

21st January 2021

CMP – ₹1452.1/-

View – BUY

Company Background

Indian Railway Catering and Tourism Corporation Ltd (IRCTC) was incorporated as a public limited company on 27 September 1999 under the Companies Act 1956 and was granted a certificate of incorporation by the Deputy Registrar of Companies N.C.T. of Delhi and Haryana. It's 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. The Company 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. It was conferred the status of Mini-Ratna (Category-I Public Sector Enterprise) by the Government of India on 01 May 2008. The Company operates one of the most transacted websites www.irctc.co.in in the Asia-Pacific region with transaction volume averaging 31.4mn transactions per month and ₹340.6bn worth payments in FY20. It 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 its objective to build a one stop solution for its customers.

Currently the company operates in four business segments namely Internet Ticketing, catering, Packaged drinking water under the Rail Neer brand and Travel & Tourism.

Internet Ticketing – The Company is the only entity authorized by Indian Railways to offer railway tickets online through its website and mobile application. The Company currently operates one of the most transacted websites in the Asia-Pacific region with a transaction volume of more than 31.4mn per month and 8.25 lakhs tickets booked per day in FY20. The main objective behind the introduction of the internet ticketing was that instead of requiring passengers to be physically present at the Passenger Reservation System (PRS), the PRS should be brought to the doorsteps of passengers.

Catering – The Company provides food catering services to Indian Railway passengers on trains and at stations. On-board catering services are referred to as mobile catering and catering services at stations are referred to as static catering. Pursuant to the catering policy issued by the Ministry of Railways dated 27 February 2017 (Catering Policy 2017) it provides catering services for approximately 350 pre-paid and post-paid trains and 530 static units. It provides catering services through mobile catering units, base kitchens, cell kitchens, refreshment rooms, food plazas, food courts, train side vending and Jan Ahaars over the Indian Railways network. All other catering units such as refreshments rooms at stations categorized at B or below AVMs milk stalls and trolleys are managed by zonal railways. The Company also offers e-catering services to passengers through its mobile application Food on Track and its e catering website www.ecatering.irctc.co.in. The Company also operates executive lounges budget hotels and retiring rooms for the convenience of the travelling passengers on Indian Railways.

Packaged Drinking Water (Rail Neer) – The Company is authorized by the Ministry of Railways to manufacture and distribute packaged drinking water at all railway stations and on trains. The Company manufactures and distributes packaged drinking water under brand Rail Neer. Currently it operates ten Rail Neer plants located at Nangloi, Danapur, Palur, Ambarnath, Amethi, Parassala, Ahmedabad and Bhopal with an installed production capacity of approximately 1.4mn litres per day which caters to ~60% of the current demand of packaged drinking water at railway premises and in trains. To increase its presence in the packaged drinking water market at railway stations and to meet the growing demand the company plans to

Important Statistics

MCAP (₹bn)	232.34
52week H/L (₹)	1995/775
NSE Code	IRCTC
BSE Code	542830

Financials

Particulars	₹ mn		
	FY19	FY20	1HFY21
Revenue	18,700	22,755	2,199
EBITDA	3,832	7,134	(494)
EBITDA Margin (%)	20.5	31.4	(22.5)
Net Profit	2,712	5,275	80
EPS (₹)	14.6	32.2	0.5
DPS (₹)	7.6	10.5	
P/E (x)	99.5	45.1	
EV/EBITDA (x)	57.2	30.5	
P/BV (x)	23.3	16.8	
RoE (%)	23.4	44.4	
RoCE (%)	35.5	56.8	

Shareholding pattern (%) Dec'20

Promoter	67.4
DII	7.6
FII	8.4
Public & Others	16.6

commission new Rail Neer plants at Sankrail (Howrah), Jagi Road (Guwahati), Nagpur, Bhusawal, Jabalpur, and Una in FY21. Further four new Rail Neer plants have been approved by the Company's Board of Directors. The Company has also installed water vending machines (WVMs) at railway stations to provide purified chilled and portable drinking water to railway passengers at an affordable price.

Travel and Tourism – The Company has been mandated by Indian Railways to provide tourism and travel related services. It has footprints across all major tourism segments such as hotel bookings, rail land cruise, air tour packages and air ticket bookings. It is known as one of India's leading travel and tourism companies catering to the needs of diverse tourist segments. With the strength of being a CPSE under the administrative control of the Ministry of Railways it specializes in rail tourism. It has been a profitable and debt free company since incorporation.

Investment Arguments

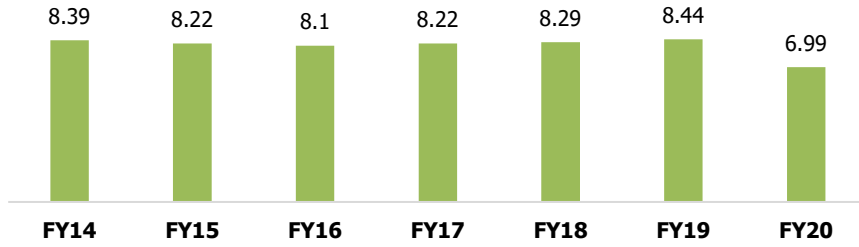
- **Strong entry barriers in its Top-2 business segments** – Internet ticketing and Catering are IRCTC's Top-2 business segments with 27.2% and 45.9% respectively of FY20 revenue and 71.5% and 17.3% of FY20 segmental EBIT (Top-2 segment having 89%/73% EBIT/Revenue). IRCTC is the only entity authorized by Indian Railways to offer railway tickets online which it does through its website www.irctc.co.in and mobile app - "Rail Connect" with ~73% market share as regards to railway tickets booked in FY20. Further, 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. In FY21 where we are likely to see lower no. of tickets being booked (online & over- all) compared to FY20, we expect the revenue and EBIT to be meaningfully higher in FY22/23 than that in FY21.
- **Internet ticketing** – IRCTC is the only company authorized by Indian railways to offer online railway tickets through its digital platforms viz. website and mobile app. The increasing digital adoption has also benefited the internet ticketing segment. As a result, while the total reserved tickets have grown at a 5-year CAGR of 4.2% to ~415mn in FY20, internet ticketing volume has grown at a CAGR of 10.5% to ~302mn in FY20. This has been driven by the share of internet ticketing growing to ~73% in FY20 from ~54% in FY15. In a move to promote digitisation amid demonetisation, the Ministry of Railways had withdrawn the service charge of ₹20/₹40 per e-ticket for Non-AC/AC class. IRCTC was only paid reimbursement for the cost of running the operations. This resulted in substantial revenue loss for IRCTC. However, it remained focused on growing its non-service charge revenue through monetising the full potential of website and mobile app. As a result, its non-service charge revenue has grown from ₹1.04bn in FY17 to ₹2.38bn in FY20. However, in Sep'19, the service charge was re-introduced and this time IRCTC was given the freedom to decide the same. IRCTC has started a levying service charge of ₹15/₹30 (+GST) per e-ticket for non-AC/AC class and a discounted rate of ₹10/₹20 (+ GST) for tickets booked through UPI. The resumption in service charge has significantly strengthened the Internet ticketing segment which in-turn has also improved the profitability of the company. Shutting down of trains due to the Covid-19 pandemic impacted the volume in this segment. However, as Indian Railways partially started running trains from Jun'20 onwards the volume of e-tickets has improved to ~3.2lakh tickets/day (95% being confirmed tickets) though much lower than ~8.27 lakh tickets/day in FY20 (20-25% being waiting list tickets). We are likely to see major growth in FY22 & FY23.

