

Sl. No.	Particulars	Standalone				Consolidated		
		Quarter Ended				For the Year Ended		
		31.03.2016 (Audited)	31.12.2015 (Unaudited)	31.03.2015 (Unaudited)	31.03.2016 (Audited)	31.03.2015 (Audited)	31.03.2016 (Audited)	31.03.2015 (Audited)
1	Income From Operations (a) Net Sales/Income from Operations of excise duty) (net)	13167.02	11,391.17	14252.03	43,566.53	47,080.93	45730.11	49,039.54
	(b) Other Operating Income	146.70	-	146.87	146.70	146.87	177.69	176.28
	Total income from operations (net) (a+b)	13313.72	11,391.17	14,398.90	43,713.23	47,227.80	45907.8	49,215.82
2	Expenses							
	(a) Cost of materials consumed	1562.72	1,639.30	2,425.68	5729.53	7816.33	6091.67	6,467.80
	(b) Purchase of stock-in-trade	1005.19	-	-	1005.19	-	1005.19	1,680.88
	(c) Changes in inventories of finished goods, progress and stock-in-trade	(180.50)	-	27.44	(180.50)	27.44	(180.51)	27.45
	(d) Employees benefit expenses	3106.72	3,428.52	3,091.51	13183.68	13908.05	14539.89	15,030.96
	(e) Depreciation & amortisation expenses	224.21	157.96	565.98	802.94	1026.43	890.50	1,129.26
	(f) Other Expenditure	5617.23	5,590.67	6523.71	21,770.54	23926.87	22,678.39	24,674.95
	Total Expenses	11335.57	10,816.45	12,634.32	42311.38	46,705.12	45025.13	49,011.30
3	Profit/(loss) from Operations before income, finance cost & exceptional items (1-2)	1978.15	574.72	1,764.58	1,401.85	522.68	882.67	204.52
4	Other income	283.28	993.35	359.16	2856.10	3191.18	2898.14	3,243.13
5	Profit/(Loss) from ordinary activities after costs but before exceptional items (3+/- 4)	2261.43	1,568.07	2,123.74	4,257.95	3,713.86	3,780.81	3,447.65
6	Finance Cost	42.71	-	-	42.71	-	65.43	-
7	Profit/(Loss) from ordinary activities after costs but before exceptional items (5+/- 6)	2218.72	1,568.07	2,123.74	4,215.24	3,713.86	3,715.38	3,447.65
8	Exceptional Items	340.62	1,314.00	181.15	(973.38)	181.14	977.88	171.00
9	Profit/(Loss) from ordinary activities tax (7+/- 8)	2559.34	254.07	2,304.89	3,241.86	3,895.00	2,737.50	3,618.65
10	Tax expense	751.38	87.93	98.10	986.46	458.12	981.74	448.84
11	Net Profit/(Loss) from ordinary activities tax (9+/- 10)	1807.96	166.14	2,206.79	2,255.40	3,436.88	1,755.76	3,169.81
12	Extraordinary items (net of tax expense RS ---- Lakh)	1807.96	166.14	2,206.79	2,255.40	3,436.88	1,755.76	3,169.81
13	Net Profit/(Loss) for the period (11 +/- 12)	1807.96	166.14	2,206.79	2,255.40	3,436.88	1,755.76	3,169.81
14	Share of profit/(loss) of associates	-	-	-	-	-	-	-
15	Minority interest	-	-	-	-	-	29.06	15.38
16	Net Profit/(Loss) after taxes, minority interest share of profit/(loss) of associates (13+/-14+/-15)	1807.96	166.14	2,206.79	2,255.40	3,436.88	1,784.82	3,185.19
17	Paid-up Equity Share Capital/Face Value of Rs 10 each)	8576.94	8,576.94	8,576.94	8576.94	8,576.94	8,576.94	8,576.94
18	Reserves & Surplus excluding Revaluation Reserves as per Balance Sheet of previous accounting year)	26183.89	25,993.07	25,993.07	26183.89	25,993.07	23159.20	21,374.45
19	(i) Earnings Per Share (before extraordinary items) :-							
	(a) Basic &	2.11	0.19	2.57	2.63	4.01	2.05	3.70
	(b) Diluted							
	(ii) Earnings Per Share (after extraordinary items) :-							
	(a) Basic &	2.11	0.19	2.57	2.63	4.01	2.05	3.70
	(b) Diluted							

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Reporting of Segment-wise Revenue, Results & Capital Employed along with the quarterly results

