



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

"CIN-L74899DL1999GOI101707", E-mail: info@irctc.com, Website: www.irctc.com

No. 2019/IRCTC/CS/ST.EX/356

November 14, 2022

BSE Limited (Through BSE Listing Centre) 1 st Floor, New Trade Wing, Rotunda Building Phiroze Jeejeebhoy Towers, Dalal Street Fort, Mumbai – 400 001 Scrip Code: 542830	National Stock Exchange of India Limited (Through NEAPS) "Exchange Plaza", C -1, Block-G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 Scrip Symbol: IRCTC
--	---

Sub: Outcome of the Board meeting -- Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sir/Madam,

The Board of Directors of the Company at its meeting held on Monday, November 14, 2022 has inter-alia considered and approved the un-audited Financial Results for the quarter and half year ended on September 30, 2022 along with the Limited Review Report.

In view of the above, a copy of the unaudited financial results for the quarter and half year ended on September 30, 2022 along with the Limited Review Report, issued by the auditor is enclosed herewith.

The aforesaid outcome of Board Meeting is being made available on the website of the Company i.e. www.irctc.com

The Board meeting commenced at 02:45 P.M. and concluded at 4:40 P.M.

This is for your kind information and record please.

Thanking you,

Yours faithfully,

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


14/11/22

(Suman Kalra)
Company Secretary and Compliance Officer
Membership No.: FCS: 9199



Encl: As above

Indian Railway Catering and Tourism Corporation Limited							
CIN : L74899DL1999GOI101707							
REGISTERED & CORP.OFFICE: 11th FLOOR, B-148, STATESMAN HOUSE, BARAKHAMBA ROAD, NEW DELHI-110001							
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2022							
S.No.	PARTICULARS	Amount in ₹ Lakhs except EPS					
		Quarter ended			Half Year Ended		Year ended
		30.09.2022 (Unaudited)	30.06.2022 (Unaudited)	30.09.2021 (Unaudited)	30.09.2022 (Unaudited)	30.09.2021 (Unaudited)	31.03.2022 (Audited)
I.	Revenue from operations	80,580.17	85,259.06	40,493.72	165,839.23	64,830.68	187,947.84
II	Other Income	2,599.38	2,441.72	1,612.13	5,041.10	3,069.18	7,282.55
III	Total Income (I+II)	83,179.55	87,700.78	42,105.85	170,880.33	67,899.86	195,230.39
	Expenses						
	Cost of Materials Consumed	1,929.11	1,965.20	879.19	3,894.31	1,451.33	4,012.81
	Purchase of Stock-in-Trade	2,504.69	3,049.47	1,190.48	5,554.16	2,645.43	6,579.63
	Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade	18.11	(55.22)	50.86	(37.11)	(13.21)	(42.84)
	Expenses of Catering Services	23,506.66	26,158.26	2,805.04	49,664.92	4,708.69	27,083.01
	Expenses of Tourism	8,635.50	9,041.70	3,021.48	17,677.20	3,916.60	16,694.58
	Manufacturing & Direct Expenses	3,703.08	4,341.14	2,552.17	8,044.22	4,409.79	11,103.80
	Employee benefit expense	6,638.86	5,533.40	6,810.01	12,172.26	11,636.56	23,743.75
	Finance costs	483.47	248.17	211.89	731.64	589.34	1,105.00
	Depreciation and amortization expense	1,856.88	1,357.24	1,182.31	3,214.12	2,304.88	4,898.84
	Impairment Loss	-	-	-	-	-	(122.97)
	Other Expenses	3,157.13	3,131.12	2,033.62	6,288.25	3,773.89	10,823.04
IV	Total Expenses (IV)	52,433.49	54,770.48	20,737.05	107,203.97	35,423.30	105,878.65
V	Profit/(Loss) before exceptional items and tax (III - IV)	30,746.06	32,930.30	21,368.80	63,676.36	32,476.56	89,351.74
VI	Exceptional Items (Note no.8)	-	-	-	-	-	(400.45)
VII	Profit/(Loss) before tax (V + VI)	30,746.06	32,930.30	21,368.80	63,676.36	32,476.56	88,951.29
	Tax expense:						
	-Current Year	8,474.20	8,389.90	5,776.58	16,864.10	8,607.45	23,802.31
	- Earlier Years	1,146.50	-	-	1,146.50	-	766.87
	-Deferred tax	(619.19)	(11.99)	(265.04)	(631.18)	(240.61)	(929.40)
	-Deferred tax - Earlier Years	(858.51)	-	-	(858.51)	-	(1,057.40)
VIII	Total Tax Expense	8,143.00	8,377.91	5,511.54	16,520.91	8,366.84	22,582.38
IX	Profit/(Loss) After Tax from continuing operations	22,603.06	24,552.39	15,857.26	47,155.45	24,109.72	66,368.91
	Other Comprehensive Income						
	(i) Items that will not be reclassified to Profit or Loss						
	- Remeasurment of post-employment benefit obligation	(93.30)	396.20	(500.44)	302.90	126.83	585.33
	- Income Tax Effect	23.48	(99.72)	125.96	(76.24)	(31.92)	(147.33)
X	Total Other Comprehensive Income/(Loss) for the period (Net of Tax)	(69.82)	296.48	(374.48)	226.66	94.91	438.00
XI	Total Comprehensive income/(Loss) for the period	22,533.24	24,848.87	15,482.78	47,382.11	24,204.63	66,806.91
	Paid-up Equity Share Capital (Face value of ₹2/- each)	16,000.00	16,000.00	16,000.00	16,000.00	16,000.00	16,000.00
	Other Equity				207770.17	147095.12	172,388.05
	Earning per equity share (EPS)*						
	Basic (₹)	2.82	3.07	1.98	5.89	3.01	8.30
	Diluted(₹)	2.82	3.07	1.98	5.89	3.01	8.30