21st January 2021

CMP – ₹1452.1/-

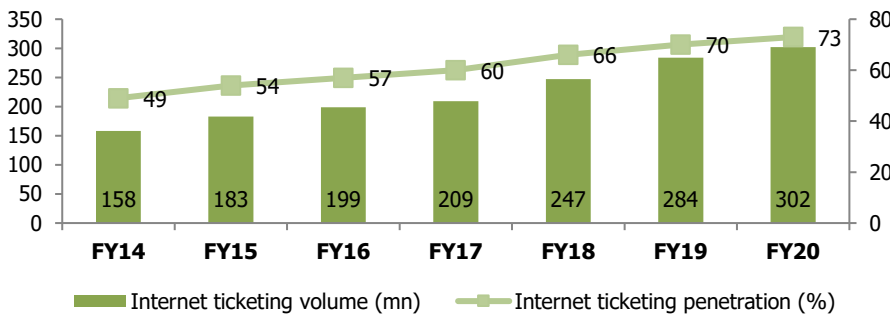
View – BUY

Railway passenger traffic (inclu. Suburban rail) trend (in bn)



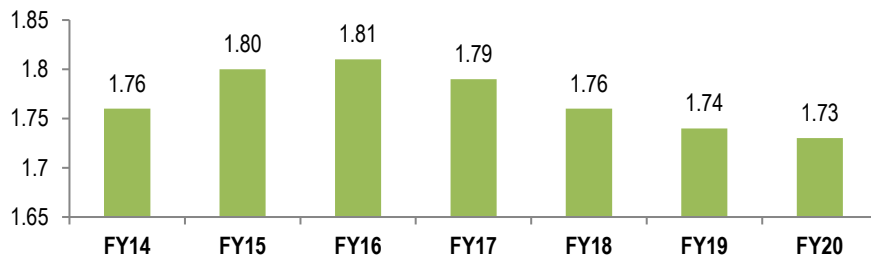
Source - Company, Way2Wealth

Increasing share of internet ticketing



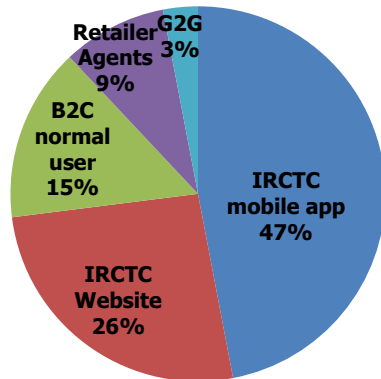
Source - Company, Way2Wealth

Passenger/Ticket trend



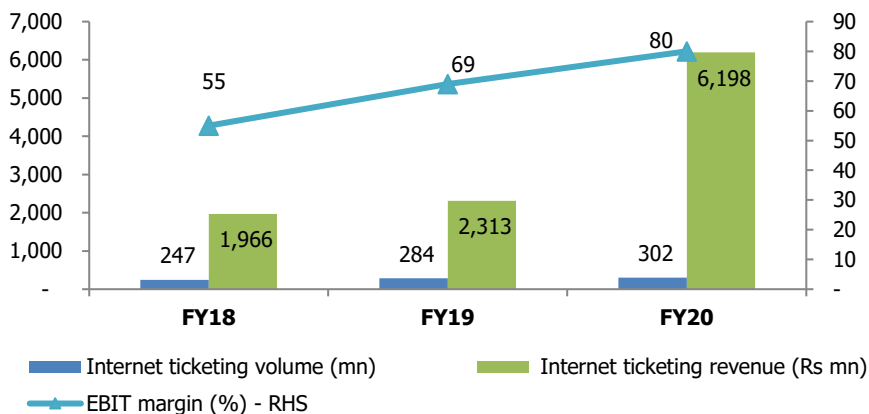
Source - Company, Way2Wealth

Online penetration of railway ticket booking in India



Source - Company, Way2Wealth

Internet Ticketing Performance Trend

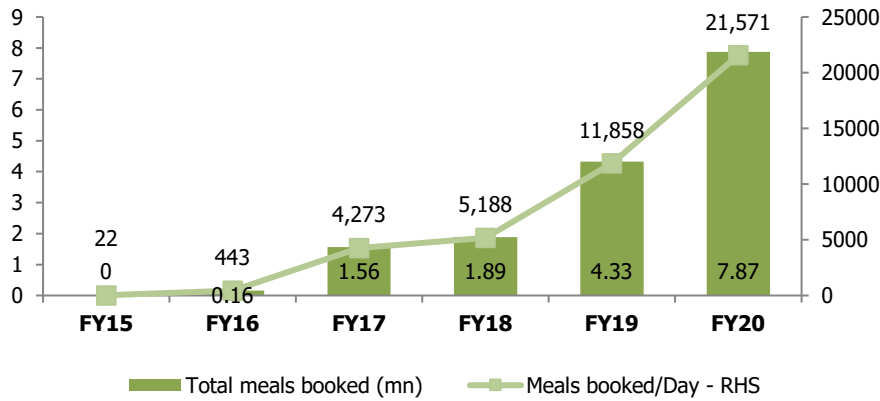


Source - Company, Way2Wealth

- **Catering & Hospitality** – Entire Catering across Indian Railways with strong entry barrier- In 2010, the mobile catering services were transferred to Indian Railways from IRCTC. In the 2017 catering policy, IRCTC was reassigned the responsibility for the entire catering services across Indian Railways. This was done to drive improvement in the quality of catering services and to enhance the passenger experience. As per the policy, IRCTC was directed to unbundle catering services by creating a distinction primarily between food preparation and food distribution. IRCTC was given the responsibility for catering services through mobile catering units, base kitchens, cell kitchens, refreshment rooms at A1 and A category of stations, food plazas, food courts, trains side vending, and Jan Ahars. Driven by the transition of the catering services, revenue for the segment has grown from ₹3.9bn in FY17 to ₹10.2bn in FY20. Similarly, the EBIT has improved from ₹262mn in FY17 to ₹1.47bn in FY20. As per the catering policy, IRCTC has to share 40% of the license income with Indian railways. IRCTC would be upgrading the pantry cars due to which the revenue sharing with Indian railways would be at 15% for 5 years for the respective trains. The catering segment includes four sub-segments – Mobile catering (Trains and Train side vending), Static catering (food plazas, fast food units, refreshment rooms, Jan Ahars, cell kitchen and base kitchens), E-catering and other units (Executive lounge, Retiring room).