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Sl.No.	Particulars	Quarter Ended				For the Year Ended			Consolidated	
		Standalone				For the Year Ended			For the Year Ended	
		31.03.2016 (Audited)	31.12.2015 (Unaudited)	31.03.2015 (Unaudited)	31.03.2016 (Audited)	31.03.2015 (Audited)	31.03.2016 (Audited)	31.03.2015 (Audited)	31.03.2016 (Audited)	31.03.2015 (Audited)
1	Segment Revenue (Net sale/income)									
A	Hotel Division	8,312.34	7,426.42	8,168.41	27,754.59	28,390.73	29,987.09	30,430.70		
B	International Trade Division	463.83	451.45	361.91	1,622.70	1,095.61	1,626.81	1,095.61		
C	Travels & Tours	2,681.07	2,780.37	3,749.71	10,436.86	13,142.71	10,436.86	13,142.71		
D	Engg. Consultancy Projects and Creatives	660.98	398.59	1,383.44	1,531.39	2,043.07	1,531.39	2,043.07		
	Headquarter & Others (Event Management, Hospitality & Tourism Management Institute)	1,478.71	1,327.69	1,094.59	5,223.76	5,746.86	5,223.79	5,746.86		
	TOTAL	13,596.93	12,384.52	14,758.06	46,569.30	50,418.98	48,805.94	52,458.95		
	Less: Inter-Segment Revenue									
	Net Sales/Income from Operations	13,596.93	12,384.52	14,758.06	46,569.30	50,418.98	48,805.94	52,458.95		
2	Segment Results (Profit/(Loss) tax and interest)									
A	Hotel Division	1,578.02	1,583.41	1,021.65	3,890.27	1,075.64	3,381.91	799.29		
B	International Trade Division	21.86	31.36	34.74	236.61	84.44	240.63	84.44		
C	Travels & Tours & ATSS	(1,173.76)	76.62	161.68	(1,037.42)	49.37	(1,037.42)	49.37		
D	Engg. Consultancy Projects and Creatives	(57.19)	(63.08)	15.22	(283.92)	(577.33)	(283.92)	(577.33)		
E	Headquarter & Others (Event Management, Hospitality & Tourism Management Institute)	2,190.37	(1,374.24)	1,071.60	436.32	3,262.88	436.30	3,262.88		
	TOTAL	2,559.30	254.07	2,304.89	3,241.86	3,895.00	2,737.50	3,618.65		
	Less: i) Interest									
	ii) Other Un-allocable Expenditure net off									
	iii) Un-allocable Income									
	Total Profit Before Tax	2,559.30	254.07	2,304.89	3,241.86	3,895.00	2,737.50	3,618.65		
3	Capital Employed (Segment Assets-Segment Liabilities)									
A	Hotel Division	3,860.25	(2,271.33)	566.76	3,860.25	566.76	1,588.37	(917.26)		
B	International Trade Division	236.61	175.38	159.58	236.61	159.58	234.34	159.58		
C	Travels & Tours & ATSS	(1,037.42)	1,181.40	845.06	(1,037.42)	845.06	(1,037.42)	845.06		
D	Engg. Consultancy Projects and Creatives	(715.75)	(7,342.62)	(7,972.52)	(715.75)	(7,972.52)	(715.75)	(7,972.52)		
E	Headquarter & Others Management, Hospitality & Tourism Management Institute (Event)	25,950.97	30,490.89	34,378.18	25,950.97	34,378.18	25,950.97	34,378.18		
	TOTAL	28,294.66	22,233.72	27,977.06	28,294.66	27,977.06	26,020.51	26,493.04		
	NOTE :									
	(i) The figures have been regrouped/recast wherever necessary.									
	(ii) The above results have been reviewed by the Audit Committee and approved by the Board of Directors in the meeting held on 30.05.2016									

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(iii)	Out of ₹73.00 Crore obtained through Preferential allotment, Rs.68.11 Crore have been utilized for the purpose for which the funds were obtained i.e. against renovation of Hotel 'The Ashok' New Delhi during the period effective from the date of allotment till 31.03.2016.
(iv)	Board has recommended a dividend of 15% on paid up equity share capital of the company
(v)	The Annual Accounts 2015-16, have been audited by the Statutory Auditors. As per section 143(6) of the Companies Act, 2013 the Annual Accounts are further subject to supplementary audit by the C&AG.
(vi)	The figures of the last quarters are the balancing figures between audited figures in respect of the full financial year and the published figures upto the third quarter of the current financial year
	For India Tourism Development Corporation Ltd.
	 [ Pradiip Kumar Das ] CFO
	Dated: 30.05.2016
	Place: New Delhi

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# India Tourism Development Corporation Limited

Scope Complex, Core 8, 6th Floor, 7 Lodhi Road, New Delhi-110003  
CIN: L74899DL1965GOI004363 Website: www.theashokgroup.com Telefax: 011-24360249

## Statement of Assets and Liabilities

(Rs. In Lacs)