*EPS for quarters are not annualised. Number of shares used for calculation of EPS are 8000 lakhs. (Refer note no.9 below)

Notes:

- The above unaudited Financial Results of the Company have been reviewed by Audit Committee and approved by the Board of Directors at their respective meetings held on 14th November, 2022. The Statutory Auditors have conducted limited review of the unaudited Financial Results.
- The above unaudited Financial Results of the Company have been prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.
- Catering contracts awarded before 22nd March, 2020 have been treated as zero period due to Pandemic and accordingly, no income as well as Railways share payable has accrued during the year 2020-21 and for the period up to 26.11.2021. Catering services has been restarted with cooked food from 27.11.2021 in a phased manner and income and Railway share payable has been accrued accordingly. However, the effect of enhancement of License Fee for the periods from 18.11.2019 to 22.03.2020 and 27.11.2021 to 30.09.2022 has not been ascertained & recognized on account of increase in catering tariff as per the CC-60 of 2019 issued by the Railway Board, since due to Pandemic, the sales assessment by the Company was pending which is now in progress.



- 4 During the Financial Year 2021-22, an amount of ₹ 2713.32 lakhs was paid and charged to revenue on account of 15% Railway share in profits of Railneer plants (owned and PPP plants) up to 31.3.2021 as Railways have not agreed with the contention of the company i.e railneer is part of catering segment which is in loss and also demands 40% revenue share for PPP Plants. No provision was made for the Financial Year 2021-22 in view of the loss incurred in Railneer segment after considering above payment of ₹ 2713.32 lakhs as expense for that year. These matters are subject to confirmation and reconciliation with Railways.
- 5 As per the terms and conditions of the tender, in respect of 4 PPP Railneer plants, the Developer cum Operator (DCOs) are to be reimbursed the GST on sales net of Input Tax Credit (ITC) availed by them. The impact for the same amounting ₹ 309.28 lakhs was accounted for in Financial Year 2021-22 except for one plant where figures of ITC claimed by the DCO were not available. Further, due to non-availability of figures of ITC claimed by respective DCOs of 02 plants for the half year ending 30th September, 2022, the same could not be estimated and accounted in the respective quarters and these DCOs have represented against the claim of IRCTC for Input Tax Credit. The issues of GST recovery was discussed in the audit committee meeting and the Committee has advised to seek opinion from Solicitor General (SG) on this issue and necessary decision will be taken by IRCTC after the receipt of the said opinion.
- 6 The Anti Profiteering Authority issued notice dated 25.02.2022 for profiteering amount of ₹5041.44 Lakhs under section 171 of the CGST Act, 2017 for not passing the benefit of tax reduction to consumers. The show cause notice has contested by the Company and matter was argued in August, 2022 but final order from Authority still awaited.