- **E-Catering-Ordering food of choice** – In 2014, IRCTC introduced E-catering services to provide many more options to passengers for ordering food of their choice. This is also a way for IRCTC to manage competition from unorganized service providers. E-Catering service allows passengers to book food from partner restaurants which will be delivered at their berth at select stations. The prices of food booked under E-Catering are market driven and menu is freely set by restaurants depending on common preferences. IRCTC has already partnered with 690 F&B vendors (either directly associated with IRCTC or are under 8 appointed food aggregators) and the service is available across 358 stations. IRCTC has already on-boarded number of brands like Dominos, Subway, Haldirams, Faasos, Biryani Blues, A2B, Sravana Bhawan, Nirulas etc. in addition to local/regional restaurants. IRCTC’s e-catering service is available through its - www.ecatering.irctc.co.in and mobile App-Food on track, which is available on both Android and iOS platforms, along with telephone calls to 1323. To ensure transparency, system generated invoices are issued to passengers against each

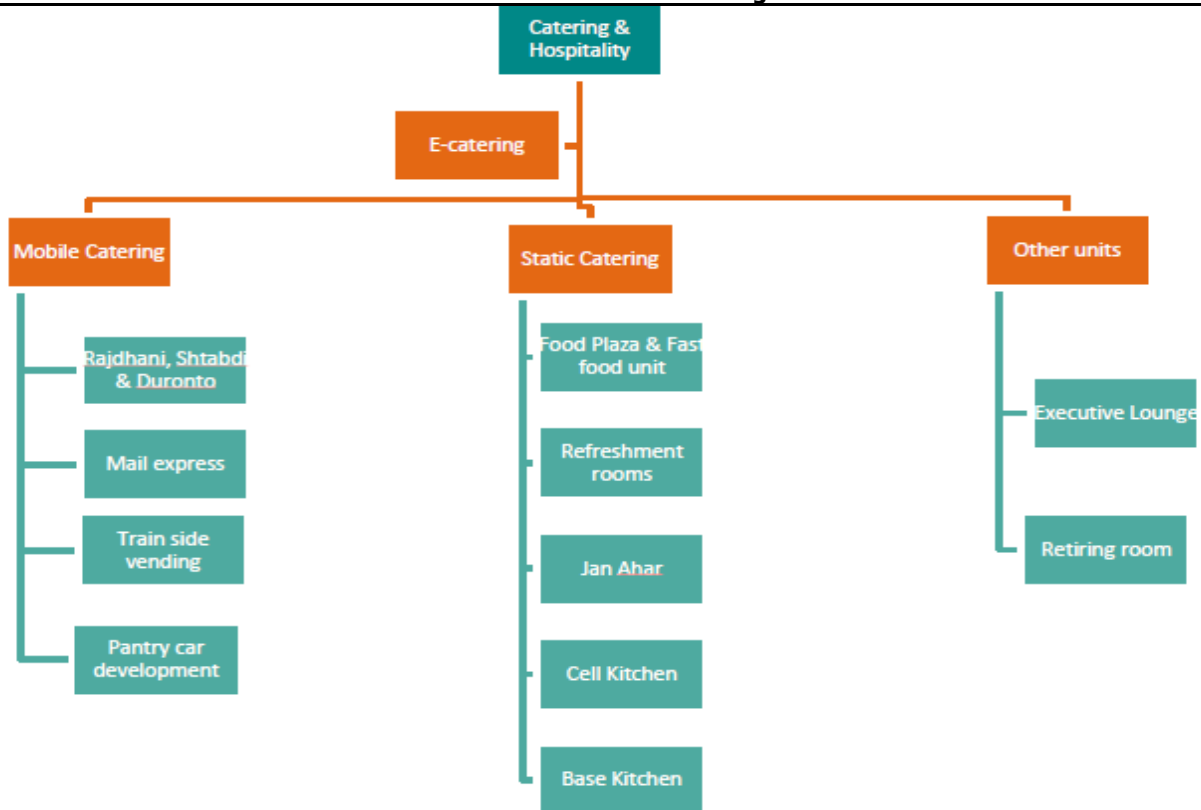
e-catering order, which is the first-of-its-kind service at Indian Railways. E-catering has seen strong growth with meals booked per day growing from just 22/day in FY15 to 4,273/day in FY17 further to 21,571/day in FY20 (+82% YoY). Given the growing customer preference towards food aggregators and cloud kitchen service providers, we believe that IRCTC's e-catering service has significant headway for growth.