	Particulars	As at Year end)	As at Year end)	As at Year end)	As at Year end)
		(31/03/2016)	(31/03/2015)	(31/03/2016)	(31/03/2015)
		Standalone	Standalone	Consolidated	Consolidated
<b>A</b>	<b>EQUITY AND LIABILITIES</b>				
1	<b>Shareholders' funds</b>				
	(a) Share capital	8576.94	8576.94	8576.94	8576.94
	(b) Reserves and surplus	24635.44	23928.49	21610.75	21374.37
	(c) Money received against share warrants	0	0	0	0
	(d) Deferred Government Grants	3.63	4.38	5.32	6.83
	<b>Sub total of Shareholders fund</b>	<b>33216.01</b>	<b>32509.81</b>	<b>30193.01</b>	<b>29958.14</b>
2	<b>Share application money pending allotment</b>	0	0	0	0
3	<b>Minority interest</b>	-	-	275.75	304.81
4	<b>Non-current liabilities</b>				
	(a) Long-term borrowings	0	0	360.84	351.74
	(b) Other long-term liabilities	671.37	763.41	725.72	765.08
	(c) Long-term provisions	3807.16	4050.72	4257.72	4494.81
	<b>Sub-total - Non-current liabilities</b>	<b>4478.53</b>	<b>4814.13</b>	<b>5620.03</b>	<b>5916.44</b>
5	<b>Current liabilities</b>				
	(a) Short-term borrowings	0	0	63.85	26.50
	(b) Trade payables	5647.70	5434.59	5769.57	5557.36
	(c) Other current liabilities	14212.75	14525.53	15782.81	16130.33
	(d) Short-term provisions	3536.97	3716.57	3560.87	3762.94
	<b>Sub-total - Current liabilities</b>	<b>23397.42</b>	<b>23676.69</b>	<b>25,177.10</b>	<b>25477.13</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>61091.96</b>	<b>61000.63</b>	<b>60990.14</b>	<b>61351.71</b>
<b>B</b>	<b>ASSETS</b>				
1	<b>Non-current assets</b>				
	(a) Fixed assets	4738.86	4638.80	5919.48	5823.99
	(b) Non-current investments	1111.48	1111.48	0	0
	(c) Deferred tax assets (net)	3296.48	3052.98	3360.68	3105.98
	(d) Long-term loans and advances	345.09	365.37	367.22	397.96
	(e) Other non-current assets	94.39	69.18	94.98	69.75
	<b>Sub-total - Non-current assets</b>	<b>9,586.30</b>	<b>9237.81</b>	<b>9742.36</b>	<b>9397.68</b>
2	<b>Current assets</b>				
	(a) Current investments	0	0	0	0
	(a) Inventories	1399.82	1226.75	1456.36	1,281.00
	(b) Trade receivables	10788.14	11997.00	10856.19	12039.43
	(c) Cash and cash equivalents	27841.38	26947.33	28423.29	27707.14
	(d) Short-term loans and advances	9707.92	9859.07	8725.39	9167.58
	(e) Other current assets	1768.40	1732.67	1786.55	1758.88
	<b>Sub-total - Current assets</b>	<b>51505.66</b>	<b>51762.82</b>	<b>51247.78</b>	<b>51954.03</b>
	<b>TOTAL ASSETS</b>	<b>61091.96</b>	<b>61000.63</b>	<b>60990.14</b>	<b>61351.71</b>



## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INDIA TOURISM DEVELOPMENT CORPORATION LIMITED, NEW DELHI

### Report on the Standalone Financial Statements

We have audited the accompanying financial statements of **INDIA TOURISM DEVELOPMENT CORPORATION LIMITED**, New Delhi, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016, the Statement of Profit and Loss, the Cash Flow Statement, and a Summary of the Significant Accounting Policies and other explanatory information for the year then ended, [in which are incorporated the Returns for the year ended on that date audited by the branch auditors of the Company's branches at locations of the branches].

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters in Section 134(5) of the Companies Act, 2013, ("the Act") with respect to the preparation and presentation of these Standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with



ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the financial statements.

#### **Basis for Qualified Opinion**

- a) The Company has dues of Rs. 1668.87 lakh as at 31.03.2016 (Rs. 1332.57 lakh upto 31.03.2015) from certain subsidiaries with state governments/ their companies (with significant accumulated losses) for services rendered and funds advanced to them (including interest thereon), besides, holding investments therein at a book value of Rs. 1060.58 lakh as at 31.03.2016 (Previous Year Rs. 1060.58 lakh) against which the management has represented that these investments being of long term nature, the shortfall/diminution in their value is not permanent and that the intrinsic value of the assets owned by these companies are sufficient to recover the Company's dues and it's cost of investments, even when two of these companies are non-operational and the present net worth of most of the companies is in the negative. Further, pursuant to the GoI decision, the Ministry of Tourism has also initiated the proposal for sale/lease of hotel properties' of the Company and its subsidiaries and in view of the same there remains no doubt about recoverability of the amounts invested by the Company and its other recoverable. [Refer Note no. 17(1), 14A(1) & 32 (10)].
- b) The Ashok Hotel, New Delhi, a unit of the Company, paid on different dates during the year, sums aggregating Rs. 117.04 lakh to the Service Tax Department for the excess CENVAT Credit availed by them on their input services as per the observations in their last statutory audit report for the year ended 31<sup>st</sup> March 2015 dt, 21<sup>st</sup> May 2015, Para 4(iii). However, the Unit has neither deposited interest payable under the provisions of service-tax law on the said sum of Rs. 117.04 lakh nor provided the liability in respect thereof in the books of accounts, the impact whereof remains indeterminate on the financial statements.



## Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid Standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2016, its profit and cash flow for the year ended on that date.

