QoQ to ₹3,419mn.
- **Segment Revenue:** Catering revenue grew by 8% YoY and de-grew by 5% QoQ to ₹5,197mn. Internet ticketing grew 4% and 7.6% QoQ to ₹3,859mn. Tourism grew by 20.2% YoY and 1.2% QoQ to ₹1,495mn and Rail Neer grew by 4.3% YoY and de-grew by 14.1% QoQ to ₹941mn.
- **Q2FY26 Con-call KTAs:**
  - **Segment-wise Highlights**
    - **Internet Ticketing**
      - EBITDA margin improved to 85% (from 81%).
      - 89.24% of reserved tickets booked through IRCTC.
      - Strong growth in non-convenience fee income (+13% YoY).
      - Convenience fee income: ₹2520mn
      - UPI share of transactions: 49.81%.
    - **Catering**
      - EBITDA margin stable at 13%.
      - Services expanded to 1,318 trains including 15 Amrit Bharat trains.
      - Station upgradation disruptions persist but expected to normalize.
    - **Tourism**
      - EBITDA margin turned positive to ~7% (from negative last year).
      - Driven by Bharat Gaurav trains, strong Maharajas' Express bookings, and MICE business growth.
      - Targeting 8% minimum margin for new MICE clusters.
    - **Rail Neer**
      - EBITDA margin stable at ~10%.
      - Multiple plant expansions: Danapur, Ambernath, and 4 new plants planned.
  - **Tejas Express**
    - Revenue: ₹373mn; profit ₹34mn
    - Occupancy: 87% (Ahmedabad), 56% (Lucknow)
    - Received permanent haulage discount of ₹58mn
  - **Receivables**
    - Debtors at ₹15bn, ~80% from Indian Railways.
    - Automated verification (HST integration) underway to reduce delays by end-FY26.
  - **Strategic Initiatives**
    - RBI in-principal approval for Payment Aggregator business (Aug 2025).

Important Statistics

Nifty	25,910
Sensex	84,562
Close* (₹)	705
MCAP (₹ bn)	596.15
52 Week H/L (₹)	859.70/656
NSE Code	IRCTC
BSE Code	542830
Bloomberg Code	IRCTC:IN

Close as on 14th November 2025*

Shareholding Pattern (%)	Sep'25
Promoter	62.4
DII	7.27
FII	14.18
Public & Others	16.15

Financials

(₹ mn)

Particulars	2023	2024	2025	2026E	2027E
Revenue	35415	42702	46748	53029	56755
EBITDA	12762	14660	15498	18761	23300
EBITDA Margin	36.0%	34.3%	33.2%	35.4%	41.1%
PAT	9787	11,696	13628	14608	17177
PAT Margin	27.6%	27.4%	29.2%	27.5%	30.3%
EPS	12.2	14.6	17.0	18.8	22.7
ROE	45.0%	41.0%	38.1%	28.7%	26.2%
PE	59.4	49.7	42.7	37.5	31.0

Source: Company, Way2Wealth

Relative Performance

Return (%)	1Yr	3Yr	5Yr
IRCTC	**-10.3**	**-1.6**	**158.7**
Nifty 50	10.6	41.4	101.5
Sensex	9.5	37.2	92.8

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W2W Lighthouse - A Quick Perspective

- Launch expected in 12–18 months, via existing subsidiary.
- Currently processes ₹130bn GMV internally (20% of potential), aiming for 100%.

➢ **Outlook**

- Management is confident of sustaining profitability through volume-led growth.
- **Key focus areas:**
  - Unified Travel Portal with AI/ML-led cross-selling
  - MICE tourism scaling
  - Normalization of station upgrades
  - Rail Neer capacity expansion

View

IRCTC posted a steady and profitable Q2FY26, supported by stable Rail Neer volumes, disciplined cost control, and sustained margins. Management remains focused on strategic initiatives such as developing an AI/ML-enabled unified travel portal, expanding the payment aggregator business, and scaling the MICE tourism segment. With 89% of railway tickets booked online and continued innovations in catering, IRCTC's diversified, digital-first model positions it well for scalable growth. The outlook is positive, driven by strong demand and operational efficiency, but premium valuations and regulatory risks limit upside, supporting a **HOLD** rating on the stock. The company is currently trading at 31x FY27E P/E at EPS of ₹22.7.