E-Catering Trend



Source - Company, Way2Wealth

CATERING & HOSPITALITY Segment



Source - Company, Way2Wealth

Catering & Hospitality – Sub segments

Sub-segment	Business details	Operational Details
Mobile Catering	Catering services provided to aboard a train through a pantry car attached to the train or through base kitchens	417 trains (24 Rajdhani, 2 Tejas, 1 Gatiman, 2 Vande Bharat, 23 Shatabdis, 18 Durontos and 347 Mail/Express trains)
Train Side Vending (TSV)	Providing on-board catering services for trains which do not have pantry cars	Contracts for 26 sections over Indian Railway network have been finalized for TSV services
Base Kitchen	Large cooking and packing facilities set up in the vicinity of railway premises from where food is prepared and disturbed in trains or to the static units	11 base kitchens – company operated ones at New Delhi & Howrah and outsourced ones at Ahmedabad, Patna, Mumbai Central, Mumbai CST, Ballarshah, Nagpur, Balasore, Sealdah and Kharagpur Jn
Static Catering	Catering services offered to patrons at static units at railway establishments located at railway stations	169 Refreshment rooms, 56 Jan Ahaars and 24 Cell Kitchens
Food plazas / Fast food units / Food Courts	Food plazas - multi-cuisine plaza Fast food units - packaged food is served to customers in take-away packets on self-service basis Food courts - cluster of stalls	IRCTC had 293 operational units; it has roped in branded players like Domino's, Adyar Anand Bhawan and Hotel Sravana Bhawan
Executive Lounges	A fully air-conditioned facility where railway passenger can stay while waiting for train	6 executive lounges are operational
Retiring Rooms	A/C Rooms and Dormitories, locker facility for luggage, LED Television, bathrooms with all basic facilities, pantry and housekeeping services	9 retiring rooms have been commissioned

Source - Company, Way2Wealth

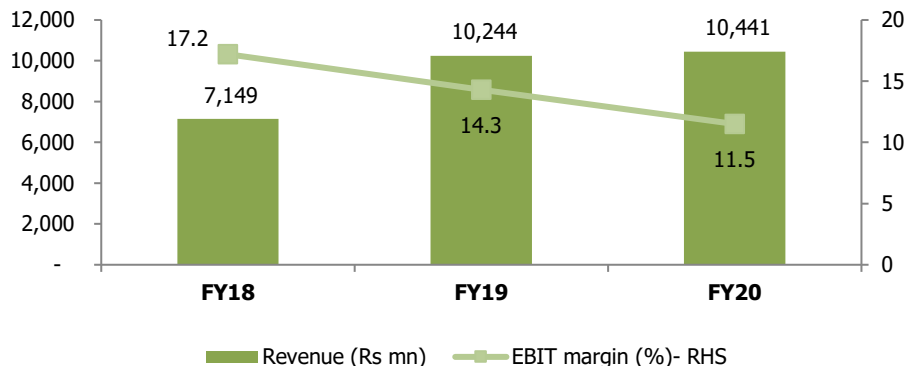
Revenue profile – Licensee fee, concession fees and user charges

Business activity	Nature of Fee received from licensees
License for providing Catering Services on Rajdhani and Shatabdi express trains	One time Concession Fee for the contract period (including renewal period, if any), and Variable License Fee.
License for arranging catering services on Mail/ Jan Shatabdi /Express Trains	Fixed annual license fee as per the agreement signed with the awardees
License for setting up of food plaza and operation thereof at the Indian Railway premises	(i) Fixed monthly user charges and variable license fee in case of contracts awarded under earlier IRCTC Policy. (ii) Fixed annual license fee as per the agreement signed with the awardees
License for water vending machines (WVM) at Railway Stations	Fixed annual license fee on basis of date of commencement of WVMs
License for static units at railway stations	(i) Fixed concession fee in case of contracts awarded under IRCTC Policy (ii) Fixed annual license fee as per the agreement signed with the awardees
License for re-developing, operation, management and transfer of RailYatriNivas and railway hotels on Indian Railway premises	Fixed annual user charges and license fee as per the agreement signed with the awardees
Fine, penalty & interest on delayed payment if any	Recognized on its receipt from licensees and vendors.

Source - Company, Way2Wealth

- **Catering has seen severe impact of Covid-19 pandemic** Even when the trains have been restarted, IRCTC has only been allowed to serve pre-packed ready-to-eat food vs. cooked food being served earlier. Also, for pre-paid trains the F&B purchase was made optional and not included in the fare. This has also impacted the implementation of the price hike which the Ministry of Railways has approved in Nov'19. The approved price hikes were as follows: (1) Prepaid/Premium trains – Tea, Breakfast and Lunch/Dinner prices increased by +50% (2) Mail/Express Trains – Tea, Breakfast and Lunch/Dinner prices increased by +33%. In Nov'20, in a positive move for the segment Indian Railways has allowed the sale of cooked food at catering and vending units on railway stations. However, the food plazas, cell kitchens, Jan Ahars as well as the refreshment rooms will only be open for takeaways. Change in consumer behaviour towards catering service remains a monitorable.