## Emphasis of Matter

- a) *The amount of consumption of stock of stores, crockery, cutlery, etc, has been worked out by adding to the opening balances, the purchases made during the year and deducting them from the closing balance at the yearend based on the physical inventories valued as per the accounting policy, and accordingly, separate impact of loss/shortage/wastage included in the consumption thereof in the financial statements of the units of the Company remains indeterminate [Refer Para no.32(3 )]. Our opinion is not qualified in respect of this matter.*
- b) *We draw attention to the Note 31para C, regarding the Company's appeal in the matter of vacation of property dismissed by the Divisional bench of Hon'ble Delhi High Court on 22.04.2016, and the Company is in the process of filing SLP with the Hon'ble Supreme Court of India and the management is of the view, supported by the legal opinion, that the appeal will be successfully challenged and the Company's liability will be substantially lower than the sum Rs. 1,314.21 lakh deposited by them. However, on prudent basis the Company has made provision in the books of accounts for Rs. 1,314.21 lakh pending finalization of the matter, the 50% of the decreed amount provided is shown as Exceptional Item in the Statement of Profit & Loss and the balance amount with interest upto 31.03.2016 has been included under continent liabilities. Our opinion is not qualified in respect of this matter.*

## Other Matter

We did not audit the financial statements /information of 35 branches included in the Standalone financial statements of the Company whose financial statements/financial information reflect total assets of Rs. 25,369.19 lakh as at 31<sup>st</sup> March, 2016 and total revenues of Rs. 29,753.06 lakh for the year ended on that date, as considered in the Standalone financial statements. The financial statements/information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the





disclosure of amounts included in respect of these branches, is based solely on the report of such branch auditors. Our opinion is not qualified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the said Order.

2. As required by section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(b) The reports on the accounts of branch offices of the Company audited under section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.

(c) The Balance Sheet and the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account *and with the returns received from the branches not visited by us.*

(d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) The matters described in the Basis for Qualified Opinion Paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

(f) Being a Government Company, pursuant to Notification No. GSR 29(E) dated 21<sup>st</sup> October 2003, issued by the Government of India, provisions of sub-section (2) of Section 164 of the Companies Act, 2013, are not applicable to the Company ;



- (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;
- (h) With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in "Annexure B".
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 31 to the financial statements;
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii) An amount of Rs. 0.10 lakh required to be transferred to the Investor Education and Protection Fund was outstanding at the year-end was deposited on 9<sup>th</sup> May 2016.

For Kishore & Kishore  
Chartered Accountants  
Firm Regn. No. : 000291N



  
(CA Anshu Gupta)  
Partner  
M.No. 077891

Place: New Delhi  
Date: 30<sup>th</sup> May, 2016

**"ANNEXURE A" TO INDEPENDENT AUDITOR'S REPORT**

**For the year ended 31.03.2016**

The annexure 'A' referred to in our report of even date on the accounts of, India Tourism Development Corporation Limited, New Delhi, for the year ended 31<sup>st</sup> March 2016, we report that;

- i)
- (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets *except in few units/branches where records were incomplete in respect of quantitative details, situation, etc.*
- (b) As per the information & explanation given to us, the fixed assets have been physically verified by the management generally at interval of one year. *In most of the units/branches as well as in Head-office, the book balance and physical balances have not been reconciled and hence, the discrepancies have not been ascertained for necessary adjustments in the books of accounts.*
- (c) *The title deed of immovable properties in following cases are not held in the name of the Company:*

S. no.	Name of the Unit	Status of the Title Deed
1	The Ashok, New Delhi	Lease deed is in the name of Ashok Hotels Ltd, which was merged with the Company on 28.03.1970 and not been transferred in the name of the Company.
2	Hotel Jammu Ashok, Jammu	Lease deed expired on 11.01.2010
3	Hotel Patliputra Ashok, Patna	The land at B.C.P. Marg measuring 1.5 acre was donated by the Government of Bihar and is not supported by title deed.
4	ATT, Delhi	Title deed of leasehold land not available
5	Samrat Hotel, New Delhi	Title deed of leasehold land (3.19acre) not executed

- ii) As per the information & explanation provided to us, the inventories have been physically verified by the management generally once in a year. *Few of the branch auditors have reported that physical verification report was not available for verification.*

The Company is generally maintaining proper record of inventory *but the closing inventory is recorded in the books of accounts on the basis of physically available inventory and no actual shortage/loss/wastage is recorded.*

- iii) As per the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms, limited liability



partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, therefore clause 3(iii) (a) (b) and (c) of the Companies (Auditors Report) Order, 2016, are not applicable.