- 7 Arbitration award was pronounced in April, 2022 amounting to ₹ 7400 Lakhs plus simple interest @6% per annum from July, 2018 onwards, in favour of certain licensees which represents principal amount towards claims for supply of welcome drinks not paid to licensees and recovery of differential costs for the supply of regular meals to the passengers on the instructions of Railways whereas the price of combo meal, which is lower than the price of regular meal, was reimbursed to these licensees. The matter has been referred to the Railways for their instructions on the matter as the main liability in this matter would be of Railways and the Company has the right to recovery from Railways in case ultimately it is made liable to pay. The Company has filed objections against Arbitration award and same was listed before Honorable High Court of Delhi on 28.09.2022. The next date of hearing is fixed on 28.03.2023.
- 8 For the Financial Year 2021-22, net Exceptional expenses amounting ₹ 400.45 Lakhs includes (i) ₹ 2248.54 Lakhs being reversal of excess provisions for previous years relating to Performance Related Pay, (ii) ₹ 2713.32 lakhs being expense on account of 15% Railway share in profits of Railneer plants up to 31.3.2021 (refer Note no.4); and (iii) ₹ 64.33 Lakhs being excess provisions written back for previous years relating to various other expenses.
- 9 During the Financial Year 2021-22, the Company has Sub-divided its 1600 Lakhs equity shares of face value of ₹ 10/- each fully paid up into 8000 Lakhs equity shares of face value of ₹ 2/- each fully paid up w.e.f. 29th October, 2021 as recommended by the Board of Directors and approved by the Shareholders of the Company. Earnings per Share have been calculated / restated, as applicable, for all the period(s) presented after considering the new number of equity shares post such sub-division in line with the provisions of the applicable Ind AS and to make figures of EPS comparable with previous periods/year.
- 10 The figures for the previous periods have been regrouped/reclassified/restated, wherever considered necessary.

For & on behalf of the Board of Directors



Rajni Hasija
Chairperson & Managing Director
DIN:-08083674

Place : New Delhi
Dated : 14th November, 2022



Indian Railway Catering and Tourism Corporation Limited						
CIN : L74899DL1999GOI101707						
REGISTERED & CORP.OFFICE: 11th FLOOR, B-148 STATESMAN HOUSE BARAKHAMB ROAD, NEW DELHI-110001						
SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2022						
PARTICULARS	Amount in ₹ Lakhs					
	Quarter ended			Half Year Ended		Year ended
	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. SEGMENT REVENUE						
a) Catering	33,440.78	35,215.13	7,139.71	68,655.91	12,811.66	49,896.72
b) Rail neer	7,205.09	8,364.77	4,116.87	15,569.86	7,043.35	17,225.75
c) Internet Ticketing	30,025.75	30,165.74	26,530.92	60,191.49	41,528.06	102,096.74
d) Tourism	6,945.65	8,192.95	2,706.22	15,138.60	3,447.61	15,697.26
e) State Teertha	2,962.90	3,320.47	-	6,283.37	-	3,031.37
TOTAL (Revenue from Operations)	80,580.17	85,259.06	40,493.72	165,839.23	64,830.68	187,947.84
2. SEGMENTS RESULTS						
Profit/(Loss) (before tax, interest and investments income from each segment)						
a) Catering	3,542.00	4,224.76	(15.06)	7,766.76	(482.21)	2,602.13
b) Rail neer #	539.24	918.62	279.01	1,457.86	460.09	(1,468.15)
c) Internet Ticketing	25,276.30	25,494.77	22,034.28	50,771.07	33,721.16	87,018.80
d) Tourism	(988.80)	86.29	(2,122.80)	(902.51)	(3,575.47)	(4,613.27)
e) State Teertha	441.00	637.76	-	1,078.76	-	297.20
TOTAL	28,809.74	31,362.20	20,175.43	60,171.94	30,123.57	83,836.71
Add: Interest & Dividend Income	1936.33	1568.10	1,193.37	3,504.43	2,352.99	5,114.58
PROFIT/(LOSS) BEFORE TAX	30,746.07	32,930.30	21,368.80	63,676.37	32,476.56	88,951.29

Railneer segment results for the year ended 31st March, 2022 includes expenses of ₹ 2713.32 Lakhs on account of Railway share in profits for earlier years.