Catering Performance Trend



Source - Company, Way2Wealth

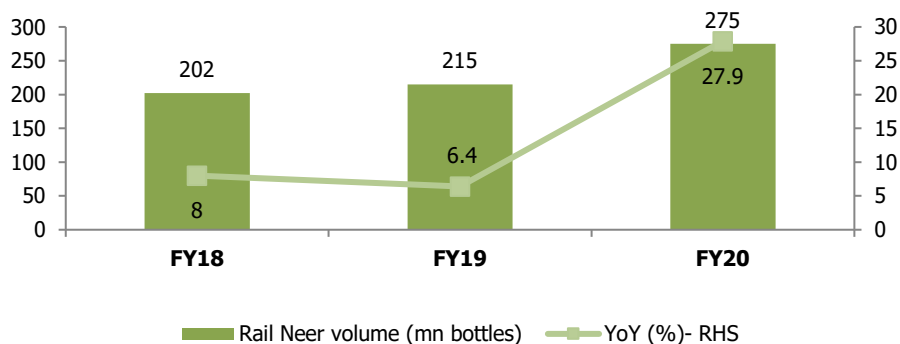
➤ **Rail Neer** – Strong price differential compared to competitors- IRCTC has a monopoly to manufacture and distribute packaged drinking water at all railway stations and in trains across India. The Company sells its packaged drinking water under the brand 'Rail Neer'. While IRCTC may face competition in this segment, the entry barrier being that is able to sell it at ₹15/bottle (1 litre) v/s ₹20/bottle for its competitors. As of end-FY20, IRCTC had installed capacity of ~1.4mn litres/day which enables it to cater to ~60% of demand. This translates into avg. production capacity of 1.4mn bottles/day v/s demand for 1.8mn bottles/day. IRCTC plans to add 5 more plants in FY21-22 which will take its capacity to 1.77mn bottles/day. With the current mismatch in supply and demand, IRCTC has a significant opportunity to grow its business operation by making Rail Neer more accessible at railway stations and on trains.

Price comparison of major players in packaged drinking water industry

(₹/unit)	250ml	300ml	500ml	1Ltr	2Ltr	5Ltr	20Ltr	25Ltr
Bisleri	6	10	10	20	30	65-70	80	NA
Kinley (HCCB)	NA	NA	10	20	25-32	NA	90	110
Aquafina (VBL)	NA	NA	10	20	30	NA	NA	NA
Rail Neer (IRCTC)	NA	NA	10	15	NA	NA	NA	NA