- iv) As per the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013.
- v) As per the information and explanation given to us, the Company has not accepted any deposit from the public in terms of section 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the Rules framed there under. Thus, the directives of Reserve Bank of India and provisions of clause 3 (v) of the Companies (Auditors Report) Order, 2016, are not applicable.
- vi) As per the information and explanation given to us, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii) (a) In our opinion the Corporation is generally regular in depositing undisputed statutory dues including Provident Fund, Income-Tax, Sales-Tax, Service-Tax, customs duty, excise duty, value-added tax, cess and any other statutory dues to the appropriate authorities and if not, *the extent of arrears of outstanding statutory dues as at the last day of financial year concerned for a period of more than six months from the date they became payable, are given below:*

Name of the Unit	Nature of Dues	Amount (Rs. in lakh)	Period to which the amount Relates
Ashok Institute of Hospitality & Tourism Management	EPF	0.21	More than 6 months
Vigyan Bhawan	ESI	4.78	More than 6 months
Hyderabad House	ESI	1.71	More than 6 months

- (b) *Cess, dues of Income-Tax or Sales-Tax or Wealth-Tax or Service-Tax or duty of customs or duty of excise or value added tax have not been deposited on account of dispute:*

Name of the Unit	Nature of Dues	Amount (Rs. in lakh)	Period to which the Amount Relates	Forum where Dispute is Pending
Hotel Patliputra Ashok, Patna	Bihar VAT	3.09	Earlier Years	JCCT, Patna



Ashok International Trade Division	Custom Duty	18,478.67	2004-05	CESTAT
Ashok International Trade Division	Custom Duty	42.17	2003	Committee of Dispute
Ashok International Trade Division	Sales/VAT	2,465.62	1995-08	Commissioner Appeals
Ashok Events	Service Tax	39.65	2006-2009	Additional Commissioner of Service Tax
Kalinga	Excise Duty	13.33	2002-03	High Court, Odisha
Kalinga	Service Tax	52.91	Earlier Years	Additional Director General, DGCEL, Kolkata
Taj Restaurant	Trade Tax	0.50	30.09.2002	Department of VAT
Taj Restaurant	Trade Tax	0.79	12.02.2003	Department of VAT
Hotel Ashok	Service Tax	701.93	Earlier Years	CESTAT, Delhi
LMPH	Service Tax	16.48	29.03.2016	Commissioner of Central Excise, Mysore

- viii) According to the information and explanations given to us, the Company has not taken any loan from any financial institution, Bank or issued any debentures till the end of financial year. Hence the provisions of clause 3(viii) of the Companies (Auditors Report) Order, 2016, regarding reporting on default in repayment of dues to financial institution or bank or debenture is not applicable.
- ix) According to the information provided and explanations given to us, no moneys have been raised by way of initial public offer or further public offer (including debt instruments) nor any term loan from any bank or financial institutions. Thus provisions of clause 3 (ix) of the Companies (Auditors Report) Order, 2016, are not applicable to the Company.
- x) As per the information provided and explanation given to us, no fraud by or on the Company by its officers or employees has been noticed or reported during the year.



- xii) As per the information and explanation given to us the provisions of section 197 read with Schedule V to the Companies Act, 2013, are not applicable on Government Company. Thus, the provisions of clause 3 (xi) of the Companies (Auditors Report) Order, 2016, are not applicable to the Company.
- xiii) The Company is not a Nidhi Company, so the provisions of clause 3 (xii) of the Companies (Auditors Report) Order, 2016, are not applicable
- xiiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013, and wherever applicable the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xv) According to the information and explanations provided to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review so, the requirement of section 42 of the Companies Act, 2013, are not applicable on it; therefore clause 3 (xiv) of the Companies (Auditors Report) Order, 2016, are not applicable to the Company.
- xvi) According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him, therefore clause 3 (xv) of the Companies (Auditors Report) Order, 2016, are not applicable to the Company.
- xvii) According to information and explanations given to us, the Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934, therefore clause 3 (xvi) of the Companies (Auditors Report) Order, 2016, are not applicable to the Company.

Place: New Delhi  
Date: 30<sup>th</sup> May, 2016



For Kishore & Kishore  
Chartered Accountants  
Firm Regn. No. : 000291N

(CA Anshu Gupta)  
Partner  
M.No. 077891

**"ANNEXURE B" TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF INDIA TOURISM DEVELOPMENT CORPORATION LIMITED, NEW DELHI.**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of India Tourism Development Corporation Limited, New Delhi, as of March 31, 2016, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit and considering the reports of the branch auditors. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.





## Opinion

In our opinion, the Company generally has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For Kishore & Kishore  
Chartered Accountants  
Firm Regn No. 000291N



A handwritten signature in blue ink, appearing to read "Anshu Gupta".

(CA Anshu Gupta)  
Partner  
M.No. 077891

Place: New Delhi  
Date: 30<sup>th</sup> May, 2016

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INDIA TOURISM DEVELOPMENT CORPORATION LIMITED, NEW DELHI

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of INDIA TOURISM DEVELOPMENT CORPORATION LIMITED, New Delhi, (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement, and a summary of the Significant Accounting Policies and other explanatory information for the year then ended (hereinafter referred to as "the consolidated financial statements").

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters in Section 134(5) of the Companies Act, 2013, ("the Act") with respect to the preparation and presentation of these Consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid .

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.