Notes:

- Assets and Liabilities used in the company's business are not identified to any of the reportable segments as these are used interchangeably between segments. The Company believes that it is currently not practicable to provide segmental disclosure relating to total assets and liabilities since a meaningful segregation of the available data could be onerous.
- For the year ended 31st March, 2022, segment results include net exceptional items representing expenses of ₹ 400.45 Lakhs which is allocated to various segment results as under:-

Segment	₹ In Lakhs
Catering	605.81
Railneer	(2,506.00)
Internet Ticketing	1,275.27
Tourism	188.54
State Teertha	35.93
Total	(400.45)

For & on behalf of the Board of Directors



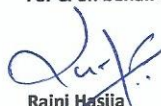
Rajni Hasija
Chairperson & Managing Director
DIN:-08083674

Place : New Delhi
Dated : 14th November, 2022



Indian Railway Catering & Tourism Corporation Limited		
CIN : L74899DL1999GOI101707		
REGISTERED & CORP.OFFICE: 11th FLOOR,B-148 STATESMAN HOUSE, BARAKHAMB ROAD, NEW DELHI-110001		
STATEMENT OF ASSETS & LIABILITIES		
PARTICULARS	Amount in ₹ Lakhs	
	AS AT 30.09.2022 (UNAUDITED)	AS AT 31.03.2022 (AUDITED)
ASSETS		
NON CURRENT ASSETS		
Property, Plant & Equipments	19,351.02	20,528.19
Capital Work in Progress	3,098.32	2,616.96
Investment Property	2,677.43	2,695.95
Intangible Assets	454.34	536.46
Right-of-use Assets	15,775.07	9,781.18
FINANCIAL ASSETS		
Investments	-	-
Other Financial Assets	210.03	34.36
Deferred Tax Assets (Net)	10,886.67	9,473.22
Other non-current Assets	7,341.55	4,946.79
CURRENT ASSETS		
Inventories	881.49	792.79
FINANCIAL ASSETS		
Investments in Mutual Funds	-	-
Trade Receivables	80,852.35	57,264.06
Cash and Cash Equivalents	41,960.56	36,820.38
Bank Balances other than Cash and Cash Equivalents	148,024.28	136,336.50
Other Financial Assets	9,922.35	10,304.69
Current Tax Assets (Net)	8,968.12	6,459.94
Other Current Assets	103,784.29	85,126.04
Total Assets	454,187.87	383,717.51
EQUITY AND LIABILITIES		
EQUITY		
Equity Share Capital	16,000.00	16,000.00
Other Equity	207,770.17	172,388.05
LIABILITIES		
NON CURRENT LIABILITIES		
FINANCIAL LIABILITIES		
LEASE LIABILITIES	12,810.62	8,516.75
Other Financial Liabilities	4,108.79	2,218.90
Provisions	4,841.22	5,435.35
Other Non-Current Liabilities	698.83	695.39
CURRENT LIABILITIES		
FINANCIAL LIABILITIES		
LEASE LIABILITIES	5,020.44	2,149.39
Trade Payables	67,052.30	67,860.02
Other Financial Liabilities	49,268.94	31,969.96
Provisions	2,947.59	2,839.58
Other Current Liabilities	83,668.97	73,644.12
Current Tax Liabilities (Net)	-	-
TOTAL EQUITY AND LIABILITIES	454,187.87	383,717.51

For & on behalf of the Board of Directors



Rajni Hasija
Chairperson & Managing Director
DIN:-08083674

Place : New Delhi

Dated : 14th November, 2022



Indian Railway Catering & Tourism Corporation Limited
Statement of Cash Flow for the half year ended 30th September, 2022