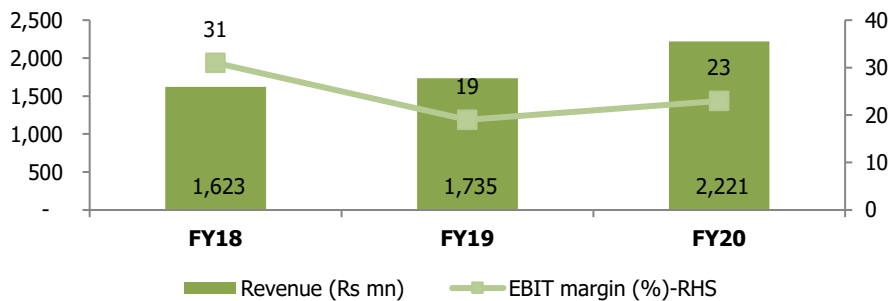
Source - Company, Way2Wealth

Rail Neer – Volume trend



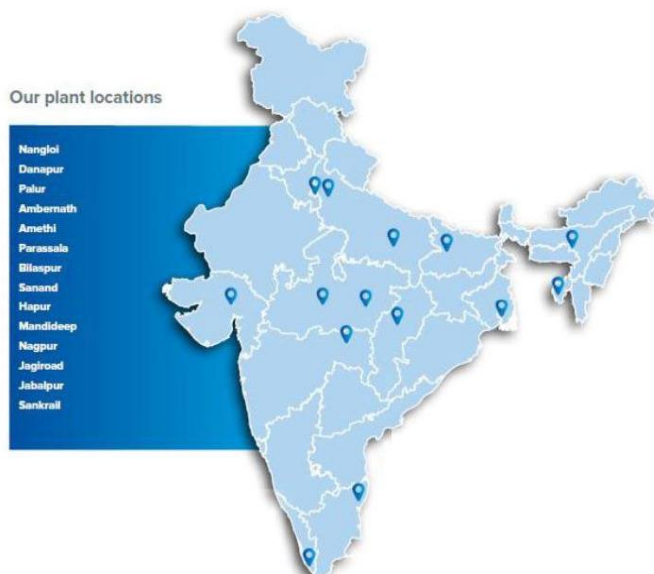
Source - Company, Way2Wealth

Rail Neer – Revenue and EBIT margin



Source - Company, Way2Wealth

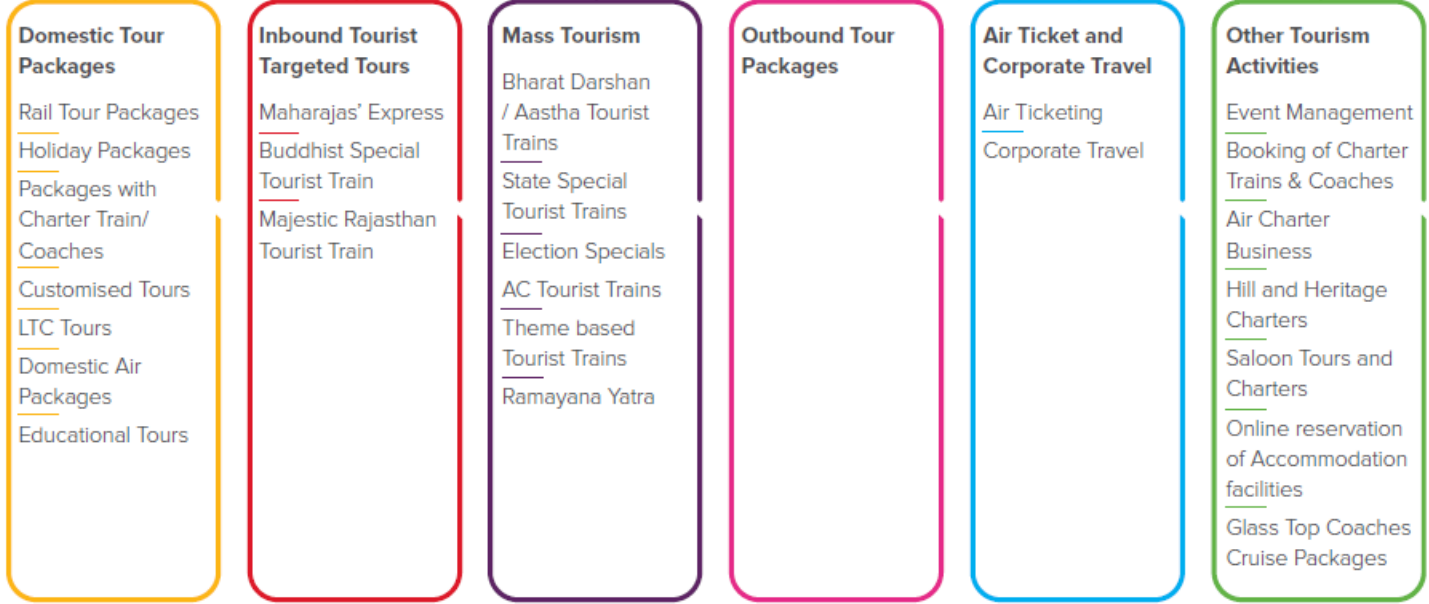
Rail Neer Plant Location



Source - Company, Way2Wealth

➤ **Travel & Tourism providing complete package** – IRCTC has a diversified presence across mass tourism to luxury tourism services. It provides tourist trains, rail tour packages, international and domestic air packages, land tour packages, hotel booking, customised and LTC tours, amongst others. It has a significant competitive advantage in case of tourist trains and rail tour packages. It operates 81 chartered trains. It has also operated special train tours in collaboration with various state governments. The government selects the beneficiaries for these packages, mostly senior citizens. These train tours cover various tourism and pilgrimage sites across India. Air-ticketing: Through its website www.air.irctc.co.in and mobile app – IRCTC AIR, IRCTC provides online booking for both domestic and international Air-tickets. While the fare is competitive to the online travel agents (OTA) it charges only ₹50 + GST as the convenience fee which is the lowest. Also, it is currently providing a complementary insurance coverage of ₹5mn for all online bookings. In FY20, IRCTC saw a strong growth in Air-ticketing volume of 5,688 tickets/day v/s 4,676 tickets/day. IRCTC has huge headroom for growth given the cross-selling opportunity to its customers is internet-ticketing and tour packages space.

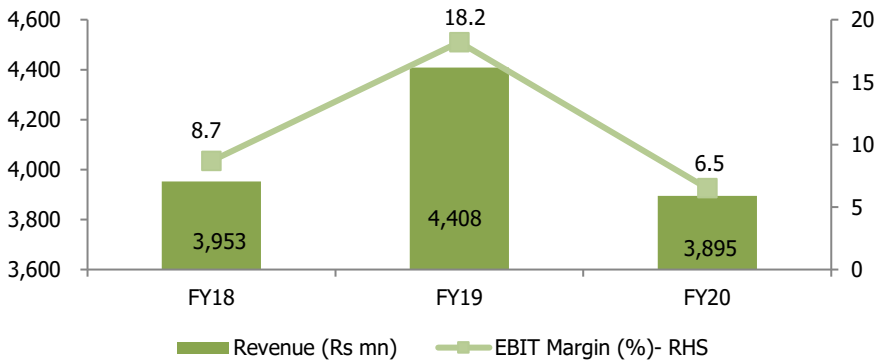
Travel & Tourism – Sub-Segments



Source - Company, Way2Wealth

- **Tourism segment to be severely hit by the pandemic in FY21 & Q1FY22** – Given the severe impact of the pandemic, we expect the Tourism segment to be severely hit in FY21 & Q1FY22. While Tejas Trains (New Delhi-Lucknow and Mumbai-Ahmedabad) restarted operations from 17 October 2020 onwards, it would not be able to offset the impact in other sub-segment.

Tourism – Revenue and EBIT margin trend



Source - Company, Way2Wealth

- **Private trains** – IRCTC has a huge opportunity with experience in this space. The India Railways is targeting to get private participation in operations of passenger trains. This would involve 151 new trains on 140 pair routes across 12 clusters (<https://indianrailways.gov.in/IndicativeRoutesfor12clusters.pdf>), operated by private players and will run in addition to the trains which have already been functioning. The private operators will have the freedom on deciding the fare, operations of the train – seating, F&B, infotainment, etc. As per the current plan, Indian Railways targets to start 12 private-trains in FY23, 45 in FY24, 50 in FY26 and 44 in FY27. Under the public-private partnership

(PPP) model for passenger train operations, private entities have to go through two-stage, transparent competitive bidding, which includes RFQ and RFP. The RFQs for the same were submitted from 120 applicants. As per media reports, 9 RFQs were received for the Mumbai 1 cluster, 12 for Mumbai 2 cluster, 10 for Delhi 1 cluster, 12 for Delhi 2 cluster, 9 each for Chandigarh, Howrah, Chennai and Patna, 10 each for Prayagraj, Secunderabad and Jaipur and 11 for the Bengaluru cluster. IRCTC already has experience of running 3 Tejas trains (New Delhi-Lucknow, Mumbai-Ahmedabad and Varanasi- Indore) which provides it a competitive edge amongst others. It plans to operate on an asset-light model and partner with another player for investing in rolling-stock or take it on lease. It has submitted RFQ for 11 of the 12 clusters. Likely to secure at least 1-2 clusters. Further, the Dedicated Freight Corridor project, once completed, is expected to significantly decongest the railway routes linking the four metropolitan cities of Delhi, Mumbai, Chennai and Howrah (~52% of passenger traffic). This would provide strong opportunity for an increase in the capacity of passenger trains which in-turn would benefit IRCTC across its business segments. Likely to see this business to start contributing to revenue from FY23-24 and profitability from FY25 onwards. Importantly, this would provide stability in revenue for the Tourism segment.