QUARTERLY FINANCIAL PERFORMANCE

(₹ mn)

Particulars	Q2FY26	Q1FY26	QoQ	Q2FY25	YoY
Net Income	**11460**	**11597**	**-1.2%**	**10640**	**7.7%**
Expenses					
Cost of Material Consumed	196	178	9.9%	165	18.9%
Purchase of stock-in-rade	369	446	-17.1%	458	-19.4%
Changes in Inventories of finished goods	1	-6	-122.5%	-7	-120.0%
Expenses of catering services	3891	4193	-7.2%	3465	12.3%
Expenses of Tourism	1201	1130	6.3%	1050	14.4%
Manufacturing & Direct Expenses	506	511	-1.0%	472	7.3%
Employee benefit expenses	811	757	7.0%	769	5.4%
Other Expenses	442	415	6.4%	539	-18.1%
Total Expenses	**7417**	**7624**	**-2.7%**	**6911**	**7.3%**
EBITDA	**4043**	**3973**	**1.8%**	**3729**	**8.4%**
EBITDA Margin	*35.3%*	*34.3%*	*102.0bps*	*35.1%*	*22.6bps*
Other Income	627	612	2.5%	598	4.9%
Depreciation & Amortization Expenses	114	119	-3.7%	131	-12.9%
EBIT	**4556**	**4466**	**2.0%**	**4196**	**8.6%**
Interest Expenses	44	45	-1.6%	31	42.4%
PBT	**4512**	**4421**	**2.0%**	**4165**	**8.3%**
Tax Expenses	1151	1114	3.3%	1087	5.9%
Exceptional Income/Loss	58	0	-		-
PAT	**3419**	**3307**	**3.4%**	**3078**	**11.1%**
EPS	4.3	4.1	3.4%	3.8	11.1%

Source: *Company, Way2Wealth*

SEGMENTAL REVENUE BREAK UP

(₹ mn)

Segment Revenue	Q2FY26	Q1FY26	QoQ	Q2FY25	YoY
Catering	5197	5468	-5.0%	4820	7.8%
% of total revenue	45.3%	47.1%	*-180.3bps*	45.3%	*4.9bps*
Rail Neer	941	1105	-14.9%	902	4.3%
% of total revenue	8.2%	9.5%	*-132.0bps*	8.5%	*-27.1bps*
Internet Ticketing	3859	3588	7.6%	3710	4.0%
% of total revenue	33.7%	30.9%	*273.7bps*	34.9%	*-119.2bps*
Tourism	1495	1477	1.2%	1244	20.2%
% of total revenue	13.0%	12.7%	*31.2bps*	11.7%	*135.1bps*
Total	**11491**	**11637**	**-1.3%**	**10676**	**7.6%**
Less Inter Segment Revenue	31	40	-22.3%	36	-12.5%
Net Revenue	**11460**	**11597**	**-1.2%**	**10640**	**7.7%**
Segment EBIT	**Q2FY26**	**Q1FY26**	**QoQ**	**Q2FY25**	**YoY**
Catering	670	717	-6.7%	615	8.8%
Rail Neer	87	154	-43.7%	90	-3.3%
Internet Ticketing	3268	3019	8.2%	3005	8.7%
Tourism	102	129	-20.6%	-30	-435.9%
Total	4126	4019	2.7%	3680	12.1%
Add: Interest Income	446	402	10.8%	486	-8.2%
Total	4572	4421	3.4%	4166	9.8%
EBIT Margin	**Q2FY26**	**Q1FY26**	**QoQ**	**Q2FY25**	**YoY**
Catering	12.9%	13.1%	*-23.7bps*	12.8%	*12.0bps*
Rail Neer	9.2%	13.9%	*-471.3bps*	9.9%	*-72.2bps*
Internet Ticketing	84.7%	84.2%	*53.3bps*	81.0%	*366.7bps*
Tourism	6.8%	8.7%	*-188.1bps*	-2.4%	*926.8bps*
Total	35.9%	34.5%	*137.1bps*	34.5%	*143.7bps*

Source: *Company, Way2Wealth*

W2W Lighthouse - A Quick Perspective

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Disclosure of Interest Statement: Indian Railway Catering & Tourism Corporation Ltd. (IRCTC) as on 17 November 2025

Name of the Security	Indian Railway Catering & Tourism Corporation Ltd (IRCTC)
Name of the analyst	Ashwini Sonawane
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