



52nd ANNUAL REPORT 2016-17



India Tourism Development Corporation Ltd.

ITDC BOARD OF DIRECTORS



SMT. RAVNEET KAUR - IAS
Chairperson and Managing Director (C&MD)



SHRI PIYUSH TIWARI
Director (Commercial & Marketing)



SHRI PRADIP KUMAR DAS
Director (Finance) & CFO

GOVERNMENT NOMINEE DIRECTORS



SMT. LEENA NANDAN - IAS
AS&FA, Ministry of Tourism, Government of India



SMT. MEENAKSHI SHARMA - IA & AS
ADG, Ministry of Tourism, Government of India

INDEPENDENT DIRECTORS



SHRI AJAY SWARUP - Ex-IFS
Former Ambassador



SHRI KARSANBHAI B. PATEL
Former MLA

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Board of Directors

(As on 30th August, 2017)

Chairperson & Managing Director

Smt. Ravneet Kaur, IAS

Functional Directors

Shri Piyush Tiwari

Director (Commercial & Marketing)

Shri Pradip Kumar Das

Director (Finance) & CFO

Government Nominee Directors

Smt. Leena Nandan, IAS

Smt. Meenakshi Sharma, IA & AS

Independent Directors

Shri Ajay Swarup

Shri Patel Karsanbhai Bhikhabhai

Company Secretary

Shri V.K. Jain

Registered Office

Scope Complex

Core 8, 6th Floor

7 Lodi Road

New Delhi-110003

Statutory Auditors

M/s Kishore & Kishore

Chartered Accountants

Flat No.9, 1st Floor

Ansari Market, Darya Ganj

New Delhi- 110 002

Secretarial Auditors

M/s Chandradip Bharti & Associates

Branch Auditors

M/s Deoki Bijay & Co.

M/s K.G. Acharya & Co.

M/s V.J. Choksi & Co.

M/s G.S. & Associates

M/s A Mitra & Associates

M/s Santosh K Agrawalla & Associates

M/s Vinod Kumar Gupta & Associates

M/s B. N. Ashok Kumar & Co.

M/s V.K.S & Associates

M/s P V A R & Associates

M/s K. Munusami & Co.

Bankers

Canara Bank

Central Bank of India

Corporation Bank

Indian Bank

Indian Overseas Bank

Bank of India

Punjab National Bank

State Bank of India

State Bank of Hyderabad

State Bank of Patiala

IDBI Bank Ltd.

HDFC Bank

United Bank of India

Syndicate Bank

Axis Bank

ICICI Bank

INDIA TOURISM DEVELOPMENT CORPORATION LTD.

Registered Office: Scope Complex, Core 8, 6th Floor
7 Lodi Road, New Delhi-110003 Telefax: 011-24360249
E-mail: cs_itdc@theashokgroup.com Website : <http://www.theashokgroup.com>
CIN: L74899DL1965GOI004363

Notice

Notice is hereby given that 52nd Annual General Meeting of India Tourism Development Corporation Ltd. will be held on Thursday, the 28th September, 2017 at 1130 hours in Ashok Hotel at Convention Hall (Entry from Samrat Hotel through Ashok-Samrat connecting door), New Delhi 110021 to transact the following businesses:-

Ordinary Business

- (1) To receive, consider and adopt the Standalone Financial Statements as at 31st March, 2017 together with the Report of the Auditors, Comptroller and Auditor General of India and the Board's Report thereon.
- (2) To receive, consider and adopt the Consolidated Financial Statements as at 31st March, 2017 and report of Auditors and Comptroller and Auditor General of India thereon.
- (3) To declare a dividend of 13.30% (i.e. ₹ 1.33 per share) aggregating ₹ 13,76,40,000/- on the equity share capital of the company as recommended by the Board of Directors.
- (4) To appoint a Director in place of Shri Piyush Tiwari (DIN No. 07194427), Director who retires by rotation pursuant to Article 61 of the Article of Association and being eligible offers himself for re-appointment.
- (5) To appoint a Director in place of Shri Pradip Kumar Das (DIN No. 07448576), Director who retires by rotation pursuant to Article 61 of the Article of Association and being eligible offers himself for re-appointment.

Special Business

To consider and if thought fit, to pass the following resolution as Special Resolution :

- (6) "RESOLVED THAT pursuant to the approval given by the shareholders to sell, lease or otherwise dispose of undertakings of ITDC through postal ballot notice circulated on 14th April, 2017 and pursuant to provisions of Sections 180 (4) and other applicable provisions of the Companies Act,

2013 and Rules made thereunder and pursuant to the applicable provisions of the Memorandum and Articles of Association of the Company, and subject to the compliance with all applicable laws and regulations, and pursuant to Letters, Circulars or Office Memorandums relating to disinvestment process issued from time to time by Ministry of Tourism or any other Government Ministry or Department the Board of Directors of the company be and is hereby authorized to use, dispose or invest the sale proceeds resulting from the sale, lease or otherwise disposal of the following undertakings of ITDC in such manner as the Board of Directors of the Company may in their sole discretion or acting upon the directions of Ministry of Tourism or any other ministry deem fit-

- i) Hotel Janpath
- ii) Hotel Jaipur Ashok
- iii) Lalitha Mahal Palace Hotel
- iv) Hotel Kalinga Ashok
- v) Hotel Patliputra Ashok
- vi) Hotel Jammu Ashok
- vii) Incomplete project of Hotel Gulmarg Ashok

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to approve the VRS package and a Business Plan to utilize proceeds of disinvestment.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things, as may be considered requisite, desirable, appropriate or necessary to give effect to this resolution.”

By Order of the Board of Directors

Place: New Delhi
Dated: 30.08.2017

Sd/-
(V.K. Jain)
Company Secretary
ACS 11270

Notes:

1. Additional information in respect of the Directors seeking re-appointment at the AGM is furnished and forms part of the Notice.
2. A member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company. Proxies, in order to be effective must be lodged at the Registered office of the Company not less than 48 hours

before the Meeting. Proxy form is enclosed. Proxies submitted on behalf of the companies, societies etc. must be supported by an appropriate resolution/authority as applicable.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can be appointed as proxy on behalf of members not exceeding fifty and holding in aggregate not more than 10% of the total share capital carrying voting rights.

3. The Members/Proxies should bring the Attendance Slip, duly filled in and signed, for attending the Meeting.
4. In compliance with provisions of Regulation 44 of SEBI (LODR) Regulation, 2015 and Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering Remote E-voting facility as well as voting through ballot paper at the meeting to all the Shareholders of the Company whose name is registered as on the Cut-off date i.e. 22nd September, 2017 in respect of all items to be transacted at this Annual General Meeting. User ID and Password for electronic voting are being provided by M/s Karvy Computershare Pvt. Ltd., the Registrar & Transfer Agent. The instructions for e-voting are given on the back of the Attendance Slip which is placed separately.

All the members are requested to read those instructions carefully before casting their e-vote. Once the vote on a resolution is cast by a Member through Remote e-voting, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote through Remote e-voting, shall be allowed to attend the meeting but shall not be allowed to vote again at the Meeting. Members who have not voted electronically can cast their vote at the meeting through ballot paper.

A person who becomes a member of the Company after dispatch of the Notice of the meeting and holding shares on the cut-off date i.e. 22nd September, 2017 will also be entitled to cast his vote and may obtain the User ID and password. The manner of obtaining User ID and Password is available on <http://www.theashokgroup.com/Aboutus/InvestorCorner> and newspaper notice.

5. The Register of Directors and KMP and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
6. Members are requested to:-
 - a) bring their copies of Annual Report and Attendance Slip duly completed and signed at the Meeting.
 - b) deliver duly completed and signed Attendance Slip at the entrance of the meeting venue. Please note that entry to the Convention Hall will be from Samrat Hotel through Ashok-Samrat connecting door.
 - c) note that the attendance slip/proxy form should be signed as per the specimen signature registered with the Company/Karvy Computershare Private Limited, Registrar & Transfer Agent (RTA)/Depository Participant (DP).
 - d) note that in case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

- e) quote their folio/Client ID & DP ID Nos. in all correspondence.
- f) note that no gifts/coupons will be distributed at the Annual General Meeting.
- 7. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 25th September, 2017 to Thursday, the 28th September, 2017 (both days inclusive) for the purpose of AGM and Dividend payment.
- 8. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the meeting, will be paid to those members whose name appear on the Register of Members as on the closing hours of 24th September, 2017.
- 9. Members holding shares in multiple folios in physical mode are requested to apply for consolidation to the RTA along with relevant share certificate.
- 10. Unclaimed dividend for the financial year 2011-12 will be due for transfer to the Investor Education and Protection Fund of the Central Government (IEPF) on 07.11.2019 pursuant to the provisions of Section 124 of the Companies Act, 2013.

Members are informed that details of unclaimed dividend in respect of the financial year 2011-12 and upto and including the financial year 2015-16 are available on the Company's website i.e. www.theashokgroup.com under the icon About us-Investor Corner.

Members should write to the company if their dividend warrants in respect of the aforesaid financial year(s) have not been encashed.

- 11. SEBI has mandated the submission of PAN by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the RTA/Company.
- 12. Members who are yet to register their e-mail addresses with the Company or with the Depository Participants are once again requested to register the same. Further, Members whose shareholding(s) are in electronic mode are requested to direct changes relating to address, bank mandate and Electronic Clearing Service (ECS) details to their respective Depository Participants.
- 13. Electronic copy of the Annual Report for 2016-17 along with instructions for e-voting and Attendance Slip are being sent to all the members whose email- IDs are registered with the RTA/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report for 2016-17 are being sent in the permitted mode. Members can also see these documents at the Company's website www.theashokgroup.com under the icon About us/Investor Corner and physical copies of these documents are available at the Company's registered office for inspection during normal business hours on working days. Members who require these documents in physical form in addition to e-communication, may write to us.
- 14. Members having any questions on accounts or any other item set out in the Agenda are requested to send their queries at least 10 days in advance to the Company at its registered office address to enable the Company to collect the relevant information and to keep the information ready at the meeting.

15. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company has engaged the services of M/s Karvy Computershare Private Limited to provide the facility of electronic voting ('e-voting') in respect of the Resolutions proposed in this AGM. The Board of Directors of the Company has appointed Mr. Jalaj Srivastava (Membership No. 8498), Partner of M/s Jalaj Srivastava & Associates, Practicing Company Secretaries, as the Scrutinizer for this purpose.
16. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

To

- (i) All Members of India Tourism Development Corporation Ltd.
- (ii) M/s Kishore & Kishore, Chartered Accountants, Flat No. 9, 1st Floor, Opp. Ram Mandir, Ansari Market, Darya Ganj, New Delhi - 110 002
- (iii) M/s Chandradip Bharti & Associates, Company Secretaries, Office No. 204, 2nd Floor, B-1267, R.S. Tower, Opposite Metro Pillar No. 156, New Ashok Nagar, New Delhi- 110 096.
- (iv) M/s Jalaj Srivastava & Associates, Company Secretaries, C/o Gem Business, 104, First Floor, 86, Nehru Place, Kalkaji, New Delhi - 110 019
- (v) All the Directors on the Board of India Tourism Development Corporation Ltd.
- (vi) All Stock Exchanges

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

ITDC moved a special resolution through postal ballot process vide Notice dated 14th April, 2017 to obtain the approval of the shareholders under section 180(1)(a) of the Companies Act, 2017 for lease or otherwise dispose of undertaking(s) of ITDC . The resolution was passed by overwhelming majority. The result of the postal ballot were declared on 18th May, 2017.

In the above Explanatory Statement to the above said special resolution moved on 14th April, 2017 under section 180(1)(a) of the Companies Act, 2013, it was submitted that ITDC will seek shareholders approval again under section 180(4) of the Companies Act, 2013 once the exact transaction or deal for sell, lease or otherwise disposal has been finalized as a matter of good corporate governance and to maintain full transparency. Section 180(4) of the Companies Act, 2013 states that any special resolution passed by the company consenting to the transaction may stipulate such conditions regarding the use, disposal or investment of the sale proceeds which may result from the transactions.

It may be submitted that disinvestment of following undertaking(s) of ITDC except Hotel Jammu Ashok are in the advanced stage of disinvestment/divestment:

- i) Hotel Janpath
- ii) Hotel Jaipur Ashok
- iii) Lalitha Mahal Palace Hotel
- iv) Hotel Kalinga Ashok
- v) Hotel Patliputra Ashok
- vi) Hotel Jammu Ashok
- vii) Incomplete project of Hotel Gulmarg Ashok

It may be further reiterated [mentioned in the postal ballot resolution moved under section 180(1) (a) of the Companies Act, 2013 vide Postal Ballot Notice dated 14th April, 2017 and passed by the shareholders] that Units to be sold, leased or otherwise disposed of do not fall within the definition of undertaking as given in the explanation below section 180(1)(a). However ITDC being a Government Company, predominantly owned by Government of India and also listed at NSE and BSE, it was found desirable to seek shareholders approval for lease or otherwise disposal of Units as a matter of good corporate governance, to maintain full transparency and also because some of the units may be leased to non-government entities.

Since it is difficult to obtain approval of the shareholders for each of the undertaking separately as the process takes a long time, it is proposed to take the approval of the shareholders under section 180(4) of the Companies Act, 2013 for all the undertaking(s) mentioned in the special resolution. The Board recommends the resolution for approval of the members as a Special Resolution in its Board Meeting held on 14.08.2017.

It may be submitted that the amount received from the disinvestment transactions will be used towards VRS, Renovation, Expansion of existing properties & business verticals, upgradation and modernization of existing services and taking up new business in accordance with the Business Plan approved by the Board from time to time.

In view of the above, approval of the shareholders is being sought through special resolution.

None of the Directors and/ or Key Managerial Personnel of the Company and/ or their relatives is deemed to be concerned or interested, financially or otherwise in the said resolution except to the extent of their shareholding, if any.

The relevant documents, resolution passed at the Board Meetings and other allied documents, if any, being referred in this resolution, would be available for inspection by the members, free of cost, at the Registered Office of the Company during 11.00 A.M. to 01.00 P.M. on all working days (Monday to Friday), up to and including the date of AGM.

Details as required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 in respect of Directors to be appointed and Directors liable to retire by rotation and seeking re-appointment

Shri Piyush Tiwari: Shri Piyush Tiwari, age 52, is the Director (Commercial & Marketing) of company since 28.05.2015. He holds a Bachelor's degree in Electrical Engineering and a Master's degree in Sociology. Before joining ITDC, he was working as Regional Manager (North) & Deputy General Manager for marketing division of Rashtriya Ispat Nigam Limited (RINL), a Navratna PSU under Ministry of Steel, Government of India. Shri Tiwari has a professional experience of more than 30 years in marketing and commercial operations including marketing and business development, formulating strategies for growth with an overall business perspective, product positioning, customer segmentation, managing profit centre operations etc.

Shri Tiwari is also acting as Director of three subsidiary companies of ITDC. He does not hold any shares in ITDC.

Shri Pradip Kumar Das: Shri Pradip Kumar Das, age 51, is Director (Finance) and CFO of the Company since 25.02.2016. He is Fellow Member of the Institute of Cost Accountants of India and Associate Member of the Institute of Company Secretaries of India. He also holds Post Graduate Diploma in Business Management (PGDBM) from Xavier Institute of Management, Bhubaneswar (XIMB). Prior to joining the Company, he was Deputy General Manager in Rural Electrification Corporation Limited.

Shri Das has also worked with Bharat Heavy Electricals Limited (BHEL), Nuclear Power Corporation Ltd (NPCL), Bharat Heavy Plate and Vessels Ltd (BHPV), Kusum Products Ltd and other organisations. In his career span of 27 years, he has vast experience in various positions in Finance, Banking, Accounts, Audit etc both in public as well as private sectors. Shri Das is also acting as Director of three subsidiary companies of ITDC. He does not hold any shares in ITDC.

By Order of the Board of Directors

Place: New Delhi
Dated: 30.08.2017

Sd/-
(V.K. Jain)
Company Secretary
ACS 11270

Board's Report (2016-17)

Dear Shareholders,

Your Directors have pleasure in presenting the 52nd Annual Report together with the audited accounts of the Corporation for the year ended 31st March, 2017.

Turnover and Profitability

Your Corporation has achieved a total turnover of ₹ 495.14 crore during the financial year 2016-17 as against ₹ 465.69 crore in the previous year 2015-16. During the financial year 2016-17, the Corporation has recorded a Net Profit (before tax) of ₹ 17.52 crore as against Net Profit (before tax) of ₹ 32.42 crore in previous year 2015-16.

Performance Highlights

The highlights of the financial results of the Corporation (Standalone) are given below:

Particulars	₹ in crore)	
	Audited 2016-17	Audited 2015-16
Income from Operations	473.15	437.13
Operating Expenses	457.65	415.08
Operating Profit/Loss	15.50	22.05
Other Income	21.99	28.56
Profit / Loss before Depreciation, Finance Cost, Exceptional Items and Prior Period Adjustments	37.49	50.61
Depreciation	7.87	8.03

Finance Cost	0.20	0.43
Profit / Loss before Exceptional Items and Prior Period Adjustments	29.42	42.15
Exceptional Items	10.71	8.10
Profit / Loss before Prior Period Adjustments	18.71	34.05
Prior Period Adjustments	1.19	1.63
Profit / Loss before Tax	17.52	32.42
Provision for Income Tax	9.80	12.30
Deferred Tax	(4.31)	(2.43)
Provision for Income Tax for earlier years written back	(0.02)	-
Profit / Loss after Tax	12.05	22.55
Equity Capital	85.77	85.77
Capital Employed	286.76	282.94
Rate of Return on Capital:-		
Before Tax	20%	38%
After Tax	14%	26%
Rate of Return on Capital Employed:-		
Before Tax	6.11%	11%
After Tax	4.20%	8%

Operating Ratio

The Operating Ratio has marginally increased by 3.72% in the current year with the overall operating ratio of 94.59% as against 90.87% in the previous year 2015-16.