- **Suspension of train services led to fall in Topline in Q2FY21** – Revenues declined 82.7% YoY to ₹886mn as railway operations remained suspended (only partial services were operational) due to COVID-19. Revenues from Internet Ticketing declined 50.3% YoY to ₹583mn (convenience fee revenue of ₹372mn). Catering revenues declined 93.6% YoY to ₹172mn. Rail Neer sales declined 83.1% YoY to ₹92mn while Tourism & State Teertha revenues were worst hit registering a decline of 94.8% YoY to ₹39mn. The company reported an EBITDA loss of ₹56mn. Except for Internet Ticketing which reported EBIT of ₹613mn (has low fixed overheads), the other 3 segments Catering, Rail Neer and Tourism & State Teertha reported EBIT loss of ₹205mn/₹23mn/₹87mn respectively due to limited absorption of fixed cost in lockdown. PAT declined 67.3% YoY to ₹326mn. However, after adjusting for exceptional gain of ₹424mn (excess provisions of ₹258mn relating to performance related pay and ₹164mn relating to claim made on railways) loss stood at ₹97mn.
- **FY21 dip in revenue and profitability likely to see turnaround in FY22** – IRCTC's business is dependent on Indian Railways and the Covid-19 pandemic has had severe impact on operations of passenger trains. While we expect passenger trains to attain normalized operations in FY22, consumer confidence to resume travel might take time. However, IRCTC has regained part of the lost growth and has reached volume of 3.2 lakh tickets/day vs. 8.27 lakh tickets/day in FY20. Likely volume of 6.5-6.7 lakh tickets/day in FY22 and 8-8.3 lakh tickets/day in FY23. At this run-rate the no. of tickets booked in FY22 will be ~18% lower than that in FY20 (Q4FY20 had an impact of the pandemic).
- **Major Revenue improvement visibility in 2HFY21 & FY22 with gradual relaxation in travel relaxations** – With more trains slated to become operational and cooked food being allowed to be sold in static catering, we are hopeful of further improvements and catering segment moving towards stability in 1HFY22. We are also hopeful of the implementation of the price increase to be completed in FY22. While we expect this to enable FY22 revenue to get back to FY20 levels we are likely to witness improvement in margins in FY23.

Key Risks

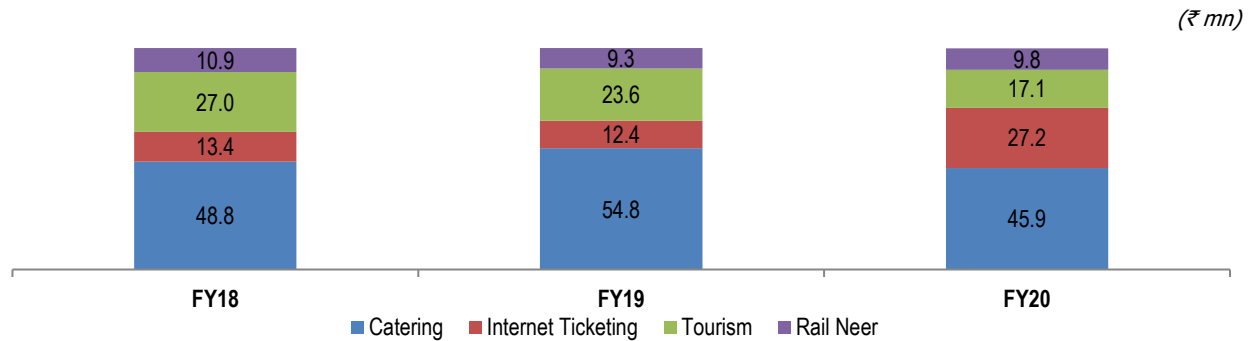
- **IRCTC's business is substantially dependent on Indian Railways;** change in policies can have substantial impact: IRCTC is substantially dependent on the policies of the Ministry of Railways and operations of Indian Railways. As a CPSE and under the administrative control of the Ministry of Railways, its scope of services is primarily determined by the Ministry of Railways. At certain times in the past, the Government has made certain decisions that have adversely impacted IRCTC's performance. For example, the Ministry of Railways in 2016 removed the service charge of ₹20/ticket for non-AC classes and ₹40/ticket for AC classes on online booking of railway tickets. This had a material adverse impact on IRCTC's revenues. Any similar decisions by the Ministry of Railways in the future could adversely affect the company. Similarly, there has been change in the catering policy in the past. Such moves have risk to IRCTC's performance.
- **Higher impact of Covid-19 pandemic** – Indian Railways has started resuming operations of the passenger trains partially. We have factored that normalization of passenger trains would happen in FY22. If there is an unforeseen circumstance of second wave of infections, then it may impact operations of passenger trains.
- **Inefficient capital deployment** – IRCTC has a strong B/S (cash and equivalents of ₹15.4bn) and has a strong FCF (₹3.5-4bn) generating business model. Being a PSE there remains the risk of deployment in businesses/assets which do not have similar efficiencies. This could risk its B/S and FCF. However, such investments have not been done by the company in the past.

View

With gradual relaxation of travel restrictions IRCTC makes it a perfect play in the unlocking theme. Monopolistic nature of business with top-line CAGR of 28% in the last four years enabling robust return ratios of 25-30% on the back of strong balance sheet makes it a value **BUY** at P/E of 45.1x FY20.

21st January 2021

CMP – ₹1452.1/-

 View – **BUY**
Financial Performance
Revenue mix Trend (%)


Source: Company Filing, Way2wealth Research

Q2FY21 Performance

Particulars	Q2FY21	Q2FY20	YoY (%)	Q1FY21	QoQ (%)	1HFY21	1HFY20	YoY (%)
Revenue	886	5,134	(82.7)	1,313	(32.5)	2,199	9,726	(77.4)
EBITDA	(56)	1424	(103.9)	(439)	(87.2)	(494)	2,458	(120.1)
EBITDA Margin (%)	(6.3)	27.7		(33.4)		(22.5)	25.3	
Net Profit	326	998	(67.3)	(246)	(232.5)	80	1,722	(95.3)
EPS (₹)	2.0	6.2	(67.7)	(1.5)	(233.3)	0.5	10.8	(95.4)