Amount (₹ in Lakhs)

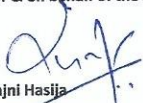
Particulars	For half year ended 30th Sept. 2022 (Unaudited)	For half year ended 30th Sept. 2021 (Unaudited)	For the year ended 31st March 2022 (Audited)
A. Cash Flow from Operating Activities			
Profit before tax	63,676.36	32,476.56	88,951.29
Adjustments for :-			
Depreciation	3,214.12	2,304.88	4,898.84
Impairment Loss	-	-	(122.97)
Loss/(Profit) on sale of Fixed Assets	1.83	25.85	25.50
Interest Income	(3,369.80)	(2,193.34)	(4,778.62)
Dividend Income from Mutual fund	(134.63)	(159.65)	(335.96)
Interest Expenses on Lease Liabilities	518.50	337.34	736.99
Rental Income from Investment Property	(117.49)	(117.49)	(234.98)
Amortization of Capital Grant	(21.78)	(22.14)	(44.16)
Income from amortisation of deferred security deposits-Liability	(66.60)	(79.55)	(182.00)
Interest Income on Unwinding of Discounts on security deposits	(0.67)	(0.50)	(1.06)
Unwinding of discount on security deposits liability	103.35	77.00	170.00
Modification of lease liabilities	(146.59)	-	(0.24)
Unwinding of discount on security deposits assets	0.63	0.63	1.33
Capital Work In Progress written off	-	-	16.05
Excess Provision Written Back	-	-	(2,312.87)
Provision for Doubtful Debts	432.71	107.77	1,063.48
Operating Profit before operating capital changes (1)	64,089.94	32,757.36	87,850.62
Adjustments for :-			
Decrease / (Increase) in Inventories	(88.70)	(55.26)	(138.75)
Decrease/ (Increase) in Trade & Other Receivables	(24,020.99)	14,133.11	(6,193.32)
Decrease/ (Increase) in Other Non Current Financial assets	(175.00)	0.02	(6.02)
Decrease/ (Increase) in Other Current Financial assets	775.69	(769.11)	769.03
Decrease/ (Increase) in Other Current assets	(18,658.26)	29,534.93	(28,322.39)
Decrease/ (Increase) in Other Non Current assets	(18.90)	0.82	0.08
(Decrease) / Increase in other Non current financial liability	1,786.54	200.54	107.54
(Decrease) / Increase in Non Current Provisions	(291.23)	303.62	(1,015.40)
(Decrease) / Increase in Other Non current liabilities	91.82	72.45	58.39
(Decrease) / Increase in trade payables	(807.73)	785.08	9,630.30
(Decrease) / Increase in Other financial liability	17,298.98	7,859.81	6,687.12
(Decrease) / Increase in Other Current Liability	10,024.83	(16,363.59)	9,025.26
(Decrease) / Increase in Current provisions	108.01	285.28	1,795.04
Cash generated from operation (2)	(13,974.94)	35,987.70	(7,603.12)
Income Tax Paid (Net of refunds) (1+2)	50,115.00	68,745.06	80,247.50
Total Cash generated from Operating Activities	29,596.24	59,232.84	52,374.47
B. Cash Flow From Investing Activities			
Sale/Disposal of Property, Plant and Equipment's & Other intangible assets	12.18	8.59	60.95
Purchase of Property, Plant and Equipment's & Other intangible assets	(631.60)	(960.31)	(2,191.11)
Interest Received	2,976.45	3,636.45	5,130.73
Dividend received	134.63	159.65	335.96
Investment in Mutual Funds	-	(12,159.65)	-
Changes in Other Bank balances	(11,687.78)	(15,923.98)	(24,789.35)
Rental Income from Investment Property	117.49	117.49	234.98
Capital Advances given during the Year	(2,376.50)	(1,318.79)	(3,024.01)
Net Cash used in Investing Activities	(11,455.13)	(26,440.55)	(24,241.85)
C. Cash Flow From Financing Activities			
Payment of principal portion of Lease Liability	(482.43)	(217.08)	(1,077.66)
Payment of interest portion of Lease Liability	(518.50)	-	(736.99)
Dividend Paid	(12,000.00)	-	(24,000.00)
Net Cash generated from Financing Activities	(13,000.93)	(217.08)	(25,814.65)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	5,140.18	32,575.21	2,317.97
Opening Cash & Cash Equivalents	36,820.38	34,502.41	34,502.41
Closing Cash & Cash Equivalents	41,960.56	67,077.62	36,820.38