Division wise Financial Performance

The Division wise financial performance of the Corporation is summarized as under :-

- (i) Hotels Division has achieved a turnover of ₹ 282.51 crore during the year as against ₹ 277.55 crore in the previous year and earned the net profit of ₹ 34.47 crore as against the net profit of ₹ 38.90 crore in the previous year.
- ii) The turnover of AIT Division has increased to ₹ 18.36 crore from ₹ 16.23 crore in the previous year. During the year 2016-17, there are 11 Duty Free Shops in operation i.e. at Goa Seaport, Coimbatore, Haldia Port, Kolkata Port, Chennai Port and Mangalore Port, Visakhapatnam, Mumbai Seaport, Paradip Sea Port, Kakinada, Krishnapatnam. The AIT Division has earned a Net Profit of ₹ 3.31 crore as compared to Net Profit of ₹ 2.37 crore in the previous year.
- iii) Further, the turnover of ATT Division has increased to ₹ 123.06 crore from ₹ 104.37 crore in the previous year, an increase by 17.91 %. The ATT Division has incurred a loss of ₹ 18.08 crore as against the Net Loss of ₹ 10.37 crore in the previous year. The loss is due to the deposit of demand of ₹ 14.99 crore in the 'L' Block property case where the appeal of ITDC before the High Court has been dismissed and the demand has been paid in full.
- iv) The turnover of the Ashok Events Division been recorded at ₹ 36.38 crore (previous year ₹ 23.66 crore) and has earned a Profit of ₹ 6.00 crore as against net profit of ₹ 4.01 crore during FY 2015-16.
- v) The Engineering Division Including SEL Projects has achieved a turnover of ₹ 11.04 crore during the year 2016-17 (previous year ₹ 15.31 crore) with net loss of ₹ 2.97 crore as against net loss of ₹ 2.84 crore in the last financial year.
- vi) The Ashok Institute of Hospitality and Tourism Management (AIH&TM) has achieved a turnover of ₹ 2.99 crore as against ₹ 3.28 crore in the previous year with net Loss of ₹ 0.21 crore (previous year net loss of ₹ 1.54 crore).
- vii) The Corporate HQ being the administrative office has earned an income of ₹ 20.81 crore (previous year ₹ 25.30 crore) mainly constituting of income from interest on short term deposits with banks from the surplus funds available with it.

Capital Structure

There is no change in authorized and paid-up share capital of the Corporation. The Authorized Share Capital of the Corporation is ₹ 150 crore and the paid-up Share Capital is ₹ 85.77 crore as on 31st March, 2017.

Dividend

The Board of Directors recommended a dividend of 13.30% for the financial year 2016-17 on the equity share capital of the Company

Transfer to Reserve

No amount has been transferred to the General Reserves.

Rating of ITDC vis-à-vis MoU targets

Performance of the Company for the year 2015-16 has been notified as 'Good' with Composite Score 55.53 by Department of Public Enterprises (DPE) in terms of the MoU signed with the Government of India.

Management Discussion and Analysis

The report on the Management Discussion and Analysis is placed at **Annexure-I**.

Procurement from MSME

The Corporation has partly complied with guidelines issued by DPE in this regard.

Implementation of Official Language Policy

During the year 2016-17, the Company continued its efforts to give impetus to the use of Hindi in official work through motivation and training. Cash incentives were granted to employees on doing prescribed quantum of work in Hindi. Hindi workshops were organized to provide practical training of noting-drafting and

other works in Hindi. Various Hindi competitions were also organized during Hindi Fortnight celebrations for giving impetus to the use of official language in day to day work. Hindi Kavigoshthi, Hindi Natya Manchana and Hindi Prize Distribution Event were also organized to encourage official language in the Corporation. A cultural program was organized at Hotel the Ashok on 28th September, 2016 to celebrate "Hindi Pakhwada" which included performances by prominent Hindi Poets as well as various performances like songs, drama, etc. by ITDC's own employees.

Conservation of Energy & Technology Absorption

Commitment towards energy conservation remains in the units at various stages of operations. Commercial considerations, energy conservation policies and practices play a vital role in the endeavors made in this direction. Hotel The Ashok was awarded with prestigious LEED's gold certificate in the month of January 2017.

Since your Company's operations do not involve technology absorption, the particulars as per Rule 8(3)(B) of the Companies (Accounts) Rules 2014 regarding technology absorption, are not applicable.

Foreign Exchange Earnings & Outgo

The Direct Foreign Exchange Earnings during the year 2016-17 has decreased to ₹ 15.19 crore from ₹ 17.95 crore in the previous year.

Subsidiary Companies

The Corporation has seven subsidiary companies as on 31.03.2017 viz. (i) Donyi Polo Ashok Hotel Corporation Ltd. (ii) Assam Ashok Hotel Corporation Ltd. (iii) MP Ashok Hotel Corporation Ltd. (iv) Pondicherry Ashok Hotel Corporation Ltd. (v) Ranchi Ashok Bihar Hotel Corporation Limited (vi) Utkal Ashok Hotel Corporation Ltd. (vii) Punjab Ashok Hotel Company Ltd. The Hotel Units were set up under the aforesaid subsidiary companies at Itanagar, Guwahati, Bhopal, Puducherry and Ranchi respectively. The operation of Hotel unit at Puri is closed since March, 2004 and the Hotel has been planned to be leased out. The Hotel project at Anandpur Sahib is incomplete. Besides, the Corporation has one Associate Company i.e. ITDC Aldeasa India Private Limited which is under process of striking off.

The Annual Accounts of all the subsidiary companies have been audited and finalized and the Consolidated Annual Accounts have been prepared and presented in this Annual Report. A statement containing the salient features of the subsidiaries in the prescribed format AOC-1 forms part of the Consolidated Annual Accounts 2016-17.

Vigil Mechanism and Whistle Blower Policy

The Corporation has a Whistle Blower Policy which is posted on the website <http://www.theashokgroup.com/Aboutus/rti>. Being a Central Public Sector Enterprise, the Corporation has a Vigilance Department. Chief Vigilance Officer, the Head of the Vigilance Division, is

under the direct control of the Central Vigilance Commission (CVC), an independent Govt. Agency.

Board of Directors

During the year, eight Board Meetings were held to transact the business of the Company.

The Board presently comprises of seven Directors i.e. Chairperson & Managing Director, Director (C&M), Director (Finance), two Government Nominee Directors and two Independent Directors as under:

A) Executive Directors

1. Smt. Ravneet Kaur, (IAS) has been appointed as Chairperson & Managing Director w.e.f. 24.07.2017
2. Shri Piyush Tiwari, Director (C&M)
3. Shri Pradip Kumar Das, Director (Finance)

B) Non-Executive Directors

(a) Part-time Government Nominee Directors:

1. Smt Meenakshi Sharma (IA&AS), from 11.07.2016
2. Smt. Leena Nandan, (IAS), from 14.08.2017

(b) Independent Part time Directors:

1. Shri Ajay Swarup from 08.08.2016

2. Shri Patel Karsanbhai Bhikhabhai from 08.08.2016

As per disclosure received from the Directors, the Directors are not related to one another.

Pursuant to Article 61 of the Article of Association, Shri Piyush Tiwari and Shri Pradip Kumar Das retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Details of profile etc. as required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 in respect of Directors liable to retire by rotation and seeking re-appointment, have been given at the end of the notice of AGM.

Training Policy and the training imparted to the Directors

The Corporation has formulated a training policy for Board Members. As per the policy, ITDC offers training programmes organized by SCOPE and DPE to the Board Members. Further, on induction of non-official Directors, ITDC may also arrange training on the role and responsibilities of Directors from the professional institutes like ICAI, ICSI, ICMA, IIM etc.

During the financial year 2016-17, Non-official Directors participated in one training programme organized by DPE.

Declaration by Independent Directors

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act,

2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015.

Board Evaluation

The evaluation of the Board as a whole and the Independent Directors is exempt for Government Companies vide MCA Notification dated June 05, 2015.

Particulars of loans, guarantee or investments

During the year under review, ITDC released loan of ₹ 13,50,000/- on 08.04.2016 at a rate of interest of 12.5% per annum to M/s Utkal Ashok Hotel Corporation Ltd., a joint venture subsidiary of ITDC for meeting out payment of outstanding salaries of staff, statutory obligations and day-to-day expenditures.

Corporate Governance

As per the requirement of Clause C of Schedule V to SEBI (LODR) Regulations, 2015, a detailed report on Corporate Governance together with the following is given in **Annexure-II** which forms part of this Report.

- (i) CEO/CFO Certificate [as per Regulation 17(8) of SEBI (LODR) Regulations, 2015]; and
- (ii) Certificate from the Company's Auditors [Clause E to Schedule V to SEBI (LODR) Regulations, 2015] along with the management reply to observations.

Directors' Responsibility Statement

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, it is hereby confirmed:-

- that in the preparation of the accounts for the financial year ended 31st March, 2017, the applicable accounting standards have been followed read along with proper explanation relating to departures;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Directors have prepared the accounts for the financial year ended 31st March 2017 on a 'going concern' basis;
- that the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;

- that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Internal Financial Controls

The Corporation has adequate internal control system commensurate to its nature of business. Board has laid down adequate policies and procedures such as Licensing Procedure, Purchase Procedures, Engineering & Works Manual, Delegation of Powers etc. for ensuring the orderly and efficient conduct of business.

Professional services of Chartered Accountant Firms are availed to conduct Internal Audit of all units/verticals of ITDC. A detailed Internal Audit manual duly approved by the Board of Directors has been circulated to all the units.

Internal Auditors monitor and evaluate the efficacy and adequacy of the internal checks & control systems. Quarterly Internal Audit Reports are submitted by Internal Auditors. Corrective actions, wherever required, are taken by the units/verticals. Significant observations, if any, are reported to the Audit Committee.

Related Party Transactions

There are no materially significant related party transactions reportable under Section 188 of the Companies Act, 2013. The Audit Committee and the Board has approved a policy on materiality of the related party transactions

which is posted on the website of the company <http://www.theashokgroup.com/Aboutus/Investorcorner>.

Report under Section 22 of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

During 2016-17, no case was filed.

Corporate Social Responsibility and Sustainable Development

The CSR activities undertaken during the financial year 2016-17 are as follows:

(i) Red Fort and Old Fort were adopted in addition to Qutub Minar under CSR activities to maintain cleanliness and to educate visitors about importance of cleanliness.

(ii) Contribution to Swachh Bharat Kosh.

The Annual Report on CSR Activities and the Report on the Sustainable Development Activities are annexed as **Annexure III**.

Risk Management Policy and its Implementation

ITDC Board in its meeting held on 11th May, 2010 has laid down the Risk Management Policy laying down a sound process for identification and mitigation of risks. In accordance with the policy, the unit head of all strategic divisions have been nominated as Risk Manager and a committee namely Risk Management Compliance Committee (RMCC) presently headed by Director

(C&M) has been constituted to oversee and ensure compliances with the Risk Management Policy of the Corporation.

Company's specific risks as per the reports submitted by different units/divisions of ITDC during 2016-17 are as under:

Economic Risk: More dependence on one segment of clients i.e. Government

Industrial Risk: Threat to market share due to new players with wider facilities

Personnel Risk: Non-availability of adequate skill sets and depleting manpower in Key positions.

Legal Risk: Contractual risk & tax risk

Operational Risk: Ageing properties of Hotels

Others: Disinvestment/ Divestment of ITDC properties

Auditors and Auditor's Report

The Comptroller & Auditor General of India have appointed M/s Kishore & Kishore, Chartered Accountants as Statutory Auditors of the Company and also various Branch Auditors for the year 2016-17 under Section 134(5) of the Companies Act, 2013. The Management's replies to the comments and observations of the Statutory Auditors on the accounts (Standalone and the Consolidated) for the year 2016-17 are given in **Annexure IV & V(i) and V(ii)**.

Secretarial Auditor and Secretarial Audit Report

ITDC Board in its meeting held on February 14, 2017 has appointed M/s Chandradip Bharti & Associates, Company Secretaries as the Secretarial Auditors for conducting the Secretarial Audit as required under Section 204 of the Companies Act, 2013. The Secretarial Audit Report is placed at **Annexure-VI** and Management replies to the comments and observation of the Secretarial Auditors on the Secretarial Audit Report for the year 2016-17 are given at **Annexure-VII**.

Extract of Annual Return

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as **Annexure-VIII** to the Board's Report.

Significant and Material Orders

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

Comments of the Comptroller and Auditor General of India

The comments of the Comptroller & Auditor General of India, under Section 134(6) of the Companies Act, 2013 on the Accounts of the Company for the financial year ended 31st March, 2017 are set out elsewhere in the Annual Report.

Material changes and commitments affecting the financial position of the Company between the end of the Financial year and the date of the Report

Status of Disinvestment / Divestment of properties of ITDC and its JV Subsidiaries:

- As per decision dated May 24, 2017 of the Cabinet Committee of Economic Affairs, property of Hotel Janpath is to be handed back to the Ministry of Urban Development. ITDC is to be compensated for loss of business opportunity with disputed liability to be sorted out. The exact financial implication of the project would be worked out in accordance with all stakeholders including the Ministry of Tourism, Ministry of Urban Development, NDMC and L&DO etc.
- As per MoU signed on April 27, 2017 Hotel Bharatpur Ashok, being a managed property of ITDC, was transferred to Rajasthan Government on April 30, 2017 (Transfer Agreement is to be executed shortly). The carrying amount of assets as on 31.03.2017 of Hotel Bharatpur Ashok was ₹ 55.51 lakh, liabilities of ₹ 76.69 lakh, Revenue of ₹ 110.10 lakh and net loss of ₹ 21.17 lakh.
- ITDC has transferred its Non Current Investments - Equity Shares of Subsidiary Companies - Assam Ashok Hotel Corporation Limited (AAHCL 51% Equity) and Madhya Pradesh Ashok Hotel Corporation Limited (MPAHCL 51% Equity) on June 29, 2017

to their respective State Government. The Investments have been transferred at a consideration of: AAHCL ₹ 214.00 lakh (Profit ₹ 163.00 lakh) and MPAHCL ₹ 1,259.00 lakh (Profit ₹ 1,177.40 lakh).

- The process of disinvestment is going on in respect of: Hotel Pondicherry Ashok, Hotel Jaipur Ashok, Hotel Lalitha Mahal Palace, Hotel Kalinga Ashok, Hotel Donyi Polo Ashok, Hotel Patliputra Ashok, Hotel Ranchi Ashok, Hotel Nilachal Ashok and incomplete Hotel Projects - Hotel Anandpur Sahib and Hotel Gulmarg Ashok.

Registrar of Companies has issued a public notice dated 27.04.2017 pursuant to section 248 of Companies Act 2013 proposing to remove /strike off the name of Joint Venture “ITDC Aldeasa India Private Limited” from the Register of Companies. ITDC as a Joint Venture partner has submitted to the Registrar of Companies that the company i.e. “ITDC Aldeasa India Private Limited” is not doing any business.

Acknowledgement

- i. The Board places on records its sincere appreciation towards the Company’s customers/clients for the support and confidence reposed by them in the organization and look forward to the continuance of this relationship in future.
- ii. The Board also gratefully acknowledges the support and guidance received from various Ministries of the Government of India particularly the Ministry of Tourism, in Company’s operations and developmental plans. The Board also wishes to record its deep gratitude to all the members of ITDC family whose enthusiasm, dedication and co-operation, put the Company on the path of progress.