We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

#### Basis for Qualified Opinion

- a) The Company has dues of Rs. 1668.87 lakh as at 31.03.2016 (Rs. 1332.57 lakh upto 31.03.2015) from certain subsidiaries with state governments/ their companies (with significant accumulated losses) for services rendered and funds advanced to them (including interest thereon), besides, holding investments therein at a book value of Rs. 1060.58 lakh as at 31.03.2016 (Previous Year Rs. 1060.58 lakh) against which the management has represented that these investments being of long term nature, the shortfall/diminution in their value is not permanent and that the intrinsic value of the assets owned by these companies are sufficient to recover the Company's dues and its cost of investments, even when two of these companies are non-operational and the present net worth of most of the companies is in the negative. Further, pursuant to the GoI decision, the Ministry of Tourism has also initiated the proposal for sale/lease of hotel properties' of the Company and its subsidiaries and in view of the same there remains no doubt about recoverability of the amounts invested by the Company and its other recoverables. (Refer Note no. 17(1), 14A(1) & 32(10) of the ITDC Standalone Financial Statements).
- b) The Ashok Hotel, New Delhi, a unit of the Company, paid on different dates during the year, sums aggregating Rs. 117.04 lakh to



the Service Tax Department for the excess CENVAT Credit availed by them on their input services as per the observations in their last statutory audit report for the year ended 31<sup>st</sup> March 2015 dt, 21<sup>st</sup> May 2015, Para 4(iii). However, the Unit has neither deposited interest payable under the provisions of service-tax law on the said sum of Rs. 117.04 lakh nor provided the liability in respect thereof in the books of accounts, the impact whereof remains indeterminate on the financial statements .

### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the **Basis for Qualified Opinion paragraph** above, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31<sup>st</sup> March 2016, their consolidated profit and their consolidated cash flow for the year ended on that date.

### Emphasis of Matter

- a) *The amount of consumption of stock of stores, crockery, cutlery, etc, has been worked out by adding to the opening balances, the purchases made during the year and deducting them from the closing balance at the yearend based on the physical inventories valued as per the accounting policy, and accordingly, separate impact of loss/shortage/wastage included in the consumption thereof in the financial statements of the units of the Company remains indeterminate [Refer note no.32 para 2]. Our opinion is not qualified in respect of this matter.*
- b) *We draw attention to the Note 31para (H), regarding the Company's appeal in the matter of vacation of property dismissed by the Divisional bench of Hon'ble Delhi High Court on 22.04.2016, and the Company is in the process of filing SLP with the Hon'ble Supreme Court of India and the management is of the view, supported by the legal opinion, that the appeal will be successfully challenged and the Company's liability will be substantially lower than the sum Rs. 1,314.21 lakh deposited by them. However, on prudent basis the Company has made provision in the books of accounts for Rs. 1,314.21 lakh pending finalization of the matter, the 50% of the decreed amount provided is shown as Exceptional Item in the Statement of Profit & Loss and the balance amount with interest upto 31:03.2016 has been included under continent liabilities. Our opinion is not qualified in respect of this matter.*
- c) *In the matter of Assam Ashok Hotel Corporation Ltd. the lease period of the land taken on lease from the government of Assam is to expire on*



08-07-2016. Our opinion is not qualified in respect of this matter [Refer note no.11].

- d) In the matter of M.P Ashok Hotel Corporation LTD. the lease of the land is about to expire. Our opinion is not qualified in respect of this matter. [Refer note no.11].

#### Other Matter

We did not audit the financial statements /information of following subsidiaries and joint controlled entities, whose financial statement/ financial information reflect total assets of Rs. 2,678.57 lakh as at 31<sup>st</sup> March, 2016, total revenues of Rs. 2,257.44 lakh and net cash flows amounting to (Rs. 180.90 lakh) for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statement also include the Group's share of net loss of Rs. 573.70 lakh for the year ended 31<sup>st</sup> March 2016, as considered in the consolidated financial statements, in respect of associates, whose financial statements/ financial information have not been audited by us. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries , jointly controlled entities and associates, is based solely on the reports of the other auditors.

The details of Assets, Revenues and Net Cash Flows in respect of these subsidiaries and joint venture to the extent to which they are reflected in the consolidated financial statements are given below:

Name of Subsidiary	Total Assets	Total Revenue	Net Cash flow
Madhya Pradesh Ashok Hotel Corporation Ltd.	6,05,55,705.41	7,22,63,122.45	(10,969,364.73)
Utkal Ashok Corporation Ltd.	2,72,38,830.19	3,500.00	2,682,951.50
Assam Ashok Corporation Ltd.	4,14,18,046.00	6,99,56,409.00	(2,269,864.00)
Ranchi Ashok Bihar Hotel Corporation Ltd.	3,52,72,633.00	1,47,61,215.00	(2,566,900.00)
Pondicherry Hotel Ashok Corporation Ltd.	2,99,59,464.45	3,90,92,299.94	(243,360.88)
Punjab Ashok Hotel Corporation Ltd.	2,91,28,821.39	0.00	788,850.00
Donyi Polo Ashok Hotel Corporation Ltd.	3,91,23,991.66	2,92,56,871.18	(5,512,373.38)
ITDC Aldeasa India Private Ltd.	51,59,537.47	4,11,217.37	-
<b>Total</b>	<b>26,78,57,029.57</b>	<b>22,57,44,634.94</b>	<b>(18,090,061.49)</b>

Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the



above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the management.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on the comments in the Auditors' Report of the Holding Company, subsidiaries, associates and jointly controlled companies incorporated in India, and according to the information and explanation given to us, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the said Order.