2022

Reconciliation of Cash & Cash Equivalents			
Cash and Cash Equivalent Comprises of			
Cash on hand	52.28	31.17	36.14
Balances with banks:			
– In Current Account	41,794.19	66,704.37	36,667.91
– In Flexi Account	114.09	342.08	116.33
Cash and Cash Equivalents as per Balance Sheet	41,960.56	67,077.62	36,820.38

For & on behalf of the Board of Directors


 Rajni Hasija
 Chairperson & Managing Director
 DIN:-08083674

Place : New Delhi
 Dated : 14th November, 2022





Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To
The Board of Directors
Indian Railway Catering and Tourism Corporation Limited
New Delhi

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Indian Railway Catering and Tourism Corporation Limited (the "Company") for the quarter and six months ended September 30, 2022, (the "Statement") being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Regulations").
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, ("Ind AS 34") "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. The standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making enquires, primarily of company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement read with the Notes thereon, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ("Ind AS") specified under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed, in terms of the Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. Emphasis of Matter

We draw attention to:

- i. Note No. 3 regarding non-recognition of revenue and non-provision of share of Railways in such revenue for the financial years 2020-21 and 2021-22 and for the half-year ended September 30, 2022 from the increase to be made in license fee due to tariff revision made by the Railway Board in financial year 2019-20 as the exercise regarding sale-assessment, which will determine the % of increase in license fee, is still under progress as on date.



- ii. Note No. 4 regarding 15% share of Railneer segment profit for the period 2007-08 to 2020-21 paid to Railways amounting to Rs.2,713.32Lakhs and charged to revenue during the financial year 2021-22. No provision for share of Railways for financial year 2021-22 was made as the above payment of Rs.2,713.32Lakhs, treated as an expense for the financial year 2021-22, resulted in loss in Railneer segment. Further, the Railway Board demanded 40% share of revenue of PPP plants whereas the Company has contended that PPP plants are not run on license basis and accordingly charged to revenue only 15% share of profits of these plants. These matters including the treatment stated above are subject to confirmation / reconciliation by / with the Railways.
- iii. Note No. 5 regarding not accounting for claim of Input Tax Credit of GST recoverable from certain parties operating Railneer plants resulting in overstatement of purchases of stock in trade and understatement of profit. Amount not ascertained.
- iv. Note No. 6 regarding notice dated 25.02.2022 issued by the National Anti-Profiteering Authority (GST) alleging profiteering amounting to Rs.5,041.44Lakhs for the period July 1, 2017 to May 31, 2020 for not passing on the benefit of reduction in rate of tax to the consumers by way of commensurate reduction in the MRP of Railneer brand of drinking water manufactured and sold by the Company even though there was reduction in the tax rate on the introduction of GST w.e.f. July 1, 2017. The Company is contesting the above show-cause notice and the order of Authority is awaited.
- v. Note No. 7 regarding arbitration award given in favour of certain licensees amounting to Rs.7,400Lakhs plus simple interest @ 6% per annum from January 2018 onwards. The Company contends that the matter has been referred to the Railways as the main liability in this matter would be of Railways and the Company will have the right to recovery from Railways in case ultimately it is made liable to pay. The arbitration award is being contested by the Company in the Hon'ble Delhi High Court and the matter is pending.

Our conclusion on the Statement is not modified in respect of the above matters.

For P.R. Mehra & Co.
Chartered Accountants
(Firm Registration No. 000051N)

Ashok Malhotra

Ashok Malhotra
Partner
Membership No: 082648



Place: New Delhi
Date: November 14, 2022

UDIN: 22082648 BDBNFC7971