For and on behalf of Board of Directors

Sd/-

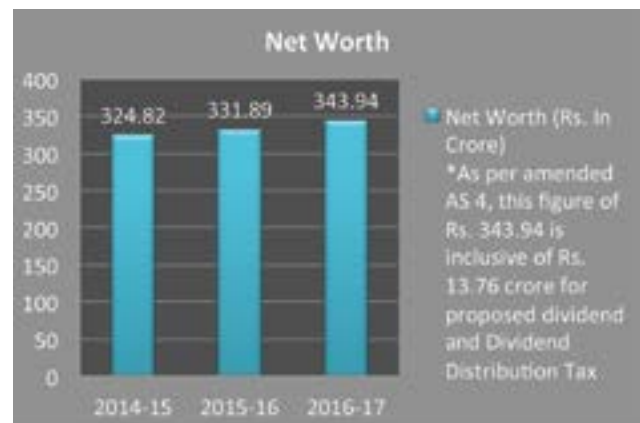
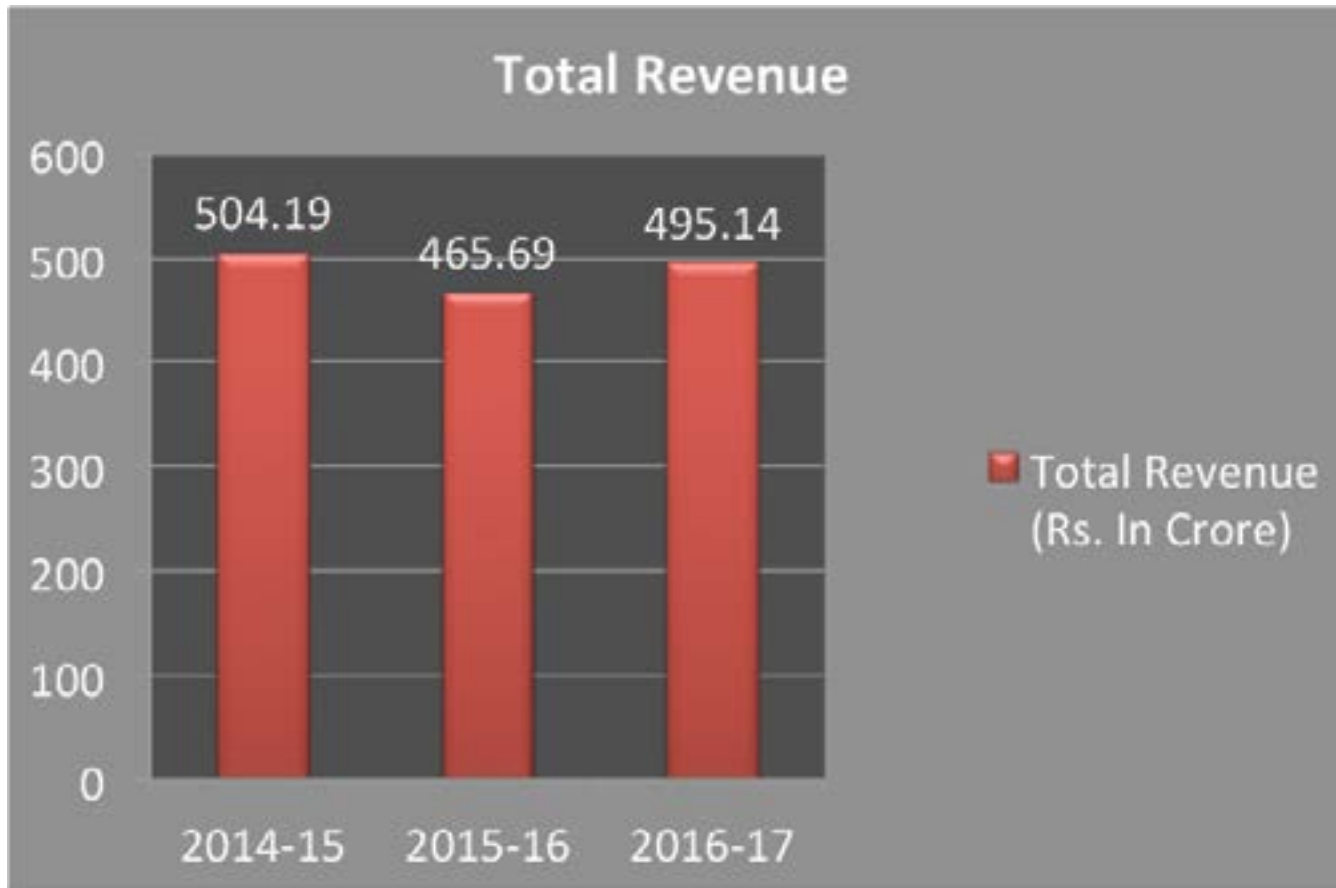
(Ravneet Kaur)

Date: 28.08.2017

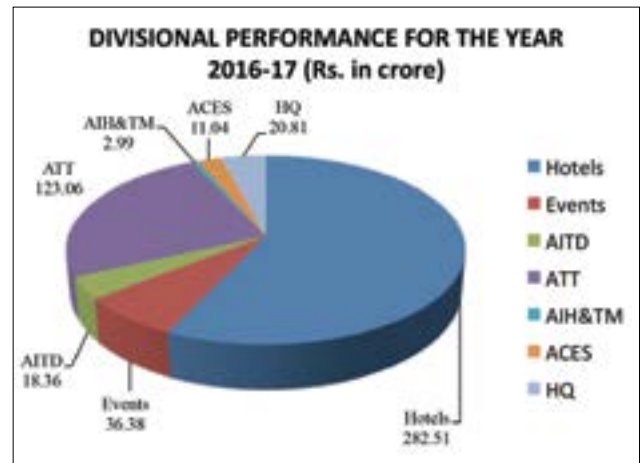
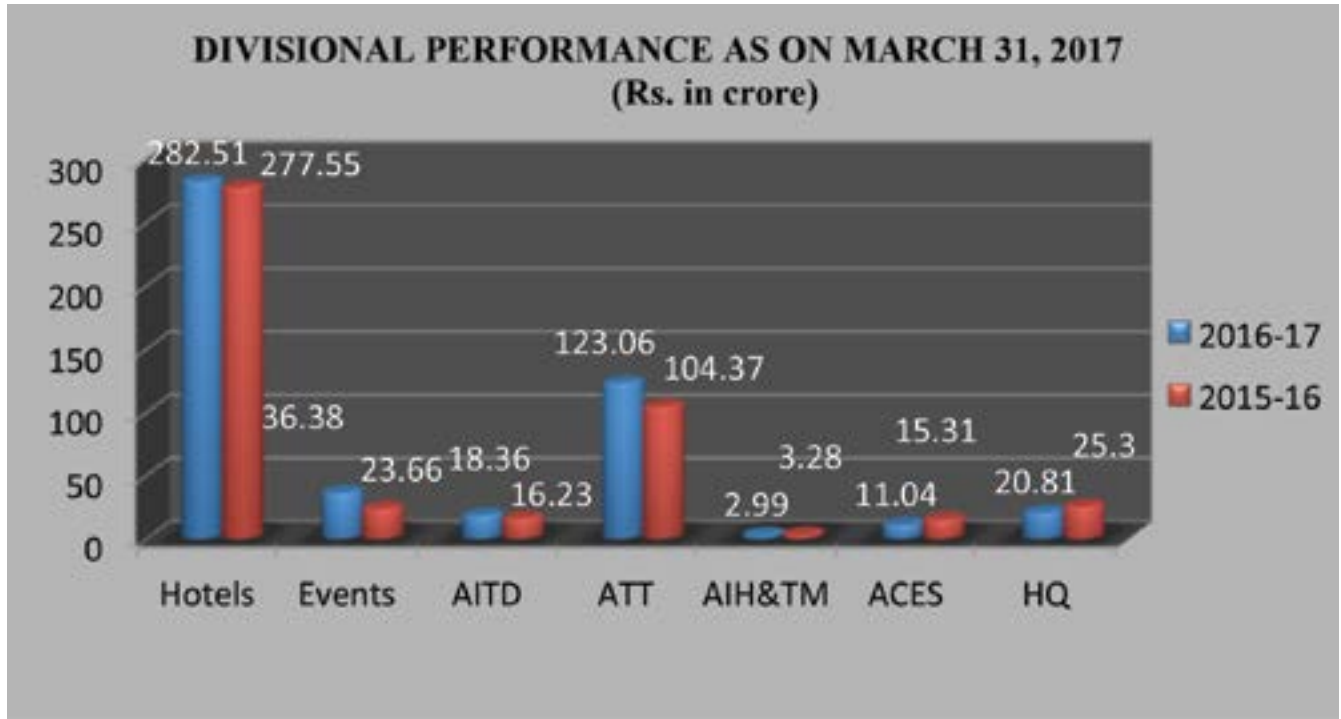
Place: New Delhi

Chairperson &
Managing Director

Performance Highlights 2016-17



Performance Highlights 2016-17



Annexure-I

Management Discussion and Analysis Report

Global and Indian Scenario

World Economic Outlook forecast is projecting an increase in global growth from 3.1 percent in 2016 to 3.4 percent in 2017, with a corresponding increase in growth for advanced economies from 1.6 percent to 1.9 percent. Real GDP growth of India in the first half of the year was 7.2 percent, on the weaker side of the 7.0-7.75 per cent projection in the Economic Survey 2015-16.

The Indian Travel & Tourism Industry is a major engine of economic growth and an important source of foreign exchange earnings. In the previous year, the Government of India has taken a number of initiatives like identifying, diversifying, developing and promoting niche products of the country to overcome seasonality and to promote India as a 365 days destination, putting in place a system of training and professional education, with necessary infrastructure support, organizing Bharat Parv as part of the Republic Day and Independence Day celebrations with the objective to promote national integrity and to showcase cultural and culinary diversity to the people of our nation etc. Being a PSU under the administrative control of the Ministry of Tourism, ITDC has been the part of such initiatives in Bharat Parv and promoting professional education and training support through AIHTM and 'Hunar Se Rozgar Programme'.

The year 2016 witnessed a growth of 10.7 % in Foreign Tourist Arrivals (FTAs) in India. FTAs during 2016 were 88.9 lakh (provisional) as compared to the FTAs of 80.3 lakh during 2015.

ITDC, on its role as a commercial organization is to construct and manage hotels, run Duty Free Shops, provide travel and tour services, produce tourist publicity material and provide Tourism and Hospitality Education etc. Further, as a promotional wing of the Ministry of Tourism, it also plays a catalytic & pioneering role in the development of tourism infrastructure in the country.

The Ashok Group of Hotels won accolades:

- The Ashok, New Delhi was awarded as 'Best Hotel Based Meeting Venue' at National Tourism Award held in July 2016.
- The Ashok, New Delhi, flagship property of India Tourism Development Corporation Ltd. has been rated with LEED GOLD Certification under Existing Building Operation and Maintenance category. CEO, U.S. Green Building Council (USGBC) handed over LEED GOLD Plaque & Certification to C&MD, ITDC during the felicitation ceremony on 15th February, 2017.
- Hotel Janpath, New Delhi has been awarded as 'Star Partner 2016' by an online travel portal Make My Trip.
- Hotel Kalinga Ashok, Bhubaneswar, was

presented ‘Better Holiday’ award by an online travel portal Holiday IQ.

Professionals of The Ashok Group of Hotels have been accredited with various awards.

- Chefs of The Ashok Group have won the Golden Hat Award, Kitchen Artist of the Year Award, National Tourism Award 2014-15 for “Best Chef” in 4 star, 5 star, 5 star deluxe, Heritage Classic Grand Category Hotels.
- Chefs of The Ashok, New Delhi were awarded Gold Medal in Indian Sweets, Silver Medal in North Indian Cuisine and Silver Medal in International Cuisine; awarded by Association of Hospitality Professionals.
- Beverage mixologists of The Ashok, New Delhi won Bronze Medal in mocktail making competition organized by Culinary Art India in March 2017 held alongside AAHAR 2017.
- The Ashok won the award for best F&B professionals from PATWA and the banquet manager of The Ashok, New Delhi won the award for Best Banquet Manager 2016 at the Hospitality India Awards.

Segment wise performance including financial performance with respect to operational performance

A. Hotels Division

Hotel Ashok continued to host important events, conventions as well as special short

term festivals. The Ashok was chosen for several celebrity focused events, festivals and fashion exhibitions. The Ashok, New Delhi has been privileged to host numerous influential international conferences and delegations.

The team of The Ashok, New Delhi contributed to the culinary success of various conferences, events and functions at the hotel, hosted /attended by dignitaries and who’s who of the country. The Ashok was proud to host legendary Australian runner Patrick Farmer in New Delhi. Team Ashok has taken pride and been a host to many important conferences. It was a matter of pride, when H.H. The Dalai Lama, delivered a lecture at its convention centre and also felt proud when Delhi Commonwealth Women’s Association organised a fair.

To enhance the experience, apart from regular upgradations 49 guest rooms including suites of The Ashok New Delhi have been renovated. Preserving the aura of Hotel Ashok, yet giving the guests a new splendid feel was the thought behind revamping.

Many measures were taken to make the hotel ecologically efficient which led us to become first Govt owned Hotel Property to be rewarded with “GOLD LEED” certification by US Green Building Council. Some of the measure to conserve electricity and save environment were taken up. The replacement of Halogen Lamps in most of the areas with LED lighting, water conservation procedures were employed in the system along with Rain water harvesting systems were installed and implemented.

The Ashok was also awarded National

Tourism Award for the best hotel based meeting venue.

To enhance the experience, 49 guest rooms including suites of The Ashok New Delhi have been renovated. As a measure to conserve electricity and save environment, Halogen Lamps in most of the areas have been replaced with LED lighting.

The Ashok Group Hotels continued to host important events, conventions as well as special short term festivals. VVIP venues like Hyderabad House and Vigyan Bhawan hosted various important conferences/ prestigious events for various Ministries and other Government Bodies. The Ashok, New Delhi has also been a host to various prestigious national and international conferences.

Hotel Samrat, New Delhi was host to the many important groups like Indian Forest Service Probationers Groups, DOS-Delhi Ophthalmological Society, Oxfam Group, SAARC delegates, CBI Officials, UPSC Officials Groups, RIS Groups, IFS officials groups, Naari Shakti Puruskaar Awardees 2017, FSSAI Group etc. The unit had also been associated with many organisations like Coal India, NDMC, Andhra Bhawan etc.

A new F&B outlet at Hotel Samrat, has opened its doors to its esteemed guests. Swimming pool has been renovated and will be operational soon. Lobby area and guest room corridors have been uplifted. Work for refurbishment of 32 guest rooms toilets has been completed. The culinary team of Hotel Samrat contributed to lip smacking experience for its

distinguished guests attending conferences and other social functions. Packed Thali of Hotel Samrat has become very popular.

Hotel Janpath, New Delhi remained popular with conference groups. It remained a preferred stay destination for the Ministry of HRD, various IIMs and many business houses. Hotel Janpath also remained a popular choice for stay amongst National School of Drama, University Grants Commission, National Informatics Centre, Centre for Cultural Resources and Training, Dental Council of India and Union Public Service Commission groups.

Hotel Lalitha Mahal Palace, Mysore was the venue of stay for Hon'ble Vice President of India, and his entourage. It was also the venue of stay for Former Speaker of Lok Sabha. The Hotel has catered to many other groups and remained a choice for many residential conferences for corporate including companies like Ernst and Young, B2B hospitality, South Western Railways and many others.

Hotel Jammu Ashok, Jammu has uplifted the guest experience by completing its renovation for 10 guest rooms. The culinary team of the Hotel also organized food festivals.

Hyderabad House, New Delhi, catered to many prestigious events hosted by Hon'ble Prime Minister of India to visiting dignitaries like:

- Hon'ble Presidents of Maldives, Afghanistan, Indonesia, Tajikistan and Kyrgyzstan
- Hon'ble Prime Ministers of Sri Lanka, Thailand, Myanmar, Egypt and Nepal

- Hon'ble Crown Prince of UAE

Hotel Jaipur Ashok, Jaipur remained a popular destination for weddings. Rajasthan Tourism Deptt. organised a Conference on Tourism Promotion in Rajasthan presided by Additional Chief Secretary Tourism, Govt. of Rajasthan.

Hotel Kalinga Ashok, Bhubaneswar, remained a venue of choice for various conferences and events for the Ministry of Ayush, Ministry of Micro, Small and Medium enterprises, Directorate of Exports, Regional office for Health and Family Welfare, State Bank of India and many others. It has beautified its Lawn and Lobby area. To support environment and conserve electricity, LED lights have been installed in guest rooms and corridors.

Hotel Patliputra Ashok, Patna, had been a host to many successful conferences, events and social functions throughout the year including Orthopaedics conference, Oncologists conference, Indian oil, and others.

Hotels of Ashok Group have exhibited their gastronomy skills by organising food festivals.

- The chefs of The Ashok Group participated in Indian Food festivals across the globe in 10 countries including Myanmar, Spain, Lebanon, Netherlands, Congo, Italy, Cambodia, Ghana and earned accolades.
- Hotels of The Ashok Group have exhibited their gastronomy skills by organizing food festivals. Hotel Janpath, New Delhi, organised Biryani and Shorba festivals in December 2016 and January 2017.

- The Ashok, New Delhi organised 25 different offers and promotions in its restaurants: The Oudh, Frontier and The Samavar - Coffee Shop during the year.
- Hotel Jammu Ashok showed their culinary skills by organising sizzler festival in its restaurant and showcased its culinary skills.

B. Ashok Events Division

The Ashok Events Division manages events, conferences and exhibitions both within the country and abroad. Over the years it has established itself as a leader in the field of Professional Conference and Event Management.

The Ashok Events Division handled around 84 major events/conferences/exhibitions in India during the year 2016-17. Some of the events managed/ coordinated include: National Voters' Day 2017 chaired by the Hon'ble President of India; "National Tourism Awards 2014-15" conferred by the Hon'ble President of India; Civil Services Day 2016 - The Hon'ble Prime Minister of India was the Chief Guest; Indosan (India Sanitation Conference) chaired by the Hon'ble Prime Minister of India; 6th Asia Pacific Ministerial Conference on Housing and Urban Development, International Buddhist Conclave at Delhi, Varanasi & Bodhgaya, National Clean Ganga Mission Exhibitions at various locations, International Tourism Mart - 2016 at Imphal, "International Yoga Day Conference 2016", National Initiative towards Strengthening Arbitration and Enforcement in India chaired by the Hon'ble President of India, Lecture Series II chaired by the Hon'ble Prime Minister of India

and Bill Gates, Event coordinators for “Road Show & Business Networking Meeting at Paris ” - the event was graced by the Hon’ble Minister of Textiles.

Ashok Events Division managed “Bharat Parv” in conjunction with Independence Day celebrations, at Rajpath lawns, India Gate, New Delhi from 12th to 18th August, 2016 and in conjunction with Republic Day celebrations, at Red Fort, Delhi from 26th to 31st January, 2017. The highlights of the “Bharat Parv” celebrations were the cultural extravaganza showcasing the diverse culture; cuisines from different states, and handlooms and handicrafts from across the country.

The Print Production Department of Ashok Events too handled important assignments for its clients namely NITI Aayog, Ministry of Tourism, Department of Administrative Reforms & Public Grievances etc.

Through its Event Management activities Ashok Events Division also generates business for other verticals of ITDC including Hotels and Ashok Travels & Tours.

The turnover of the Ashok Events Division including Ashok Creatives has been recorded at ₹ 36.38 crore during 2016-17 as against ₹ 23.66 crore in the previous year 2015-16 and has earned a Profit of ₹ 6.00 crore during 2016-17 as against net profit of ₹ 4.01 crore during 2015-16.