2. As required by section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

**Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above,** in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

(b) The reports on the accounts of branch offices of the Holding Company, its subsidiaries, associates and jointly controlled companies incorporated in India, audited under section 143(8) of the Act by branch auditors and other auditors have been sent to us and have been properly dealt with by us in preparing this report.

(c) The Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained *and with the returns received from the branches of the Holding Company, its subsidiaries, associates and jointly controlled companies incorporated in India not visited by us.*

(d) **Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above,** in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) The matters described in the Basis for Qualified Opinion Paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.



- (f) Being a Government Company, pursuant to Notification No. GSR 29(E) dated 21<sup>st</sup> October 2003, issued by the Government of India, provisions of sub-section (2) of Section 164 of the Companies Act, 2013, are not applicable to the Company ;
- (g) **The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;**
- (h) With respect to the adequacy of the internal financial control over financial reporting of the Group and the operating effectiveness of such control, refer to our separate report in "Annexure B".
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 31 to the consolidated financial statements;
  - ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii) **An amount of Rs. 0.10 lakh required to be transferred to the Investor Education and Protection Fund was outstanding at the year-end was deposited on 9<sup>th</sup> May 2016 in respect of the Holding Company.**

Place: New Delhi  
Date: 30<sup>th</sup> May, 2016



For Kishore & Kishore  
Chartered Accountants

Firm Regn. No.: 00291N

(CA Anshu Gupta)  
Partner  
M.No. 077891

## "ANNEXURE A" TO INDEPENDENT AUDITOR'S REPORT

For the year ended 31.03.2016

The annexure 'A' referred to in our report of even date on the consolidated accounts of, India Tourism Development Corporation Limited, New Delhi, its subsidiaries, associates and jointly controlled companies incorporated in India for the year ended 31<sup>st</sup> March 2016, we report that;

- i)
- (a) The Group has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets *except in few units/branches/subsidiaries/ jointly controlled companies where records were incomplete in respect of quantitative details, situation, etc.*
- (b) As per the information & explanation to us, the fixed assets have been physically verified by the management generally at the yearend except Utkal Ashok Hotel Corporation Ltd. *In most of the units/branches/subsidiaries/jointly controlled companies as well as in Head-office, the book balance and physical balances have not been reconciled and hence, the discrepancies have not been ascertained for necessary adjustments in the books of accounts.*
- (c) *The title deed of immovable properties in following cases are not held in the name of the Holding Company:*

S. no.	Name of the Unit	Status of the Title Deed
1	The Ashok, New Delhi	Lease deed is in the name of Ashok Hotels Ltd. which was merged with the Company on 28.03.1970 and not been transferred in the name of the Company.
2	Hotel Jammu Ashok, Jammu	Lease deed expired on 11.01.2010
3	Hotel Patliputra Ashok, Patna	The land at B.C.P. Marg measuring 1.5 acre was donated by the Government of Bihar and is not supported by title deed.
4	ATT, Delhi	Title deed of leasehold land not available
5	Samrat Hotel, New Delhi	Title deed of leasehold land (3.195 acre) not executed

- ii) As per the information & explanation provided to us, the inventories have been physically verified, by the management generally once in a year. *Few of the branch auditors have reported that physical verification report was not available for verification.*

The Group is generally maintaining proper record of inventory *but the closing inventory is recorded in the books of accounts on the basis of*





*physically available inventory and no actual shortage/loss/wastage is recorded.*

- iii) As per the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, therefore clause 3(iii) (a) (b) and (c) of the Companies (Auditors Report) Order, 2016, are not applicable.
- iv) As per the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013.
- v) As per the information and explanation given to us, the Company has not accepted any deposit from the public in terms of section 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the Rules framed there under. Thus, the directives of Reserve Bank of India and provisions of clause 3 (v) of the Companies (Auditors Report) Order, 2016, are not applicable.
- vi) As per the information and explanation given to us, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii) (a) In our opinion the Group is generally regular in depositing undisputed statutory dues including Provident Fund, Income-Tax, Sales-Tax, Service-Tax, customs duty, excise duty, value-added tax, cess and any other statutory dues to the appropriate authorities and if not, *the extent of arrears of outstanding statutory dues as at the last day of financial year concerned for a period of more than six months from the date they became payable, are given below:*

Name of the Unit/subsidiaries/JV	Nature of Dues	Amount (Rs. in lakh)	Period to which the amount Relates
Ashok Institute of Hospitality & Tourism Management	EPF	0.21	More than 6 months
Vigyan Bhawan	ESI	4.78	More than 6 months
Hyderabad House	ESI	1.71	More than 6 months
Assam Ashok Hotel corporation Ltd.	Value Added Tax	15.05	More than 6 months
Assam Ashok Hotel corporation Ltd.	General Sales Tax	1.18	More than 6 months
Assam Ashok Hotel corporation Ltd.	Expenditure Tax	2.89	More than 6 months
Assam Ashok Hotel corporation Ltd.	Luxury Tax	2.21	More than 6 months
Ranchi Ashok Hotel	Sales Tax	0.77	More than 6 months