Source: Company Filing, Way2wealth Research

Segmental Break up

Revenue	Q2FY21	Q2FY20	YoY (%)	Q1FY21	QoQ (%)	1HFY21	1HFY20	YoY (%)
Catering	172	2,667	(93.6)	899	(80.9)	1,071	5,387	(80.1)
% of Total Revenue	19.4	51.9		68.5		48.7	55.4	
Internet Ticketing	583	1,172	(50.3)	353	65.2	936	1,993	(53.0)
% of Total Revenue	65.8	22.8		26.9		42.6	20.5	
Tourism	39	507	(92.3)	30	30.0	69	984	(93.0)
% of Total Revenue	4.4	9.9		2.3		3.1	10.1	
Rail Neer	92	548	(83.2)	33	178.8	125	1,124	(88.9)
% of Total Revenue	10.4	10.7		2.5		5.7	11.6	
State Teertha	-	239	(100.0)	-	-	-	240	(100.0)
% of Total Revenue	-	4.7		-		-	2.5	

EBIT	Q2FY21	Q2FY20	YoY (%)	Q1FY21	QoQ (%)	1HFY21	1HFY20	YoY (%)
Catering	(205)	298	(168.8)	(487)	(57.9)	(692)	608	(213.9)
Margin (%)	(119.2)	11.2		(54.2)		(64.6)	11.3	
Internet Ticketing	613	919	(33.3)	92	566.3	705	1,468	(52.0)
Margin (%)	105.1	78.4		26.1		75.3	73.7	
Tourism	(87)	12	(825.0)	(80)	8.7	(167)	23	(816.7)
Margin (%)	(223.1)	2.4		(266.7)		(242.0)	2.4	
Rail Neer	(23)	100	(123.0)	(5)	360.0	(28)	220	(112.7)
Margin (%)	(25.0)	18.2		(15.2)		(22.4)	(19.6)	
State Teertha	-	57	(100.0)	-	-	-	52	(100.0)
Margin (%)	-	23.8		-		-	21.6	

Source: Company Filing, Way2wealth Research

Disclaimer

Analyst Certification: I, Jayakanth Kasthuri, the research analyst and author of this report, hereby certify that the views expressed in this research report accurately reflect our personal views about the subject securities, issuers, products, sectors or industries. It is also certified that no part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research. The analyst(s), principally responsible for the preparation of this research report, receives compensation based on overall revenues of the company (Way2Wealth Brokers Private Limited, hereinafter referred to as Way2Wealth) and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

It is confirmed that Jayakanth Kasthuri, the author of this report has not received any compensation from the companies mentioned in the report in the preceding 12 months. Our research professionals are paid in part based on the profitability of Way2Wealth, which include earnings from other business. Neither Way2Wealth nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information contained in this report.

This report is for the personal information of the authorized recipient and does not constitute to be any investment, legal or taxation advice to you. Way2Wealth is not soliciting any action based upon it. Nothing in this research shall be construed as a solicitation to buy or sell any security or product, or to engage in or refrain from engaging in any such transaction. The contents of this material are general and are neither comprehensive nor appropriate for every individual and are solely for the informational purposes of the readers. This material does not take into account the specific objectives, financial situation or needs of an individual/s or a Corporate/s or any entity/s.

This research has been prepared for the general use of the clients of the Way2Wealth and must not be copied, either in whole or in part, or distributed or redistributed to any other person in any form. If you are not the intended recipient, you must not use or disclose the information in this research in any way. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. Way2Wealth will not treat recipients as customers by virtue of their receiving this report. The distribution of this document in other jurisdictions may be restricted by the law applicable in the relevant jurisdictions and persons into whose possession this document comes should inform themselves about, and observe any such restrictions.

The report is based upon information obtained from sources believed to be reliable, but we do not make any representation or warranty that it is accurate, complete or up to date and it should not be relied upon as such. Way2Wealth or any of its affiliates or employees makes no warranties, either express or implied of any kind regarding any matter pertaining to this report, including, but not limited to warranties of suitability, fitness for a particular purpose, accuracy, timeliness, completeness or non-infringement. We accept no obligation to correct or update the information or opinions in it. Way2Wealth or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. The recipients of this report should rely on their own investigations. In no event shall Way2Wealth be liable for any damages of any kind, including, but not limited to, indirect, special, incidental, consequential, punitive, lost profits, or lost opportunity, whether or not Way2Wealth has advised of the possibility of such damages.

This material contains statements that are forward-looking; such statements are based upon the current beliefs and expectations and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. These uncertainties include but are not limited to: the risk of adverse movements or volatility in the securities markets or in interest or foreign exchange rates or indices; adverse impact from an economic slowdown; downturn in domestic or foreign securities and trading conditions or markets; increased competition; unfavorable political and diplomatic developments; change in the governmental or regulatory policies; failure of a corporate event and such others. This is not an offer to buy or sell or a solicitation of an offer to buy or sell any security or instrument or to participate in any particular trading strategy. No part of this material may be copied or duplicated in any form by any means or redistributed without the written consent of Way2Wealth. In no event shall any reader publish, retransmit, redistribute or otherwise reproduce any information provided by Way2Wealth in any format to anyone. Way2Wealth and its affiliates, officers, directors and employees including persons involved in the preparation or issuance of this report may from time to time have interest in securities / positions, financial or otherwise in the securities related to the information contained in this report.

To enhance transparency, Way2Wealth has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report.

Disclosure of Interest Statement Indian Railway Catering and Tourism Corporation Ltd. (IRCTC) as on 21 January 2021

Name of the Security	Indian Railway Catering and Tourism Corporation Ltd. (IRCTC)
Name of the analyst	Jayakanth Kasthuri
Analysts' ownership of any stock related to the information contained	NIL
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
Way2Wealth ownership of any stock related to the information contained	NIL
Broking relationship with company covered	NIL
Investment Banking relationship with company covered	NIL

This information is subject to change without any prior notice. Way2Wealth reserves at its absolute discretion the right to make or refrain from making modifications and alterations to this statement from time to time. Nevertheless, Way2Wealth is committed to providing independent and transparent recommendations to its clients, and would be happy to provide information in response to specific client queries.