C. Ashok International Trade Division

AITD Business as on date is as under:

a) Number of Operational Duty Free Shops at Seaports

1. Kolkata Seaport
2. Haldia Seaport
3. Chennai Seaport
4. Goa Seaport
5. New Mangalore Seaport
6. Vizag Seaport
7. Mumbai Seaport
8. Paradip Seaport
9. Kakinada Seaport
10. Krishnapatnam Seaport
11. Cochin Seaport

b) Number of Duty Free Shops which have commenced operations during the current year:

1. Kakinada Seaport
2. Krishnapatnam Seaport

c) Number of Duty Free Shops expected to start operation during the coming year:

1. Tuticorin Seaport
2. Kandla Seaport

Division’s Future Plan:

To continue the successful operations of DFSs at Seaports at Chennai, Mangalore, Kolkata, Haldia, Paradip, Mumbai, Goa, expanded further to Kakinada, Krishnapatnam, Cochin seaports. The division is now targeting the remaining major seaports i.e. Kandla, Kamarajar, JNPT etc for allotment of space for operating and increasing its network of seaport shops.

With all the major airport retail operations in India having been bagged by major International players, ITDC is aiming for

airports in the tier II cities in the country, as the international passenger flow has increased at these airports also.

The turnover of Ashok International Trade Division (AITD) has increased to ₹ 18.36 crore from ₹ 16.23 crore in the previous year. The AIT Division has earned Net Profit of ₹ 3.31 crore as compared to net profit of ₹ 2.37 crore in the previous year.

D. Ashok Travels and Tours Division

Ashok Travels and Tours (ATT), the in-house Travel Division of India Tourism Development Corporation Limited has been providing all Travel related services like Air Ticketing/ Car Rental / Hotel Booking / Tour Packages/ LTC Packages etc. to various Ministries, Govt. Departments, Public Sectors, Govt. schools and also to general public for last 46 years.

1. The turnover of Ashok Travels and Tours Division has increased to ₹ 123.06 crore in 2016-17 from ₹ 104.34 crore in 2015-16. Operational loss in 2016-17 is ₹ 18.08 crore as against ₹ 10.37 crore in 2015-16.
2. Travel Industry being highly dynamic in nature keep on changing vigorously. Despite all odds, ATT has been able to affirm its foot-holding in group travel during 2016-17 enhancing the overall profitability of operations. The group business is expected to reap in better profit in the years to come.
3. New initiatives have been taken at corporate level for exploring new

channels of business viz. Cargo Operations.

Overall, ATT is exploring the new avenues for the growth and consolidation for travel and tourism.

E. Ashok Institute of Hospitality & Tourism Management

AIH&TM extended its wings by upgrading the infrastructure in the form of setting up of a separate campus at the Hotel Samrat premises as a Centre of Excellence (COE) in field of hospitality education and training. The fully air-conditioned campus, the only IHM under the aegis of NCHMCT attached to a five star hotel is equipped with all modern essential training facilities with state-of-the-art training kitchen, bakery, computer lab, library etc. The current activities of HRD division are as follows:-

- B.Sc. Degree in Hospitality and Hotel Administration (HHA) in affiliation to National Council for Hotel Management and Catering Technology (NCHMCT) under Ministry of Tourism, Govt. of India have been launched at this campus in year 2015. The student intake per batch is 60 and the first batch, currently is in the final year is ready to step out as hospitality professionals by April 2018.
- AIH&TM also proposes to launch craftsmanship courses offered by NCHMCT at this campus in near future. The proposed courses shall fill the skill gap required at entry level in the hospitality and tourism sector.

- 4-Year Bachelor's Degree Course in International Hospitality Business Management (BIHBM) in association with Kurukshetra University is being conducted at the old campus in Qutab Institutional Area. The final batch is to pass out in the year 2018. It was a matter of pride for the institute when one of the students of BIHBM won gold medal (stood first in the rank of merit) in term end examination at the University level.
- One year trade diploma courses are being conducted in 4 different trades in affiliation with National Institute of Open Schooling (under Ministry of HRD). Admissions in this course are done twice a year. The course emphasising more on practical inputs as compared to the classroom lectures help the students acquire greater skills required to enter the hospitality sector. One of our students from Food Production trade brought laurels to the institute by obtaining the first position in inter-college culinary competition at national level.
- One year residential training programme in different hospitality and travel trades, sponsored by Ministry of DONER, Govt. of India is being conducted at various ITDC hotels located in Delhi, Jaipur, Bhubaneswar, Pondicherry and Mysore. Students who have undergone these training courses

are well placed in hospitality and travel industry.

- Along with this, AIH&TM also conducts training of various State Bhawans and other Government Bodies. Some of the projects which are underway/ in pipeline are as follows:-
 - Uttarakhand Tourism Staff Training Program.
 - Shri Mata Vaishno Devi Shrine Board Staff Training Program.
 - Training Program for staff of Ministry of Revenue & Finance.
 - Training Program for Executives & Staff of AIR INDIA.
 - Training Program for Staff of Arunachal Bhawan.

F. Ashok Consultancy & Engineering Services Division (ACES)

ITDC has an exclusive Ashok Consultancy & Engineering Services Division for execution of engineering works. The Division consists of engineers from Civil, Electrical, Mechanical and Architect Disciplinary. The group is well equipped in preparing Economic Feasibility Report, Management Consultancy, Advisory Services and Consultancy for all kind Tourism infrastructure works. It also maintains and upgrades ITDC properties all over India. It also undertakes Central Financial Assistance (CFA) Projects, works under PRASAD scheme and Swadesh Darshan from various Ministries for Development of Tourism Infrastructure in the

country. Ministry of Tourism, Ministry of Culture and various State Governments allocated projects to ITDC for utilizing these professional services.

The division constructed a state of art swimming pool along with change room in Hotel Samrat and construction of Centre of Excellence at Hotel Samrat. This Institute offers a 3-year degree course in Hotel Management along with necessary infrastructure.

The division renovated 48 guest rooms on fifth floor of Annexe Building along with toilets in Ashok Hotel. Also the Strengthening work of external façade of Hotel Samrat was taken up for safety purpose.

Convention Centre at Hotel Ranchi Ashok, Ranchi sanctioned by MoT under CFA and Development of Ranchi Saraikela Kharsawan Purbi Singhbhum Mega Tourist Circuit, Jharkhand Phase I & II sanctioned by the Ministry of Tourism were completed. Construction of Art Gallery and Museum at Ludhiana sanctioned by the Ministry of Culture for Construction of Memorial of Smt. Vidyawati Ji at Moranwali, Punjab sanctioned by Ministry of Culture was also completed.

The Infrastructure Development Project under Mega Circuit Development Scheme in the Puri Sector sanctioned by Odisha State Government has been started and some of the tenders have been floated.

The division further plans to focus liaison with State Governments for preparing DPRs for their Mega Projects. It also aims to procure and on various infrastructure and renovation

projects with various Ministries and State Governments, to earn additional revenue.

The Engineering Division Including SEL Projects has achieved a turnover of Rs. 11.04 crore during the year 2016-17 as against Rs. 15.31 crore in the previous year 2015-16 with net loss of Rs. 2.97 crore during 2016-17 as against net loss of Rs.2.84 crore in previous year 2015-16.

G. Sound & Light Show

The SEL Division is now certified IS 9001:2015

It has the following functions:

- 1) Consultancy services related to Sound and Light Shows
- 2) Operation of Sound and Light Show at Red Fort and Purana Quila
- 3) Implementation of Sound and Light Show projects

The consultancy services of following projects are in progress and will be completed in the FY 2017-18:

- 1) SEL Show at Cellular Jail, Portblair, Andaman
- 2) SEL Show at Champaner, Vadodara, Gujarat
- 3) Multimedia show at Dwarka , Gujarat
- 4) Multimedia show at Sabarmati River front, Ahmedabad

The Implementation of Sound and Light Show of the following projects are in progress and will be completed in the FY 2017-18:

- 1) SEL Show at Konark, Odisha
- 2) SEL Show at Dal Lake, J&K

3) SEL Show at Tilyar Lake, Rohtak,
 Haryana

4) SEL Show at Diu Fort, Daman

The implementation of Sound and Light Show of the following projects are in tendering stage:

1) SEL Show at Udayagiri, Odisha

2) SEL Show at Sarkhej Roza, Ahmedabad,
 Gujarat

The Illumination work of the following projects is in tendering stage:

1) Illumination of 3 temples at Dwarka,
 Gujarat

The SEL Projects in Maharashtra, Madhya Pradesh, Chhattisgarh, Rajasthan, Tripura, Punjab, Gujarat and Haryana are in the pipeline. One of the prestigious projects would be Sabarmati Ashram in Ahmedabad, Gujarat.

OPERATION OF SEL SHOW AT RED FORT AND PURANA QUILA

- Promotion of the show through various media available and also to facilitate booking through other websites for booking of shows.
- ITDC intends to enter in the operation of boating club at Purana Quila Lake, basically to promote Sound and Light Show and to enhance the visibility of ITDC in the field of tourism.
- ITDC is also trying SEL Show at Purana Quila to be included as a part of itinerary for School Tours of Delhi Govt. Schools under Yuva Scheme for the year 2017-18.

For reducing expenditure- Maximum work is being done in-house to reduce the expenditure.

The Sound & Light Show being part of Engineering Division, the Financial Performance of Engineering Division which includes SEL Division also, has been given above.

3. ITDC - SWOT Analysis

Strengths

- Well Established Brand for almost 52 years
- Properties at Prime Location
- Large accommodation, F&B and Convention facilities
- Well recognized expertise in State Banquets, VVIP catering, Gala dinners, Domestic and global event management, Sound & Light Shows and media planning-branding
- Established presence in many fields related with Tour & Travel Business
- Patronage of the Ministry of Tourism and other Govt. Agencies

Weakness

- Properties not upgraded and renovated for very long
- Ageing and depleting manpower (especially at Senior level and in Key Executive Position)
- Comparatively High operating costs due to high wage bill

Opportunities

- Tourism infrastructure in India is improving which will eventually translate into significant business opportunities.
- E-based solutions and advanced technologies are available at low costs in the market for Hotels to utilize and increase productivity.
- Optimum utilization of infrastructure of hotels by leasing out extra space available.

Threats

- New Hotels with ultra modern facilities are coming up.
- Overall decrease in demand due to excess rooms supply in Delhi and other cities imparting occupancy and ARR.
- Wage & Productivity imbalance
- Disinvestment of ITDC properties by the Government
- Lease period of some of the properties expiring

4. Environment Management Initiatives

The ITDC has yearly plan budgets for all of its units under which some percentage of funds are utilized towards environmentally policies which include installation / upgradation of LED lights, ETP plants & organic waste plants etc. ITDC being a responsible CPSE, has adopted various eco-friendly measures like ETP, Rainwater Harvesting System, Solar Energy etc

along with other energy conservation measures in most of its units.

Waste water treatment presents a sustainable short term and long term solution to water scarcity. The Ashok Hotel has capacity of 1 MLD, Hotel Janpath has capacity of 60KLD, Hotel Jaipur Ashok has capacity of 60 KLD, Hotel Patliputra Ashok, Patna has capacity of 60KLD, Hotel Kalinga Ashok, Bhubaneswar has a capacity of 30 KLD, Hotel Bharatpur Ashok has a capacity of 5KLD of STP/ETP. Organic waste convertor to reduce hazardous waste harmful to environment has also been utilized. Oil based hot water boilers have been converted to CNG fired boilers in Hotel Ashok, Samrat and Janpath to improve efficiency.

Hotel The Ashok, Hotel Janpath, Hotel Jaipur Ashok and Hotel Kalinga Ashok, has 3000 LPH Solar Water Heating System installed and are running to save energy also Hotel Kalinga Ashok has standalone Solar Street Lights Installed in its premises. Hotel Ashok is in progress to install Photovoltaic Solar Energy to be utilized to save electrical energy. To reduce the energy losses in the guest rooms, Hotel Ashok has installed Room Automation (Set Back) System, under the grant of LEED Certification.

Regarding environmental policy, the ITDC Group of Hotels has installed LED lights in its Hotels to save energy.

Beyond statutory compliance - All the ITDC Hotels are ISO 22000:2005 certified by IRQS management sys RVAC071 standards and all the units have achieved Air & Water Pollution Act certificate which are renewed from time to time. Hotel Ashok, New Delhi has LEED certifications

under US Green Building Council in 2017. ITDC continues to maintain thrust on energy conservation and ISO 140001:2004 certifications in the ease to provide, establish, implement, maintain and improve an environmental management system.

5. Outlook

Indian Tourism and Hospitality Industry has emerged as one of the key drivers of growth among the services sector in India. India has a vast untapped potential for tourism which can play a special role in our socio-economic progress.

ITDC is working hard to improve its overall performance by focussing in each vertical and various initiatives have been taken in this regard.

- Formulation of tariff for all the ITDC Hotels for the year 2016-17;
- Introduction of Summer Getaway Packages/Promotions;
- Wide coverage was given to Golden Jubilee Celebrations in print, digital and social media;
- ITDC participated in Trade Fairs and Travel Marts (including SATTE (New Delhi));
- Great India Travel Bazaar 2016 (Jaipur); World Travel Mart 2016 (London); Arabian Travel Mart 2016 (Dubai); MICE Travel Mart (Mumbai);
- New contract with Amadeus, Global Distribution System (GDS) has been signed for our three Delhi based properties;

- Inventory and price of ITDC Hotels is now being managed through Channel Manager

6. Risk and Concerns

Tourism is a sensitive product. It is affected by general economic conditions like global recession, general inflationary conditions; Socio-political risk like socio political environment internationally and within the country, advisories from foreign countries; Competition from international hotel chains; increased outbound travel etc.

Company's specific risks as per the reports submitted by different units/divisions of ITDC are as under:

Economic Risk: More dependence on one segment of clients i.e. Government

Industrial Risk: Threat to market share due to new players with wider facilities

Personnel Risk: Non-availability of adequate skill sets and depleting manpower in Key positions.

Legal Risk: Contractual risk & tax risk

Operational Risk: Ageing properties of Hotels

Others: Disinvestment/Divestment of ITDC properties

7. Vision and Mission

The vision and mission of the Corporation are as under:

Corporate Vision

ITDC aspires to acquire a leading position in hospitality and tourism sector and

achieve higher return on investment for our shareholders while fulfilling the core objective of development, promotion and expansion of domestic as well as international tourism in the country for all sector of the society.

Corporate Mission

To act as the prime mover in the progressive development, promotion and expansion of domestic as well as international tourism in the country for all sectors of the society through multifarious activities based on a strong customer focus, building trust, quality service, convenience at a competitive price.

8. Internal Control

The Corporation has an adequate internal controls system commensurate to its nature of business. Board has laid down adequate policies and procedures such as Licensing Procedure, Purchase Procedures, Engineering & Works Manual, Delegation of Powers etc. for ensuring the orderly and efficient conduct of business.

Professional services of Chartered Accountant Firms are availed to conduct Internal Audit of all units/verticals of ITDC. A detailed Internal Audit manual duly approved by the Board of Directors has been circulated to all the units.

Internal Auditors monitor and evaluate the efficacy and adequacy of the internal checks & control systems. Quarterly Internal Audit Reports are submitted by Internal Auditors. Corrective actions, wherever required, are taken by the

units/verticals. Significant observations, if any, are reported to the Audit Committee.

9. Human Resource Management and Industrial Relations

Total employees in the Corporation, as on 31.3.2016 were 1403, which have now come down to 1232 (consisting of 223 officers and 1009 staff) as on 31.3.2017 (Excluding 104 employees engaged on Direct Contract basis). Out of 1232 employees, 365 employees belong to Scheduled Castes (SCs), 28 belong to Scheduled Tribes (STs) and 65 to Other Backward Classes (OBCs). Moreover, 77 employees were promoted to the next higher posts, out of which 19 employees belong to Scheduled Castes (SCs) and 15 employees belong to Scheduled Tribes (STs). Further, there are 179 Women employees (47 Executives & 132 Non-Executives) working in ITDC as on 31.03.2017 constituting 14.53% of the total workforce of the Corporation. The overall Industrial relation situation in ITDC continued to be cordial and good.

CAUTIONARY STATEMENT

Statement in the Management Discussion and Analysis describing the Company's objective, projections and estimates are forward looking statement and progressive within the meaning of applicable security laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government policies and other incidental factors.

Annexure-II

Report on Corporate Governance for the year 2016-17

Pursuant to Regulation 34(3) and Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015

CORPORATE GOVERNANCE

(1) Philosophy on Code of Governance

The Corporation is committed to sound Corporate Governance practices. The Management believes that strong and sound Corporate Governance is an important instrument of protection of stakeholders through transparency, professionalism, accountability and adequate disclosures. The Corporation continuously endeavours to improve on these aspects on an ongoing basis.

(2) Board of Directors

ITDC is a Central Public Sector Enterprise (CPSE). In CPSEs, the appointments of Directors are made by the Administrative Ministry with the approval of the Cabinet Committee on Appointments (ACC). Article 61 of the Articles of Association of the Corporation states that the President of India shall be entitled to appoint all the Directors. During the financial year 2016-17, the Board had the following composition:

(A) Executive Directors

1. Shri Piyush Tiwari, Director (C&M) has been given additional charge of the post of Chairman & Managing Director from 01.03.2017 to 23.07.2017
2. Shri Umang Narula, Chairman & Managing Director from 24.04.2015 to 28.02.2017
3. Shri Pradip Kumar Das, Director (Finance) from 25.02.2016

(B) Non-Executive Directors

(a) Part-time Govt. Directors

1. Shri Sanjeev Ranjan from 01.10.2015 to 03.03.2017
2. Shri Suman Billa from 01.10.2015 to 10.07.2016
3. Smt. Meenakshi Sharma from 11.07.2016

(b) Part-time Independent Directors

1. Shri Anugolu Venkata Ratnam from 07.10.2013 to 06.10.2016
2. Dr. Usha Kiran Rai from 10.12.2013 to 09.12.2016
3. Shri Ajay Swarup from 08.08.2016
4. Shri Patel Karsanbhai Bhikhabhai from 08.08.2016

The Board presently comprises of Seven Directors i.e., Chairperson & Managing Director, Director (C&M), Director (Finance), two Government Nominee Directors and two Independent Directors as under:

(A) Executive Directors

1. Smt. Ravneet Kaur, (IAS) has been appointed as Chairperson & Managing Director w.e.f. 24.07.2017
2. Shri Piyush Tiwari, Director (C&M)
3. Shri Pradip Kumar Das, Director (Finance)

(B) Non-Executive Directors

(a) Part-time Government Nominee Directors

1. Smt Meenakshi Sharma (IA&AS), from 11.07.2016
2. Smt. Leena Nandan, (IAS), from 14.08.2017

(b) Independent Part-time Directors

1. Shri Ajay Swarup from 08.08.2016
2. Shri Patel Karsanbhai Bhikhabhai from 08.08.2016

As per disclosure received from the Directors, the Directors are not related to one another.