Name of the Unit/subsidiaries/JV	Nature of Dues	Amount (Rs. lakh) in	Period to which the amount Relates
Corporation Ltd.			months
Ranchi Ashok Hotel Corporation Ltd.	Luxury Tax	0.02	More than 6 months

(b) Cess, dues of Income-Tax or Sales-Tax or Wealth-Tax or Service-Tax or duty of customs or duty of excise or value added tax have not been deposited on account of dispute:

Name of the Unit	Nature of Dues	Amount	Period to which the Amount Relates	Forum where Dispute is Pending
Hotel Patliputra Ashok, Patna	Bihar VAT	3.09	Earlier Years	JCCT, Patna
Ashok International Trade Division	Custom Duty	18,478.67	2004-05	CESTAT
Ashok International Trade Division	Custom Duty	42.17	2003	Committee of Dispute
Ashok International Trade Division	Sales/VAT	2,465.62	1995-08	Commissioner appeals
Ashok Events	Service Tax	39.65	2006-2009	Additional Commissioner of Service Tax
Kalinga Ashok	Excise Duty	13.33	2002-03	High Court, Odisha
Kalinga Ashok	Service Tax	52.91	Earlier Years	Additional Director General, DGCEI, Kolkata
Taj Restaurant	Trade Tax	0.50	30.09.2002	Department of VAT
Taj Restaurant	Trade Tax	0.79	12.02.2003	Department of VAT
Hotel Ashok	Service Tax	701.93	Earlier Years	CESTAT, Delhi
LMPH	Service Tax	16.48	29.03.2016	Commissioner of Central Excise, Mysore
Assam Ashok Hotel Corporation Ltd.	Service Tax, Interest & Penalty	89.96	Not Mentioned	CESTAT, Kolkata
M P Ashok Corporation	Service Tax	5.59	2008-09 to 2012-13	CESTAT, New Delhi



Ltd.				
M P Ashok Corporation Ltd.	Luxury Tax	1.38	2004-05	No Forum, dispute with commercial Tax Deptt.
M P Ashok Corporation Ltd.	Service Tax	0.17	2013-14	Commissioner(Appeal)

- viii) According to the information and explanations given to us, the Group has not taken any loan from any financial institution, Bank or issued any debentures till the end of financial year *except in the case of Assam Ashok Hotel Corporation, the detail of outstanding as follow:*

Particular	Amount (Rs. in lakh)
Assam Industrial Development Corporation Ltd.	90.00
Interest on Loan	195.44
Panel Interest	40.39
Additional interest	40.87
<b>Total</b>	<b>366.70</b>

- ix) According to the information provided and explanations given to us, no moneys have been raised by way of initial public offer or further public offer (including debt instruments) nor any term loan from any bank or financial institutions. Thus provisions of clause 3 (ix) of the Companies (Auditors Report) Order, 2016, are not applicable to the Company.
- x) As per the information provided and explanation given to us, no fraud by or on the Group by its officers or employees has been noticed or reported during the year.
- xi) As per the information and explanation given to us the provisions of section 197 read with Schedule V to the Companies Act, 2013, are not applicable on Government Company. Thus provisions of clause 3 (xi) of the Companies (Auditors Report) Order, 2016, are not applicable to the Company.
- xii) The Group does not have any Nidhi Company, so the provisions of clause 3 (xii) of the Companies (Auditors Report) Order, 2016, are not applicable



- xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013, and wherever applicable the details have been disclosed in the Consolidated Financial Statements as required by the applicable accounting standards.
- xiv) According to the information and explanations provided to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review so, the requirement of section 42 of the Companies Act, 2013, are not applicable on it; therefore clause 3 (xiv) of the Companies (Auditors Report) Order, 2016, are not applicable to the Company.
- xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him, therefore clause 3 (xv) of the Companies (Auditors Report) Order, 2016, are not applicable to the Company.
- xvi) According to information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, therefore clause 3 (xvi) of the Companies (Auditors Report) Order, 2016, are not applicable to the Company.

Place: New Delhi  
Date: 30<sup>th</sup> May, 2016



For Kishore & Kishore  
Chartered Accountants  
Firm Regn. No.: 000291N

  
(CA Anshu Gupta)  
Partner  
M.No. 077891

**"ANNEXURE B" TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIA TOURISM DEVELOPMENT CORPORATION LIMITED, NEW DELHI, ITS SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED COMPANIES INCORPORATED IN INDIA .**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the accompanying consolidated financial statements of **INDIA TOURISM DEVELOPMENT CORPORATION LIMITED**, New Delhi, (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, in conjunction with our audit of the financial statements of the Company for the year ended on 31<sup>st</sup> March 2016.

**Management's Responsibility for Internal Financial Controls**

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit and considering the reports of the branch auditors and other auditors of the subsidiaries, associates and jointly controlled companies. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal



financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



## Opinion

In our opinion, the Holding Company and its subsidiaries, associates and jointly controlled companies incorporated in India generally have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For Kishore & Kishore  
Chartered Accountants  
Firm Regn No. 000291N

Place: New Delhi  
Date: 30<sup>th</sup> May, 2016



(CA Anshu Gupta)  
Partner  
M.No. 077891