2 (a) Board Procedure

Eight meetings of the Board of Directors were held during the year 2016-17 (i.e. 12.04.2016, 30.05.2016, 12.08.2016, 19.10.2016, 14.11.2016, 13.01.2017, 14.02.2017 & 23.03.2017), the attendance of Directors there at was as follows:

Name of the Director	No. of Board Meetings held during the tenure of a Director	No. of Board Meetings attended	AGM (last) attended (Yes / No)
<i>Shri Umang Narula</i>	7	7	Yes
<i>Shri Piyush Tiwari</i>	8	8	Yes
<i>Shri Pradip Kumar Das</i>	8	8	Yes
<i>Shri Sanjeev Ranjan</i>	7	6	No
<i>Shri Suman Billa</i>	2	1	NA
<i>Smt Meenakshi Sharma</i>	6	6	No
<i>Shri Anugolu Venkata Ratnam</i>	3	3	Yes
<i>Dr. Usha Kiran Rai</i>	5	5	Yes
<i>Shri Ajay Swarup</i>	6	5	Yes
<i>Shri Patel Karsanbhai Bhikhabhai</i>	6	6	Yes

2 (b) Other Directorships

The details of Directorships in other Companies and the Committee Memberships held by the Directors in such companies during 2016-17 were as under:

Name of the Director	No. of other Directorships	Board Committees of other Companies in which he/she is a Member/Chairman
<i>Shri Umang Narula</i>	8	Nil
<i>Shri Sanjeev Ranjan</i>	1	Nil
<i>Shri Suman Billa</i>	1	Nil
<i>Shri Anugolu Venkata Ratnam</i>	3	Nil
<i>Dr. Usha Kiran Rai</i>	Nil	Nil
<i>Shri Piyush Tiwari</i>	8	Nil
<i>Shri Pradip Kumar Das</i>	7	Nil
<i>Smt Meenakshi Sharma</i>	1	Nil
<i>Shri Ajay Swarup</i>	Nil	Nil
<i>Shri Patel Karsanbhai Bhikhabhai</i>	Nil	Nil

Note: As regards Functional/Executive Directors, the functional directors also serve as part time director on the Boards of Joint Venture/Joint Venture Subsidiary Companies. Hence, the other directorship of Executive Directors pertain to their directorship in the Joint Venture/Joint Venture Subsidiary Companies of ITDC.

2 (c) Remuneration Policy for the Directors

Government Nominee Directors are the employees of the Government of India hence no remuneration is paid to the Government Nominee Directors. Chairman & the Managing Director and functional directors are the whole time employees of the Corporation and are being given salary/perks and other facilities according to the terms of appointment and the rules of the Corporation. Independent Directors are paid sitting fee only.

The Nomination & Remuneration Committee of the Board constituted under Section 178 of the Companies Act, 2013 has adopted the Remuneration Policy described in the Articles of the Association of the Company. Clause 61 (e) of the Articles of Association provides on the remuneration of the directors and is reproduced as under:

61(e) (i): *Remuneration of the Part-time Chairman/Chairman, all other Directors (whether whole time Director or not) shall from time to time be determined by the President of India. Such reasonable additional remuneration as may be fixed by the President of India, may be paid to anyone or more of the Directors for extra-or special services rendered by him or them or otherwise. A Director who is an employee of the Government shall not be entitled to any remuneration unless otherwise provided by the President of India.*

ii) *The Directors may allow and pay to any Director, who travels for the purpose of attending or returning from meeting of the Board of Directors or any Committee thereof or General Meetings, or in connection with the business of the Company, his travelling and hotel and other expenses incurred by him in consequence or for the purpose of his attendance, and in connection with the business of the Company. The Director may also be paid sitting fees, as may be decided by the Directors from time to time for attending such meetings as above specified and other remuneration payable to him.*

During the year under review i.e. 2016-17, the Non-official (Independent) Directors were paid the sitting fee as under:

i) Sitting fee of ₹ 10,000/- for each Meeting of the Board.

ii) ₹ 5,000/- for each meeting of the Audit Committee and ₹ 1000/- for each meeting of any other Committee of the Board including the separate meeting of Independent Directors.

For attending the meetings of the Board, General Meetings and for visits in connection with the affairs of the Corporation, the Corporation arranges Air Tickets, Conveyance, Boarding, Lodging and Meals etc. for the Independent Directors.

Except the above, Corporation did not have any pecuniary relationship or transactions with its existing directors during the period under review.

Ex-Directors of the Company, when they had served in ITDC Board for a minimum period of one year or more, are allowed certain concession & discount in ITDC Hotels as decided by the ITDC Board from time to time.

During the Financial Year 2016-17, none of the Directors of the Company held the shares in the Company. The details of remuneration paid to the Directors and Key Managerial Personnel are given in the Extract of the Annual Return which is the part of the Board's Report.

2 (d) Code of Conduct

The Code of Business Conduct & Ethics for the Board members and the Senior Management Personnel of the Corporation, as revised by the Company in its meeting held on 20th October, 2014 were posted on the website of the Corporation. The Corporation has obtained affirmation of compliance of the Code of Conduct by the Board Members and the Senior Management personnel.

2 (e) Management Discussion and Analysis

Management Discussion and Analysis Report forms part of the Board's Report.

2 (f) CEO/CFO Certification

CEO/CFO certification pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed at the end of this section.

(3) Audit Committee

Composition: During 2016-17, the composition of Audit Committee was as under:-

Name of the Director	Status	Remarks
Shri Ajay Swarup	Chairman (w.e.f. 13.01.17) Member (19.10.2016- 13.01.17)	Independent & Non-Executive
Dr. Usha Kiran Rai	Chairperson (19.10.2016- 09.12.2016) Member (upto 09.12.2016)	Independent & Non-Executive
Shri Patel Karsanbhai Bhikhabhai	Member (w.e.f. 13.01.2017)	Independent & Non-Executive
Smt Meenakshi Sharma	Member (w.e.f. 02.02.2017)	Part-time Government Nominee Director
Shri Sanjeev Ranjan	Member (19.10.2016- 01.02.2017)	Part-time Government Nominee Director

The Committee invites Statutory Auditors, Director (Finance), Director (C&M), Chairman & the Managing Director, Head of the Internal Audit Department and the senior executives of the Corporation to attend the meetings of the Committee.

During the financial year 2016-17, the Terms of Reference of the Audit Committee, as laid down by the Board of Directors in its meeting held on the 27th July 2001 and further as revised by the Board in its meeting held on 28th April, 2014 are as under:-

- i. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommending to the Board, the remuneration of the Statutory Auditors;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956 [now Section 134(5) of the Companies Act, 2013]
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements

- | | |
|--|---|
| <p>f. Disclosure of any related party transactions</p> <p>g. Qualifications in the draft audit report.</p> | <p>auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;</p> |
| <p>v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;</p> | <p>xi. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;</p> |
| <p>vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;</p> | <p>xii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;</p> |
| <p>vii. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;</p> | <p>xiii. To review the functioning of the Whistle Blower mechanism, in case the same is existing; and</p> |
| <p>viii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;</p> | <p>xiv. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.</p> |
| <p>ix. Discussing with internal auditors any significant findings and follow up thereon;</p> | <p>Explanation: The term “Related Party Transactions” shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.</p> <p>Further as per Listing Regulations, the Audit Committee shall mandatorily review the following :</p> |
| <p>x. Reviewing the findings of any internal investigations by the internal</p> | <p>i. Management discussion and analysis of financial condition and results of operations;</p> |

- ii. Statement of significant Related Party Transactions (as defined by the audit committee), submitted by management;
- iii. Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- iv. Internal Audit Reports relating to internal control weaknesses; and
- v. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

Section 177(4) of the Companies Act, 2013 requires that every Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall *inter alia*, include :

- i) The recommendation for remuneration of auditors of the company;
- ii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- iii) examination of the financial statement and the auditor's report thereon;
- iv) approval or any subsequent modification of transactions of the company with related parties;
- v) scrutiny of inter-corporate loans and investments;

- vi) valuation of undertakings or assets of the company, wherever it is necessary;
- vii) evaluation of internal financial controls and risk management system;
- viii) monitoring the end use of funds raised through public offers and related matters.

Section 177(5) of the Companies Act, 2013 states that the Audit Committee may call for the comments of the auditors about internal control system, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.

Meetings: During the year 2016-17, four meetings of the Audit Committee were held on 30.05.2016, 12.08.2016, 14.11.2016 and 14.02.2017. During the financial year 2016-17, one meeting of the Audit Committee was held with the Statutory Auditors, Branch Auditors and Internal Auditors on 23.03.2017 in which two directors (Sh. Ajay Swarup and Sh. Patel Karsanbhai Bhikhabhai) were present. This meeting was held pursuant to the requirement of Section 177(5) of the Companies Act, 2013, and pursuant to the requirement of the Corporate Governance Framework formed by the Comptroller & Auditor General of India (CAG). As per the above said requirements, Audit Committee should have at least one meeting with the Statutory Auditors without the presence of the Finance Officers/Management to discuss:

- i) Nature and Scope of Audit;
- ii) Adequacy of Internal Control System;
- iii) Post audit discussion to ascertain any area of concern.

The attendance of the members in the Audit Committee meetings was as under:-

Name of the Member	No. of Audit Committee Meetings held during tenure	No. of Audit Committee Meetings attended during tenure
Shri Ajay Swarup	3	3
Shri Patel Karsanbhai Bhikhabhai	2	2
Smt Meenakshi Sharma	2	1
Shri Anugolu Venkata Ratnam	2	2
Dr. Usha Kiran Rai	3	3
Shri Sanjeev Ranjan	4	3

The Chairman of the Audit Committee was present in the Annual General Meeting held on 29.09.2016 for the financial year 2015-16.

(4) Nomination & Remuneration Committee

The Board in its meeting held on 30th January, 2009 had constituted a Remuneration Committee as per the requirement of the DPE O.M. No. 2(70)/08-DPE(WC) dated 26.11.2008. The terms & reference of the Remuneration Committee is to consider and make recommendation on the following issues:

- a) Payment of Performance Related Pay (PRP),
- b) The level of executives, who will be provided company leased accommodation
- c) The other allowances and perks admissible to the different categories of the executives subject

to a maximum ceiling of 50% of the Basic Pay

- d) Development of a robust and transparent Performance Management System (PMS) by 31.03.2009. For the period 01.01.2007 and till a PMS is in place not later than 31.03.2009, the payment of PRP on the existing guidelines of DPE, which is limited to 5% of distributable profit in an enterprise; and
- e) Introduction of CTC concept in ITDC.

During the year 2016-17, the composition of the Committee was as under :

Name of the Director	Status	Remarks
Shri Ajay Swarup (w.e.f. 12.08.2016)	Chairman	Independent & Non-Executive
Smt. Meenakshi Sharma (w.e.f. 12.08.2016)	Member	Part-time Government Directors
Dr. Usha Kiran Rai (upto 09.12.2016)	Member	Independent & Non-Executive
Shri Patel Karsanbhai Bhikhabhai (w.e.f. 13.01.2017)	Member	Independent & Non-Executive

During the financial year 2016-17, one meeting of the Remuneration Committee was held on 12.08.2016. Two members of the Nomination & Remuneration Committee of the Board were present in the meeting.

The terms of reference of the Committee is to comply with the mandate given under Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI(LODR) Regulations, 2015. In addition, the Committee will decide the annual bonus/variable pay pool and policy for its distribution within the prescribed limits for the Board level, below Board level employees and Non-unionized supervisors following IDA pattern of pay scales as per requirement of the DPE Guidelines.

The details of remuneration paid to the Directors and Key Managerial Personnel during financial year 2016-17 were as under:-

Payment made to key management personnel (Board Members) and their relatives:

Remuneration: ₹ 107.46 lakh

Sitting fees: ₹ 2.47 lakh

Total: ₹ 109.93 lakh

(5) Share Transfer, Transmission, Issue of Duplicate Share Certificate and Issue of Share Certificate on receipt of Rematerialization requests

The Board of Directors in their meeting held on 07/12/2010 has delegated the power to approve Share Transfer Requests to M/s Karvy Computershare (Pvt) Ltd, the Registrar and Transfer Agent (RTA).

During the financial year 2016-17, one meeting of the Share Transfer Committee was held on 19.5.2016 for according approval to Re-materialization Requests. In the said Board Meeting, the Committee recommended to the Board to delegate the power of Transmission of Shares, Issue of Duplicate Share Certificate and Issue of Share Certificate on Re-materialization requests to a committee of executives of ITDC.

Regarding Transmission of shares, Issue of Duplicate Share Certificate and issue of Share Certificate on Rematerialization requests, the power has been delegated by the Board in the meeting held on 12th August, 2016 to a committee consisting of following persons :

- i) One Executive at GM(F&A) level
- ii) Company Secretary

(6) Stakeholders Relationship Committee

Pursuant to Section 178(5) of the Companies Act, 2013, the Board in its meeting held on 28th April, 2014 has re-designated and re-constituted the Grievance Redressal Committee as 'Stakeholders Relationship Committee'. During the year 2016-17 the composition of the Committee was as under:

- i) Shri Patel Karsanbhai Bhikhabhai, Independent Director : Chairperson
- ii) Dr. Usha Kiran Rai, Independent Director (upto 09.12.2016) : Member
- iii) Shri Ajay Swarup, Independent Director (w.e.f. 13.01.2017) : Member
- iv) Director (Finance) : Member

During the year 2016-17, no meeting of the Committee was held. As per the requirement of Regulation 20 of SEBI (LODR) Regulations, 2015 a quarterly report on Investors' Grievances and queries are placed before the Board as well as sent to the Stock Exchange.

Shareholders/Investors queries/grievances are normally attended within a period of 7-10 days from the date of receipt thereof, except in cases involving external agencies or compliance with longer procedural requirements specified by the authorities concerned. Shareholders/Investors grievances during the year 2016-17, are as under:-

Particulars	Received + outstanding at the beginning of the year	Redressed	Pending with Investors for completing procedural formalities
Non-receipt of Dividend Warrant	4	4	Nil

Name and address of the Compliance Officer is as under :

Mr. V K Jain, Company Secretary
India Tourism Development Corporation Ltd.
Scope Complex, Core 8, 6th Floor
7 Lodi Road, New Delhi - 110 003
Email : vkjain@theashokgroup.com
cs_itdc@theashokgroup.com
Tel: 011-24360249
Fax: 011-24360249

(7) Corporate Social Responsibility (CSR) & Sustainable Development (SD) Committee :

Board in its meeting held on 4th September, 2013 constituted a Board level Committee on CSR & SD. During the financial year 2016-17, the composition of the Committee was as under:

- i) Shri Patel Karsanbhai : Chairman
Bhikhabhai
- ii) C&MD : Member
- iii) Director (Commercial and Marketing) :
Member

During the financial year 2016-17, Three meetings of the Committee were held i.e. 12.08.2016, 14.11.2016 and 23.03.2017 in which all the members of the Committee were present.

(8) Separate Meeting of Independent Directors:

In accordance with the guidelines of the Department of Public Enterprises vide its OM No. 16(4)/2012-GM dated 28th December, 2012 amended vide O.M. No. 16(4)/2012-GM dated 20th June, 2013 and further pursuant to the requirement of Schedule IV to the Companies Act, 2013, Independent Directors held the separate meetings on 23.03.2017.

(9) General Body Meetings

The last three Annual General Meetings were held as under:-

Year ended	Day & Date	Time	Venue	Special Resolution
31.03.2014	29.09.2014 (Monday)	1600 hrs	Ashok Hotel, New Delhi	Alteration of Articles of Association & Approval of terms & conditions of Managing Director
31.03.2015	28.09.2015 (Monday)	1600 hrs	Ashok Hotel, New Delhi	No Special Resolution
31.03.2016	29.09.2016 (Monday)	1600 hrs	Ashok Hotel, New Delhi	No Special Resolution

Note: All the resolutions as set out in the respective AGM Notices, were duly passed by the Members. For AGM for the financial year ended 31.03.2016, all the resolutions were passed through voting (both electronic and physical).

(10) Disclosures

The status is as under:

(A) Disclosures on materially significant related party transactions

The Corporation has not entered into any materially significant related party transactions that may have potential conflict with the interests of the Corporation at large.

(B) Legal Compliance

During last three years no penalties or strictures have been imposed on the Corporation by Stock Exchanges or SEBI or any Statutory Authority on any matter related to Capital markets. However, the Stock Exchange sent letters, from time to time, on its observation on non-compliance of the Listing Regulations regarding Composition of the Board.

(C) Whistle Blower Policy

The Corporation has a Whistle Blower Policy which is posted on the website <http://www.theashokgroup.com/Aboutus/RTI>. No employee has been denied access to the Audit Committee in this regard. Being a Central Public Sector Enterprise, the Corporation has a Vigilance Department. Chief Vigilance Officer, the Head of the Vigilance Division, is under the direct control of the Central Vigilance Commission (CVC).

(D) The Corporation has generally complied with all the mandatory requirements of SEBI (LODR) Regulations, 2015 except for provision relating to Independent Directors as stated here-in-above. The Corporation has adopted following non-mandatory requirements of SEBI (LODR) Regulations, 2015:

- a) The second quarter results give the year to date performance which is the half yearly performance.
- b) The Internal Auditors submit their reports to the Internal Audit Department which co-ordinates with the units in preparing replies and submits the major observations, if any, to the Audit Committee.

(E) As per clause 3.5 of DPE Guidelines relating to Corporate Governance, powers of the Board have been described in clause 71 of the Articles of Association. Powers of the C&MD and the Functional Directors, which have been delegated from the Board, have been specified in the DoP of C&MD and the Functional Directors. Similarly, the powers of the Heads of Divisions of different divisions/units and the powers, wherever required, for functional staff down to the line of HoD have been specified in the DoP.

(11) Risk Management

In compliance with clause 17(9) of SEBI (LODR) Regulation 2015, Risk Management Policy laying down a sound process for identification and mitigation of risks, as approved by the Board in its meeting held on the 11th May 2010, has been circulated on the 23rd September 2010 and posted on the website of ITDC. In accordance with the policy, the unit head of all strategic divisions have been nominated as Risk Manager and a committee namely Risk Management Compliance Committee (RMCC) presently headed by Director (C&M) has been constituted to oversee and ensure compliances with the risk management policy of the Corporation.

During the financial year 2016-17, three meetings of the RMCC were held on 16.05.2016, 23.09.2016 and 07.11.2016.

(12) Subsidiary Companies

As per Regulation 16(1)(c) of the SEBI (LODR) Regulation 2015 “material subsidiary” shall mean a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

As per the above said definition, the Corporation does not have any materially unlisted subsidiary and hence is not required to have Independent Directors of the Corporation on the Board of such subsidiary. However, the executive Directors of the holding Company are non-executive part time Directors on the Board of Subsidiary Companies. The Corporation has submitted the minutes of the Board Meetings of the subsidiary companies to the ITDC Board on 12.04.2016 and 19.10.2016.

(13) Policy on Insider Trading

ITDC has adopted the Code of Conduct for Prevention of Insider Trading in accordance with the guidelines specified under the SEBI

(Prohibition of Insider Trading) Regulations, 1992 as amended from time to time. The Model code of Conduct is posted on the website of ITDC. Board in its meeting held on 29th May, 2015 had revised the Code for Prevention of Insider Trading pursuant to the new SEBI (Prohibition of Insider Trading) Regulations 2015. In clause 10 of the Revised Code, the principles of Fair Disclosure on Unpublished Price Sensitive Information were described. Under the Code ITDC shall follow these principles. The principles of Fair Disclosure on Unpublished Price Sensitive Information and the Code are posted on the website <http://www.theashokgroup.com>.

The Corporation, during the year, has not entered into transactions of material nature with the Directors/Management Personnel of the Corporation that may have potential conflict with the interests of the Corporation at large.

(14) Means of Communication

The Corporation communicates with its shareholders on an annual basis through the Annual Report. The quarterly, cumulative year to date and yearly financial results of the Corporation are sent to the Stock Exchanges immediately after they are approved by the Board. The results are published in leading English 'Hindustan Times' and local language newspapers 'Hindustan', having wide coverage. Official news releases are given directly to the press. Necessary arrangements have been made for hosting the quarterly results on the Corporation's website: www.theashokgroup.com. The Management discussion and Analysis is part of the Board's Report.

(15) Familiarization Programme

The Corporation has prepared a Familiarization program for Independent Directors. Details of attendance of the programme by the Independent Directors has been posted at the website of the company <http://www.theashokgroup.com/Aboutus/Investorcorner>.

(16) General Shareholder Information

- (i) AGM: Thursday, September 28, 2017.
- (ii) Financial Year: 1st April, 2016 to 31st March, 2017.
- (iii) Dividend: Dividend shall be paid to those shareholders whose name appear in the Books on the close of the Business hours of 24th September, 2017. Dividend shall be paid within 30 day of the date of Declaration of the Dividend in the Annual General meeting.
- (iv) Book Closure: Monday 25th September, 2017 to Thursday 28th September, 2017.
- (v) Listing of Shares: The Corporation's shares are listed on the Bombay Stock Exchange, National Stock Exchange and Delhi Stock Exchange. The Corporation has paid annual listing fees for the financial year 2016-17 to the BSE and NSE. The addresses of the Stock Exchanges are as under:-

Name of Stock Exchange	Stock Code
National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	ITDC (EQ)
The Bombay Stock Exchange, Mumbai (BSE) Phiroze Jeejeebhoy Towers, Dalal Street Mumbai - 400001	532189
The Delhi Stock Exchange Association Ltd (DSE) DSE House, 3/1, Asaf Ali Road New Delhi - 110 002	-

The Registration Number of the Corporation with the Registrar of Companies, NCT of Delhi

and Haryana is 55-4363. With the introduction of e-filing by the Ministry of Corporate Affairs, the Corporate Identification Number allotted to the Corporation is: L 74899 DL 1965 GOI 004363.

(vi) Market Price data: High and Low of ITDC market share price on Bombay Stock Exchange, No. of shares traded, turnover in 2016-17 are summarized as under:-

Year	Bombay Stock Exchange				National Stock Exchange							
	Rupees		Number of Shares Traded	Total Turnover (₹ in lakh)	Rupees		Number of Shares Traded	Total Turnover (₹ in lakh)				
2016-17	High	Low			High	Low						
April	252.99	236.65	229820	590.64	Listed on NSE on 30th December, 2016							
May	243.18	227.38	290744	714.69								
June	232.78	222.72	219263	850.82								
July	239.66	227.99	377077	962								
August	212.21	202.29	137801	281.40								
September	208.22	199.36	138252	258								
October	216.22	203.50	120882	254.27								
November	194.54	185.22	43636	824.02								
December	187.60	179.42	231950	472.88					234.00	210.20	122798	271.83
January	261.78	245.30	29446	2899					262.04	244.88	147961	429.47
February	378.29	351.10	47669	4067.02	378.31	350.31	181124	696.48				
March	410.50	391.20	360171	1478.20	410.26	391.20	43187	177.42				

The closing price of shares on Bombay Stock Exchange as on last working day of the March, 2017 i.e. 31.03.2017 was ₹ 414.30 whereas ₹ 411.95 on National Stock Exchange.

(vii) *Registrar and Share Transfer Agent:*

KARVY CUMPUTERSHARE PVT. LTD.
 Karvy Selenium Tower B, Plot No 31-32,
 Gachibowli, Financial District,
 Nanakramgude, Hyderabad-500 032
 Contact person: Sh. Ravi Shukla /
 Srikrishna Pemmaraju
 Email: einward.ris@karvy.com
 Tel No: 91 40 67162222
 Toll Free No.: 1800-345-4001
 Fax: 91 40 23001153

(viii) *Registered Office:* Scope Complex
 Core 8, 6th floor, 7 Lodi Road
 New Delhi - 110003

(ix) *Corporate Office and Address for Correspondence:* Scope Complex
 Core 8, 6th Floor, 7 Lodi Road
 New Delhi - 110003

(x) *Shareholding Pattern and Distribution of Shareholding:*

The shareholding pattern of the Corporation's Equity, as on 31.3.2017, is given in the Extract of the Annual Return attached with the Board's Report.

The distribution of shareholding as on 31st March, 2017 is as under:-

Distribution of Shareholding as on 31/03/2017				
Category (Shares)	No. of Holders	% To Holders	No. of Shares	% To Shares
upto 1- 5000	3843	90.4235	333602	0.389
5001- 10000	188	4.4235	156857	0.1829
10001- 20000	108	2.5412	165609	0.1931
20001- 30000	36	0.8471	92352	0.1077
30001- 40000	25	0.5882	87727	0.1023
40001- 50000	16	0.3765	74744	0.0871

50001- 100000	21	0.4941	143662	0.1675
100001 & Above	13	0.3059	84714847	98.7705
TOTAL:	4250	100.00	85769400	100.0001

(xi) *Dematerialization of Shares:* The Corporation's shares are admitted for dematerialization with NSDL and CDSL. As on 31st March, 2017, 85762076 numbers of shares constituting 99.99% are in dematerialized form. The entire promoter's holding are in dematerialized form. The ISIN Number is: INE353K01014.

(xii) *Investors' Correspondence:* Investors, for any matter related to share transfer, payment of dividend on shares, etc may contact the following:

Mr. V K Jain, Company Secretary
India Tourism Development
Corporation Ltd.
Scope Complex, Core 8, 6th Floor
7 Lodi Road, New Delhi - 110003
Email : vkjain@theashokgroup.com
cs_itdc@theashokgroup.com
Tel: 011-24360249
Fax: 011-24360249

KARVY CUMPUTERSHARE PVT. LTD.
Karvy Selenium Tower B, Plot No. 31-32,
Gachibowli, Financial District,
Nanakramgude, Hyderabad-500 032
Contact person : Shri Ravi Shukla /
Srikrishna Pemmaraju
E-mail : einward.ris@karvy.com
Tel : 91 40 67162222
Toll Free No.: 1800-345-4001
Fax : 91 40 23001153

(xiii) *Locations of Hotels and Other Units etc:* The list of Corporation's owned and managed Hotels, Duty Free Shops and ATT Units etc. are given in **Appendix**.

(xiv) *ADR/GDR:* No ADR/GDR issue was made by the Corporation nor any issue of any convertible instruments which has effect on the equity capital.

(xv) Financial Calendar

1st Quarterly Results	: on or before 15th August, 2017
2nd Quarterly Results	: on or before 15th November, 2017
3rd Quarterly Results	: on or before 15th February, 2018
4th Quarterly Results	: on or before 30th May, 2018
AGM for the year ending 31st March, 2017	: on or before 30th September, 2018

(xvi) Shareholders are requested to register their email Ids with their Depository Participants in case of Dematerialized shares and with the Registered Transfer Agent in case of Physical shares.

(xvii) *Nomination Facility:* Shareholders holding shares in physical form can nominate any person for the shares held by them. This will save the nominee from going through the lengthy process of getting the shares, later on, transmitted to his/her name.

(xviii) *General Shareholder Information:*

Registered Office:

India Tourism Development Corporation Ltd.
Scope Complex, Core 8, 6th Floor
7 Lodi Road, New Delhi - 110003
Tel : (011) 24360249
Fax : (011) 24360249
E-mail: vkjain@theashokgroup.com

DECLARATION

As provided under Regulation 34 of SEBI (LODR) Regulation 2015 with the Stock Exchanges, the Board Members and Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March 2017.

CEO/CFO Certification

It is certified that:

- (a) We have reviewed financial statements and the Cash Flow Statement for the year ended 31st March 2017 and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or statement that might be misleading; and
- (ii) These statements together present a true and fair view of the Corporation's affairs and are in compliance with existing accounting standards read along with explanation given relating to departures, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Corporation during the year which are fraudulent, illegal or violative of the Corporation's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Corporation pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
- (i) There have been no significant changes in internal control over financial reporting during the year;
- (ii) There have been no significant changes in accounting policies except the following :
- a) Policy No. 4- "Fixed assets and Depreciation" has been modified in compliance of Revised Accounting Standard, AS-10 Property Plant and Equipment (PPE), as much as the expense on Improvement to Building during the Financial Year 2016-17, has been capitalized with a useful life of 7 years as estimated by the Management.
- The above changes have been made for compliance with an Accounting Standard and have no impact on the accounts; and
- (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For and on behalf of
India Tourism Development Corporation Ltd.

Sd/-
(Pradip Kumar Das)
Director (Finance)
& CFO

Sd/-
(Piyush Tiwari)
Chairman &
Managing Director

Place: New Delhi
Dated: 30.05.2017

Annexure-II(ii)

**Auditor's Certificate on
Compliance with the Conditions
of Corporate Governance
under Para E to Schedule V
of SEBI (LODR) Regulations,
2015**

To

The Members of
India Tourism Development Corporation Limited
New Delhi

1. We have examined the compliance of conditions of Corporate Governance by India Tourism Development Corporation Limited ("the Company"), for the year ended 31st March, 2017, as stipulated in the Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").
2. We have conducted our examination on the basis of the relevant records and documents maintained by the Company for the year ended 31st March, 2017 and furnished to us for the purpose of the review and the information and explanations given to us by the Company during the course of such review.
3. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementations thereof, adopted by the Company for

ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of Company.

4. In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement, subject to the following :-

As required by the sub-regulation (1) of Regulation 17 of the Listing Regulations, the Company does not fulfil the minimum requirement of Independent Directors till the year ending 2016-17. As on 31st March, 2017, the Company required at least one more Independent Director to fulfil the requirements of the same.

5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Kishore and Kishore
Chartered Accountants
(FRN 000291N)

Sd/-
(Anshu Gupta)
Partner
M.No. 077891

Place : New Delhi
Dated : 16.08.2017

Management’s Replies to the Observations of Auditors on Corporate Governance for the Year 2016-17

Audit Observations	Management’s Reply
<p>As required by the sub-regulation (1) of Regulation 17 of the Listing Regulations, the Company does not fulfil the minimum requirement of Independent Directors till the year ending 2016-17. As on 31st March, 2017, the Company required at least one more Independent Director to fulfil the requirements of the same.</p>	<p>In the case of Central Public Sector Undertaking (CPSEs), the Directors are appointed by the Administrative Ministry through a procedure prescribed by the Department of Public Enterprises. The Administrative Ministry has appointed one Independent Director on 7th October, 2013 whose tenure expired on 6th October, 2016 and another Independent Director on 10th December, 2013 whose tenure expired on 9th December, 2016. Further two Independent directors were appointed on 8th August, 2016. The process of appointing more independent directors as required under SEBI (LODR) Regulations, 2015 is under consideration of the Administrative Ministry i.e. Ministry of Tourism.</p>

The Network of ITDC Services (as on 31.03.2017)

A. ASHOK GROUP OF HOTELS

1. Ashok Hotel, New Delhi
2. Hotel Janpath, New Delhi
3. Hotel Samrat, New Delhi
4. Lalitha Mahal Palace Hotel, Mysore
5. Hotel Jaipur Ashok, Jaipur
6. Hotel Jammu Ashok, Jammu
7. Hotel Patliputra Ashok, Patna
8. Hotel Kalinga Ashok, Bhubaneswar

B. RESTAURANT

1. Taj Restaurant, Agra

C. TRAVEL/TRANSPORT UNITS

1. Varanasi
2. Bengaluru
3. Chennai
4. Aurangabad
5. Patna
6. Delhi
7. Kolkata
8. Mumbai
9. Hyderabad
10. Guwahati
11. Ranchi

D. DUTY FREE SHOPS

1. Kolkata Seaport
2. Haldia Seaport
3. Chennai Seaport
4. Goa Seaport

5. New Mangalore Seaport
6. Vizag Seaport
7. Mumbai Seaport
8. Paradip Seaport
9. Kakinada Seaport
10. Krishnapatnam Seaport

E. SOUND & LIGHT SHOWS

1. Red Fort, Delhi
2. Purana Qila, Delhi

F. JOINT VENTURE HOTELS

1. Hotel Brahmaputra Ashok, Guwahati
2. Hotel Ranchi Ashok, Ranchi
3. Hotel Nilachal Ashok, Puri
(Closed since March 2004)
4. Hotel Pondicherry Ashok, Puducherry
5. Hotel Lake View Ashok, Bhopal
6. Hotel Donyi Polo Ashok, Itanagar

G. MANAGED UNITS

1. Hotel Bharatpur Ashok, Bharatpur
2. Kosi Restaurant, Kosi

H. CATERING ESTABLISHMENTS

1. State Guest House & Hospitality Centre at Hyderabad House, New Delhi
2. Western Court Catering Service, New Delhi
3. Ashok Mayur Restaurant at Vigyan Bhawan, New Delhi
4. Taj Restaurant, Agra
5. Pravasi Bharatiya Kendra, New Delhi

Annual Report on CSR Activites

1. **A brief outline of the company’s CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:**

CSR Policy as recommended by the CSR Committee in its meeting held on 14th November, 2016 and approved by the Board in its meeting held on 14th November, 2016 is placed at **Annexure- A**.

The CSR Committee and the ITDC Board in its meeting held on 12th August, 2016 recommended the adoption of monuments in line with Qutub Minar under CSR spent. In the CSR Committee Meeting and Board Meeting held on 23rd March, 2017, it was recommended and approved to give the unspent amount of CSR in the ‘Swachh Bharat Kosh’.

During the financial year 2016-17, ITDC has undertaken the following activities under CSR:

- (i) Expenditure on adoption of monuments Red Fort and Old Fort in line with Qutub Minar, with the motto “Swachh Smarak, Swachh Paryatan, Swachh Bharat”.
- (ii) Contribution to Swachh Bharat Kosh

ITDC is committed to act in a socially, economically and sustainable manner at all times. It will continue to invest in the projects which lead to environmental sustainability. ITDC will produce goods and services which are safe and healthy for the consumers and the environment.”

Web-link to the CSR policy : <http://www.theashokgroup.com/Aboutus/Investorcorner>

2. **The Composition of CSR Committee :** Composition of the Committee as re-constituted by the Board is as under :
- 1. Shri Patel Karsanbhai Bhikhabhai, Independent Director: Chairman
 - 2. Director Commercial & Marketing-ITDC: Member
 - 3. C&MD-ITDC: Member
3. **Average net profit of the company for last three financial years :** ₹ 2776.66 lakh

Particulars	₹ in lakh
Financial Year 2015-16	3241.86
Financial Year 2014-15	3895.00
Financial Year 2013-14	1193.12

4. **Prescribed CSR expenditure (two per cent of the amount as in item 3 above) :** ₹ 55.53 lakh
5. **Details of CSR spent during the financial year:**
- (a) Total amount to be spent for the financial year : ₹ 55.53 lakh
 - (b) Amount unspent, if any: ₹ 1.64 lakh (To be paid- Liability created)
 - (c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR Project or Activity Identified	Sector in which the Project is covered	Project or programmes (1) Local area or other (2) Specify the State and district where projects or programmes were undertaken	Amount outlay (budget) project or programmes wise	Amount spent on the projects or programmes sub-heads: (1)Direct expenditure on projects or programmes (2)Over-heads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	a) Cleaning of Qutub Minar b) CSR activities like toilet renovation work in Qutub Minar c) 20 Nos. Of Jackets by Ashok Events	Protection of national heritage, art and culture including restoration of buildings and sites of historical importance	Delhi		₹ 12.25 lakh ₹ 4.32 lakh ₹ 0.105 lakh	₹ 12.25 lakh ₹ 4.32 lakh ₹ 0.105 lakh	<i>Direct (To be paid-Liability created)</i>
2	Cleaning of: 1. Red Fort 2. Purana Quila		Delhi		₹ 6.17 lakh	₹ 6.17 lakh	<i>Direct</i>
3	Contribution to Swachh Bharat Kosh	Deposited in Swachh Bharat Kosh Account			₹ 36.48 lakh	₹ 36.48 lakh	<i>Direct</i>
	Total				₹ 59.33 lakh	₹ 59.33 lakh	

3. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board's Report: Nil

We hereby affirm that the CSR Policy as approved by the Board, has been implemented and the

CSR Committee monitors the implementation of the CSR Projects and Programmes in compliance with CSR Policy.

Sd/-

Ravneet Kaur
(Chairperson &
Managing Director)

Sd/-

Patel Karsanbhai
Bhikhabhai
(Chairman of CSR
Committee)

Report on Sustainable Development Activities

Under Sustainable Development Activities, ITDC carried out following activities in 2016-17:

S.No.	Name of Work	Amount of Work done	Date of start	Date of completion
1.	Organic Waste converter at Hotel Janpath, New Delhi	₹ 8, 41, 949.00	04.04.2016	13.05.2016
2.	Installation of 120 KW solar power generation system at Hotel Ashok, New Delhi	Scheme has been changed from CAPAX to OPEX. Under Estimation Stage and shall be floated soon. (₹ 97 lakh)		

Annexure - A

CSR & Sustainability Policy

Corporate Objectives on CSR & Sustainability

ITDC Board in its meeting held on 12th August, 2016 directed to choose the CSR Activities including “Swachh Bharat” in tune with objectives of ITDC and which are easy to monitor. While selecting CSR activities & projects from the activities listed in Schedule VII of the Act, ITDC shall give priority to projects which are in tune with the objectives of ITDC. Objective of ITDC is to acquire a leading position in hospitality and tourism sector. Board advised to take up CSR activities in tourism related areas as tourism is one of the core area ITDC is working in.

Commitment to Sustainability

ITDC is committed to act in a socially, economically and sustainable manner at all times. It will continue to invest in the projects which lead to environmental sustainability. ITDC will produce goods and services which are safe and healthy for the consumers and the environment.”

Scope of the CSR & Sustainability Policy

- This Policy for CSR & Sustainability applies to formulation, implementation, monitoring, documentation and reporting of CSR and sustainability activities taken up by ITDC.
- This policy does not cover activities undertaken in pursuance of ITDC’s

normal course of business and activities exclusively for benefit of ITDC’s employees or their family, as the same are not considered as CSR & Sustainability activities.

- This Policy is intended to be in conformity with the provisions of Companies Act 2013 and DPE Guidelines on CSR. In case of any contradiction between this policy and provisions of the Companies Act, the latter shall prevail.
- Any new provision arising out of amendments to Companies Act, 2013 or rules made there under shall be construed to be a part of this policy. However, such new provisions shall be specifically incorporated in the policy.

Institutional Set Up

In line with the Companies Act, 2013, the institutional set up is as follows:

A Corporate Social Responsibility Committee of the Board (‘the CSR Committee’) has been constituted consisting of three i.e. C&MD, Director (C&M) and one Independent Director who is also the Chairman of the Committee.

Role & Responsibilities of the Corporate Social Responsibility Committee

- Formulation & recommendation to the Board, a Corporate Social Responsibility Policy, which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Act

- Monitor CSR policy of the Company from time to time
- Recommendation of the amount of expenditure to be allocated for activities as per Schedule VII
- Recommend/review of CSR projects / programs / proposals falling within the purview of Schedule VII of the Act.
- Institute a transparent monitoring mechanism for implementation of the CSR projects/ programs / activities undertaken by the company
- Approve the content of annual report on CSR activities as per proforma given in the Rules, inter-alia covering responsibility statement that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company;
- Chairman CSR Committee will sign the annual report on CSR activities to be included in the Board's Report;
- Comply with the other requirements on Corporate Social Responsibility and Sustainability as amended from time to time.

The ultimate discretion in the selection and implementation of CSR activities vest in the Board of Directors of ITDC who take the decision in the best interest of the Company, keeping in view the objectives of ITDC, organizational capability and resource capacity.

Role & Responsibilities of the Board

- To approve CSR Policy for the Company, after taking into account recommendations made by CSR Committee of the Board, and disclose the contents of such policy in its report.
- To ensure that activities in its CSR policy are related to activities included in Schedule VII,
- To ensure spending of at least 2% of average net profits of the company made during three immediately preceding financial years. If the company fails to spend such amount, the Board shall, in its report, specify the reasons for not spending the amount.

CSR Programme formulation

CSR programme undertaken by ITDC include activities specified in Schedule VII of the Companies Act, 2013 & rules made thereunder.

Focus area of CSR programme/project is "Swachh Bharat" in relation to Tourism & Hospitality. ITDC would undertake CSR activities preferably in historical monuments and tourist spots of national importance, with the motto of Swachh Smarak, Swachh Paryatan and Swachh Bharat. Preference for CSR activities would be given to local areas (within the district) around ITDC's operations, ensuring that majority CSR funds are spent for activities in local areas.

The Company would prepare an annual plan for each year within above defined scope and within the budgetary provisions, which will be placed before the Board for approval, as the

case may be. The target beneficiaries, the local authorities, professionals and institutions etc. involved in similar activities if need be, may be consulted/ associated in the process of planning and implementation of the CSR programmes.

Adequate care is taken to ensure that there is no duplication of CSR & Sustainability projects with that of government's programmes.

The Company will abstain from carrying out following activities under CSR:

- i) Activities concerned with religion like construction of temple/mosque etc.
- ii) Activities disturbing social harmony in any manner.

Fund Allocation & Expenditure

In line with the requirement of the Companies Act 2013, ITDC is to spend two percent of the average net profits (to be calculated in accordance with the provisions of Section 198 of the Companies Act, 2013) made during the three immediately preceding financial years, for CSR activities/projects.

Funds allocated are earmarked for CSR & Sustainability programs/ activities approved by CSR Committee . ITDC endeavours to fully spend the funds annually allocated for CSR activities/ projects. The un-utilized amount if any, will not lapse, if not spent in that year and will be carried over to the next year which may accumulate for expenditure on CSR activities, which were planned for implementation in the previous year, but could not be completed due to some reason.

Any expenditure incurred by ITDC on the activities relating to corporate social responsibility referred to in Section 135 of the Companies Act, 2013 shall not be deemed to be an expenditure incurred by ITDC for the purposes of the business or profession.

CSR expenditure shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities approved by the Board on the recommendations of its CSR Committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

Surplus arising out of any CSR projects/ activities does not form part of business profit of ITDC.

CSR Programme Implementation

CSR Projects are generally executed and implemented through in-house department. ITDC shall strive to fully exploit their core competence and mobilize their resource capabilities in the implementation of CSR activities / projects, as also to align CSR and Sustainability policy with their business policies and strategies to the extent possible, and shall select such CSR activities / projects which can be better monitored through in- house expertise. Wherever required assistance/collaboration of local authorities associated with the chosen destination would also be taken.

Monitoring

Monitoring would be done to ensure timely completion of activities and to achieve deliverables. Regular reviews of CSR Project

would be done by a designated officer of the Corporation, wherein performance would be assessed, bottlenecks would be identified and remedial measures of CSR project would be taken.

Reporting

CSR & Sustainability activities undertaken by ITDC are disseminated to the stakeholders through Company's Annual Report. These reports are made available in public domain by uploading them on ITDC website.

The CSR & Sustainability Policy is uploaded on the Company's website. Further CSR Activities approved by the Board will also be displayed on Company's website. The Board's Report under Section 134(3) of the Act shall disclose:-

- (i) composition of the Corporate Social Responsibility Committee of the Board
- (ii) details about the policy implemented by the company on corporate social responsibility during the year
- (iii) the contents of CSR Policy in CSR Report

The Company may publish a Corporate Brochure from time to time, highlighting the CSR initiatives undertaken, for dissemination to various stakeholders.

Text of Section 135 of the Companies Act, 2013

135. Corporate Social Responsibility

- (1) Every company having net worth of rupees five hundred crore or more, or

turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

- (2) The Board's Report under sub-section (3) of Section 134 shall disclose the composition of the Corporate Social Responsibility Committee.
- (3) The Corporate Social Responsibility Committee shall-
 - (a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
 - (b) recommend the amount of expenditure to be incurred on the activities referred to in Clause (a); and
 - (c) monitor the Corporate Social Responsibility Policy of the company from time to time.
- (4) The Board of every company referred to in sub-section (1) shall,-
 - (a) after taking into account the recommendations made by the Corporate Social Responsibility Committee, approve the Corporate Social Responsibility Policy for the company and disclose contents of such Policy in its report and also place it on

the Company's website, if any, in such manner as may be prescribed; and

(b) ensure that the activities as are included in Corporate Social Responsibility Policy of the company are undertaken by the company.

(5) The Board of every company referred to in sub-section (1), shall ensure that the company spends, in every financial year, at least two per cent. of the

average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy:

Provided that the company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility Activities.

SCHEDULE VII (See Section 135)

Activities which may be included by companies in their Corporate Social Responsibility Policies Activities relating to:–

- | | |
|---|---|
| <ul style="list-style-type: none"> (i) Eradicating hunger, poverty and malnutrition, “promoting health care including preventive healthcare” and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water. (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. (iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups. (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga]. | <ul style="list-style-type: none"> (v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts; (vi) measures for the benefit of armed forces veterans, war widows and their dependents; (vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports (viii) contribution to the prime minister’s national relief fund or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women; (ix) contributions or funds provided to technology incubators located within academic institutions which are approved by the central govt. (x) rural development projects (xi) slum area development. |
|---|---|

Explanation.- For the purposes of this item, the term `slum area’ shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

**Replies to the Comments contained in Statutory Auditor's Report
to the Members of India Tourism Development Corporation
Limited on the Consolidated Financial Statement for the year
ended 31st March, 2017**

Para on Basis for Qualified Opinion	Management Reply
(a) (i)	The Deferred Tax Assets of ₹ 25.65 Lakh created as per AS-22 will be reviewed during the year 2017-18 and appropriate action to be taken as required.
(a) (ii)	The necessary adjustment for Bar License renewal amount of ₹ 2.5 Lakh for the F.Y. 2017-18 will be carried out during the current financial year.

Replies to Observation of Statutory Auditors contained in Annexure to the Report on the Financial Statement for the Year ended 31st March, 2017

Para No.	Management Reply
“Annexure A”	
i) (a),(b)&(c)	Noted for Compliance
ii)	Noted for Compliance
iii) & iv)	No Comments
v)	No Comments
vi)	No Comments
vii)(a)	Noted for Compliance
vii)(b)	Since the Matters of Sales Tax, Income Tax, Luxury Tax, Custom Duty etc. are under appeals with the appropriate authorities, therefore, pending decision, the same have been included in the Contingent Liabilities in the Notes to Accounts.
viii) to xvi)	No Comments

On the observation given above and noted for compliance, all the units will be advised to take appropriate corrective action to ensure that the same are not repeated in the coming year accounts.

Replies to Observation of Statutory Auditors contained in Annexure to the Report on the Consolidated Financial Statement for the Year ended 31st March, 2017

Para No.	Management Reply
“Annexure A”	
i) (a),(b)&(c)	Noted for Compliance
ii)	Noted for Compliance
iii) & iv)	No Comments
v)	No Comments
vi)	No Comments
vii)(a)	Noted for Compliance
vii)(b)	Since the Matters of Sales Tax, Income Tax, Luxury Tax, Custom Duty etc. are under appeals with the appropriate authorities, therefore, pending decision, the same have been included in the Contingent Liabilities in the Notes to Accounts.
viii) to xvi)	No Comments

On the observation given above and noted for compliance, all the units will be advised to take appropriate corrective action to ensure that the same are not repeated in the coming year accounts.

Annexure-VI

Form No. MR-3 Secretarial Audit Report for the Financial Year Ended 31st March, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Personnel) Rules, 2014]

To
The Members
India Tourism Development Corporation Limited
Scope Complex, Core 8
6th Floor, 7 Lodi Road
New Delhi-110003

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s **India Tourism Development Corporation Limited (CIN L74899DL1965GOI004363)** (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017, according to the provisions of:

- (i) The Companies Act, 2013 (the 'Act') and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the Company during the audit period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014;
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (vi) Other laws which are specifically applicable to the Company namely:
 - 1) The Contract Labour (Regulation & Abolition) Act, 1970
 - 2) Food Safety and Standards Act, 2006
 - 3) Water (Prevention and Control of Pollution) Act, 1974
 - 4) Water (Prevention and Control of Pollution) Cess Act, 1977
 - 5) Air (Prevention and Control of Pollution) Act, 1981
 - 6) Environment (Protection) Act, 1986

I have also examined compliance with the applicable clauses of-

- (a) The Listing Agreements entered into by the Company with the Stock Exchanges.
- (b) Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards etc. mentioned above.

I further report that:

The Compliance by the Company of applicable financial laws, like direct and indirect taxes laws, has not been reviewed in Audit since the same have been subject to review by Statutory Financial Audit and other designated professional.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors except minimum requirement of Independent Directors. i.e. 50% of the Board under Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Presently Company is having two independent directors on their Board. However, the Company has approached to the Ministry of Tourism, Govt. of India, being the administrative ministry to consider for appointment of independent directors on the Board of the Company so as to make the Company compliant with legal requirement. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and

clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee(s) of the Board as the case may be.

I further report that:

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period no specific events/actions were taken by the company which has major bearing on

the Company's affairs in pursuance of the Act, Rules, Regulations, Guidelines, Standards, etc. referred above.

For Chandradip Bharti & Associates,
Company Secretaries

Sd/-
(Chandradip Bharti)

Proprietor

Date: 30.08.2017

M.No. 7098

Place: New Delhi

CP No. 14770

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure-A

To
The Members
India Tourism Development Corporation Limited
Scope Complex, Core 8
6th Floor, 7 Lodi Road
New Delhi-110003

Sir,

Our Secretarial Audit Report for the financial year 2016-17 of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provided a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records,

labour laws records, personal records of employees and books of accounts of the Company as these do not fall under the specific applicable laws.

4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other specific applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy, effectiveness with which the management has conducted the affairs of the Company.

For Chandradip Bharti & Associates,
Company Secretaries

Sd/-
(Chandradip Bharti)
Proprietor
M.No. 7098
CP No. 14770

Date: 30.08.2017
Place: New Delhi

Management’s Explanation to the Observation and Remarks of the Secretarial Auditor in his Report under Section 204(1) of the Companies Act, 2013

Observation/Remarks	Explanation
<p>The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors except minimum requirement of Independent Directors. i.e. 50% of the Board under Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Presently Company is having two independent directors on their Board. However, the Company has approached to the Ministry of Tourism, Govt. of India, being the administrative ministry to consider for appointment of independent directors on the Board of the Company so as to make the Company compliant with legal requirement. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.</p>	<p>In the case of Central Public Sector Undertaking (CPSEs), the Directors are appointed by the Administrative Ministry through a procedure prescribed by the Department of Public Enterprises. The Administrative Ministry has appointed one Independent Director on 7th October, 2013 whose tenure expired on 6th October, 2016 and another Independent Director on 10th December, 2013 whose tenure expired on 9th December, 2016. Further two Independent directors were appointed on 8th August, 2016. The process of appointing more independent directors as required under SEBI (LODR) Regulations, 2015 is under consideration of the Administrative Ministry i.e. Ministry of Tourism.</p>

Annexure-VIII

Form No. MGT-9 (Extracts of Annual Return) As on the Financial Year ended on 31st March, 2017

(Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014)

I. Registration and Other Details

- (i) CIN: L74899DL1965GOI004363
- (ii) Registration Date : 31st March, 1965
- (iii) Name of the Company : India Tourism Development Corporation Limited
- (iv) Category/Sub-Category of the Company: Company Limited by Shares/Union Government Company

- (v) Address of the Registered office and contact details : Scope Complex, Core '8', 6th Floor, 7 Lodi Road, New Delhi - 110 003 Telefax : 011-24360249 E-mail: vkjain@theashokgroup.com Website: http://www.theashokgroup.com
- (vi) Whether listed Company : Yes

II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the Company are as under:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ Service (as per NIC 2008)	% to Total Turnover of the Company
1.	Hotels	55101	57.06
2.	Tours & Travels	79120	24.85

III. Particulars of Holding, Subsidiary and Associate Companies

Sl. No.	Name & Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Ranchi Ashok Bihar Hotel Corporation Limited	U55100BR1983SGC001855	Subsidiary	51	2(87)(ii)
2	Madhya Pradesh Ashok Hotel Corporation Limited	U55101MP1985SGC002735	Subsidiary	51	-do
3	Assam Ashok Hotel Corporation Limited	U55101AS1985GOI002306	Subsidiary	51	-do
4	Donyi Polo Ashok Hotel Corporation Limited	U55101AR1987SGC002759	Subsidiary	51	-do
5	Pondicherry Ashok Hotel Corporation Limited	U17111PY1986SGC000417	Subsidiary	51	-do
6	Punjab Ashok Hotel Company Limited	U45202CH1998SGC021936	Subsidiary	51	-do
7	Utkal Ashok Hotel Corporation Limited	U55101OR1983GOI001276	Subsidiary	98	-do
8	ITDC Aldeasa India Pvt. Ltd.	U45400DL2007PTC168375	Associate	50	2(6)

IV. Shareholding Pattern (Equity Shares Capital Break-Up as percentage of Total Equity)

(i) Category-wise Shareholding

Category Code	Category of Shareholder	No. of Shares held at the beginning of the year 01/04/2016			
		Demat	Physical	Total	% of Total Shares
(I)	(II)	(III)	(IV)	(V)	(VI)
(A)	PROMOTER AND PROMOTER GROUP				
(1)	INDIAN				
(a)	Individual /HUF	0	0	0	0.00
(b)	Central Government/State Government(s)	74641681	0	74641681	87.03
(c)	Bodies Corporate	0	0	0	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00
(e)	Others	0	0	0	0.00
	Sub-Total A(1) :	74641681	0	74641681	87.03
(2)	FOREIGN				
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00
(b)	Bodies Corporate	0	0	0	0.00
(c)	Institutions	0	0	0	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00
(e)	Others	0	0	0	0.00
	Sub-Total A(2) :	0	0	0	0.00
	Total A=A(1)+A(2)	74641681	0	74641681	87.03
(B)	PUBLIC SHAREHOLDING				
(1)	INSTITUTIONS				
(a)	Mutual Funds/UTI	0	0	0	0.00
(b)	Financial Institutions /Banks	3436529	0	3436529	4.01
(c)	Central Government / State Government(s)	0	0	0	0.00
(d)	Venture Capital Funds	0	0	0	0.00
(e)	Insurance Companies	0	0	0	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00
(i)	Others	0	0	0	0.00
	Sub-Total B(1) :	3436529	0	3436529	4.01

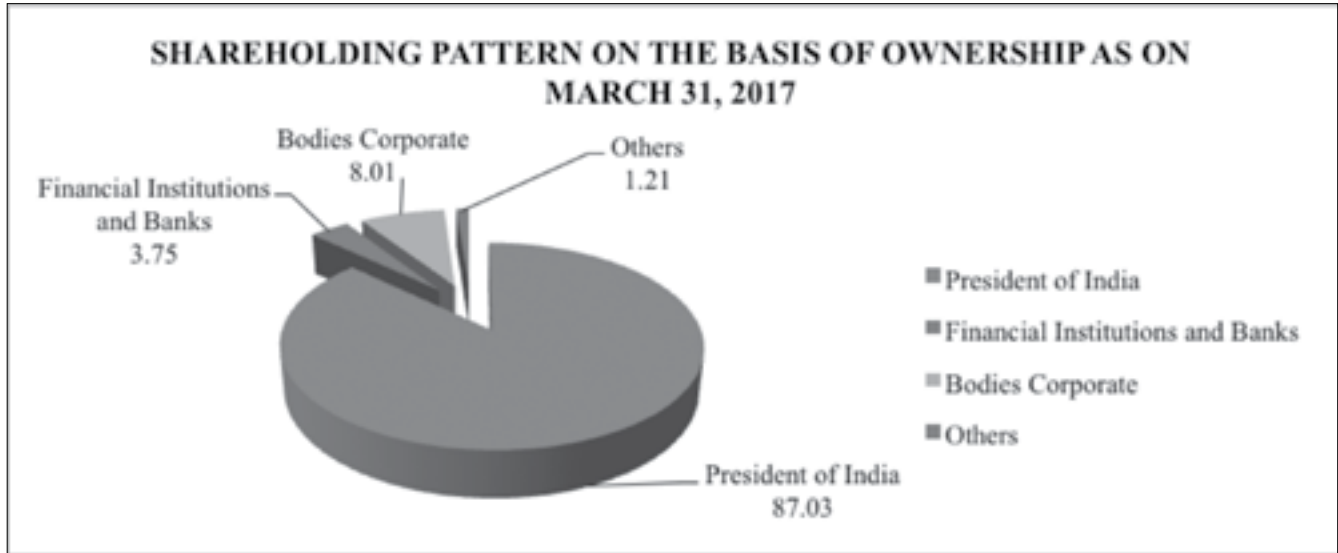
No. of Shares held at the end of the year 31/03/2017					% Change during the year
Demat	Physical	Total	% of total Shares		
(VII)	(VIII)	(IX)	(X)	(XI)	
0	0	0	0.00	0.00	
74641681	0	74641681	87.03	0.00	
0	0	0	0.00	0.00	
0	0	0	0.00	0.00	
0	0	0	0.00	0.00	
74641681	0	74641681	87.03	0.00	
0	0	0	0.00	0.00	
0	0	0	0.00	0.00	
0	0	0	0.00	0.00	
0	0	0	0.00	0.00	
0	0	0	0.00	0.00	
0	0	0	0.00	0.00	
74641681	0	74641681	87.03	0.00	
0	0	0	0.00	0.00	
3213380	0	3213380	3.75	-0.26	
0	0	0	0.00	0.00	
0	0	0	0.00	0.00	
0	0	0	0.00	0.00	
1010	0	1010	0.00	0.00	
0	0	0	0.00	0.00	
0	0	0	0.00	0.00	
0	0	0	0.00	0.00	
3214390	0	3214390	3.75	-0.26	

Category	Code	Category of Shareholder	No. of Shares Held at the beginning of the year 01/04/2016			
			Demat	Physical	Total	% of Total Shares
(I)	(II)	(III)	(IV)	(V)	(VI)	
(2)		NON-INSTITUTIONS				
(a)		Bodies Corporate	6868261	0	6868261	8.01
(b)		Individuals				
	(i)	Individuals holding nominal Share Capital up to ₹ 1 lakh	671575	7811	679386	0.79
	(ii)	Individuals holding nominal Share Capital in excess of ₹ 1 lakh	88195	0	88195	0.10
(c)		Others				
	(i)	CLEARING MEMBERS	48943	0	48943	0.06
	(ii)	NON RESIDENT INDIANS	6405	0	6405	0.01
	(iii)	NRI NON-REPATRIATION	0	0	0	0.00
(d)		Qualified Foreign Investor	0	0	0	0.00
		Sub-Total B(2) :	7683379	7811	7691190	8.97
		Total	11119908	7811	11127719	12.97
		Total (A+B) :	85761589	7811	85769400	100.00
		Shares held by custodians against which Depository Receipts have been issued				
	(i)	Promoter and Promoter Group	0	0	0	0.00
	(i)	Public	0	0	0	0.00
		GRAND TOTAL (A+B+C) :	85761589	7811	85769400	100.00

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in Share Holding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares pledged/encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares pledged/encumbered to Total Shares	
1	The President of India	7,46,41,681	87.03	Nil	7,46,41,681	87.03	Nil	Nil
	Total	7,46,41,681	87.03	Nil	7,46,41,681	87.03	Nil	Nil

No. of Shares Held at the end of the year 31/03/2017					% Change during the year
	Demat	Physical	Total	% of Total Shares	
	(VII)	(VIII)	(IX)	(X)	(XI)
	7024390	0	7024390	8.19	0.18
	802212	7324	809536	0.94	0.15
	50696	0	50696	0.06	-0.04
	22522	0	22522	0.03	-0.03
	5355	0	5355	0.01	0.00
	830	0	830	0.00	0.00
	0	0	0	0.00	0.00
	7906005	7324	7913329	9.23	0.26
	11120395	7324	11127719	12.97	0.00
	85762076	7324	85769400	100.00	0.00
	0	0	0	0	0.00
	0	0	0	0.00	0.00
	85762076	7324	85769400	100.00	0.00



(iii) Change in Promoters' Shareholding

There was no change in the Shareholding of Promoters during the financial year 2016-17.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Folio/ DP-ID Client ID	Category	Type	Name of the Shareholder	Shareholding at the beginning of the year		Date	Increase/ Decrease in Share holding	Reason	Cumulative Shareholding during the year		
					No. of Shares	% of total Shares of of the company				No. of Shares	% of total Shares of of the company	
1	AAACT 3957G	LTD	Opening Balance	THE INDIAN HOTELS COMPANY LIMITED	6750275	7.87	31/03/2016			6750275	7.87	
			Closing Balance				31/03/2017		6750275	7.87		
2	AAACL 0582H	IFI	Opening Balance	LIFE INSURANCE CORPORATION OF INDIA	3016729	3.52	31/03/2016			3016729	3.52	
			Closing Balance				31/03/2017		3016729	3.52		
3	AAACD 4249B	BNK	Opening Balance	Dena Bank Investment	310100	0.36	31/03/2016				310100	0.36
			Sale				20/01/2017	-33815	Transfer	276285	0.32	
			Sale				27/01/2017	-68901	Transfer	207384	0.24	
			Sale				03/02/2017	-11591	Transfer	195793	0.23	
			Sale				10/02/2017	-75000	Transfer	120793	0.14	
			Sale				17/02/2017	-20793	Transfer	100000	0.12	
			Sale				03/03/2017	-11900	Transfer	88100	0.10	
			Sale				24/03/2017	-13656	Transfer	74444	0.09	
			Sale				31/03/2017	-16223	Transfer	58221	0.07	
			Closing Balance				31/03/2017			58221	0.07	

Sl. No.	Folio/ DP-ID-Client ID	Category	Type	Name of the Shareholder	Shareholding at the beginning of the year		Date	Increase/ Decrease in Share holding	Reason	Cumulative Shareholding during the year	
					No. of Shares	% of total Shares of of the company				No. of Shares	% of total Shares of of the company
4	AAACN 4165C	IFI	Opening Balance	THE NEW INDIA ASSURANCE COMPANY LIMITED	109700	0.13	31/03/2016			109700	0.13
			Closing Balance				31/03/2017		109700	0.13	
5	AACCE 0677N	LTD	Opening Balance	EDELWEISS CUSTODIAL SERVICES LTD	0	0.00	31/03/2016			0	0.00
			Purchase				03/03/2017	50962	Transfer	50962	0.06
			Sale				10/03/2017	-15597	Transfer	35365	0.04
			Sale				17/03/2017	-5737	Transfer	29628	0.03
			Purchase				24/03/2017	2139	Transfer	31767	0.04
			Purchase				31/03/2017	872	Transfer	32639	0.04
			Sale				31/03/2017	-2595	Transfer	30044	0.04
			Closing Balance				31/03/2017			30044	0.04
6	ACNPK 9814F	PUB	Opening Balance	CHAMPALAL NAVEEN KUMAR	0	0.00	31/03/2016			0	0.00
			Purchase				29/07/2016	500	Transfer	500	0.00
			Sale				30/09/2016	-500	Transfer	0	0.00
			Purchase				17/02/2017	25214	Transfer	25214	0.03
			Purchase				24/02/2017	1787	Transfer	27001	0.03
			Sale				24/03/2017	-1000	Transfer	26001	0.03
			Closing Balance				31/03/2017			26001	0.03
			7				AAACI 1195H	IFI	Opening Balance	ICICI BANK LIMITED	0
Purchase	10/03/2017	875		Transfer	875	0.00					
Purchase	17/03/2017	23500		Transfer	24375	0.03					
Purchase	24/03/2017	113		Transfer	24488	0.03					
Closing Balance	31/03/2017				24488	0.03					
8	AFIPA 8080P	PUB	Opening Balance	VIKASH AGARWAL	20000	0.02	31/03/2016			20000	0.02
			Sale				20/01/2017	-10000	Transfer	10000	0.01
			Sale				17/02/2017	-2000	Transfer	8000	0.01
			Closing Balance				31/03/2017			8000	0.01
9	AAACM 6094R	LTD	Opening Balance	ANGEL BROKING PRIVATE LIMITED	5727	0.01	31/03/2016			5727	0.01
			Purchase				01/04/2016	29	Transfer	5756	0.01
			Sale				01/04/2016	-10	Transfer	5746	0.01
			Purchase				08/04/2016	821	Transfer	6567	0.01
			Sale				08/04/2016	-4055	Transfer	2512	0.00
			Purchase				15/04/2016	583	Transfer	3095	0.00
			Sale				15/04/2016	-153	Transfer	2942	0.00
			Purchase				22/04/2016	15	Transfer	2957	0.00
			Sale				22/04/2016	-1265	Transfer	1692	0.00
			Sale				29/04/2016	-297	Transfer	1395	0.00

Sl. No.	Folio/ DP-ID Client ID	Category	Type	Name of the Shareholder	Shareholding at the beginning of the year		Date	Increase/ Decrease in Share holding	Reason	Cumulative Shareholding during the year	
					No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
			Purchase				06/05/2016	150	Transfer	1545	0.00
			Sale				06/05/2016	-210	Transfer	1335	0.00
			Sale				13/05/2016	-155	Transfer	1180	0.00
			Purchase				20/05/2016	1930	Transfer	3110	0.00
			Sale				20/05/2016	-210	Transfer	2900	0.00
			Sale				27/05/2016	-611	Transfer	2289	0.00
			Purchase				03/06/2016	1712	Transfer	4001	0.00
			Sale				03/06/2016	-119	Transfer	3882	0.00
			Purchase				10/06/2016	493	Transfer	4375	0.01
			Purchase				17/06/2016	22	Transfer	4397	0.01
			Sale				17/06/2016	-195	Transfer	4202	0.00
			Purchase				24/06/2016	208	Transfer	4410	0.01
			Purchase				30/06/2016	2111	Transfer	6521	0.01
			Sale				30/06/2016	-1783	Transfer	4738	0.01
			Purchase				01/07/2016	713	Transfer	5451	0.01
			Sale				01/07/2016	-58	Transfer	5393	0.01
			Purchase				08/07/2016	3212	Transfer	8605	0.01
			Sale				08/07/2016	-1680	Transfer	6925	0.01
			Sale				15/07/2016	-1578	Transfer	5347	0.01
			Purchase				22/07/2016	143	Transfer	5490	0.01
			Sale				22/07/2016	-2	Transfer	5488	0.01
			Purchase				29/07/2016	635	Transfer	6123	0.01
			Sale				29/07/2016	-297	Transfer	5826	0.01
			Purchase				05/08/2016	2432	Transfer	8258	0.01
			Sale				05/08/2016	-783	Transfer	7475	0.01
			Purchase				12/08/2016	1417	Transfer	8892	0.01
			Purchase				19/08/2016	543	Transfer	9435	0.01
			Sale				19/08/2016	-1433	Transfer	8002	0.01
			Purchase				26/08/2016	464	Transfer	8466	0.01
			Sale				26/08/2016	-391	Transfer	8075	0.01
			Purchase				02/09/2016	1522	Transfer	9597	0.01
			Sale				02/09/2016	-375	Transfer	9222	0.01
			Purchase				09/09/2016	1383	Transfer	10605	0.01
			Sale				09/09/2016	-2929	Transfer	7676	0.01
			Sale				16/09/2016	-1343	Transfer	6333	0.01
			Purchase				23/09/2016	340	Transfer	6673	0.01
			Sale				23/09/2016	-1268	Transfer	5405	0.01
			Purchase				30/09/2016	674	Transfer	6079	0.01
			Sale				30/09/2016	-166	Transfer	5913	0.01
			Sale				07/10/2016	-783	Transfer	5130	0.01
			Purchase				14/10/2016	286	Transfer	5416	0.01
			Sale				14/10/2016	-524	Transfer	4892	0.01
			Purchase				21/10/2016	50	Transfer	4942	0.01
			Sale				21/10/2016	-485	Transfer	4457	0.01
			Purchase				28/10/2016	74	Transfer	4531	0.01
			Sale				28/10/2016	-1533	Transfer	2998	0.00
			Purchase				04/11/2016	738	Transfer	3736	0.00
			Purchase				11/11/2016	148	Transfer	3884	0.00
			Sale				11/11/2016	-814	Transfer	3070	0.00
			Purchase				18/11/2016	681	Transfer	3751	0.00
			Purchase				25/11/2016	608	Transfer	4359	0.01
			Sale				25/11/2016	-1021	Transfer	3338	0.00
			Sale				02/12/2016	-1001	Transfer	2337	0.00
			Purchase				09/12/2016	33	Transfer	2370	0.00
			Purchase				16/12/2016	52	Transfer	2422	0.00
			Purchase				23/12/2016	763	Transfer	3185	0.00
			Purchase				30/12/2016	3989	Transfer	7174	0.01
			Sale				31/12/2016	-239	Transfer	6935	0.01

Sl. No.	Folio/Dp-ID Client ID	Category	Type	Name of the Shareholder	Shareholding at the beginning of the year		Date	Increase/Decrease in Share holding	Reason	Cumulative Shareholding during the year	
					No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
			Purchase				06/01/2017	1262	Transfer	8197	0.01
			Sale				06/01/2017	-617	Transfer	7580	0.01
			Purchase				13/01/2017	2050	Transfer	9630	0.01
			Sale				13/01/2017	-3573	Transfer	6057	0.01
			Purchase				20/01/2017	5231	Transfer	11288	0.01
			Sale				20/01/2017	-3009	Transfer	8279	0.01
			Purchase				27/01/2017	662	Transfer	8941	0.01
			Sale				27/01/2017	-841	Transfer	8100	0.01
			Purchase				03/02/2017	1751	Transfer	9851	0.01
			Sale				03/02/2017	-1571	Transfer	8280	0.01
			Purchase				10/02/2017	319	Transfer	8599	0.01
			Sale				10/02/2017	-1980	Transfer	6619	0.01
			Purchase				17/02/2017	5205	Transfer	11824	0.01
			Sale				17/02/2017	-1266	Transfer	10558	0.01
			Purchase				24/02/2017	4084	Transfer	14642	0.02
			Sale				24/02/2017	-1006	Transfer	13636	0.02
			Purchase				03/03/2017	5648	Transfer	19284	0.02
			Sale				03/03/2017	-461	Transfer	18823	0.02
			Purchase				10/03/2017	5690	Transfer	24513	0.03
			Sale				10/03/2017	-7318	Transfer	17195	0.02
			Purchase				17/03/2017	667	Transfer	17862	0.02
			Sale				17/03/2017	-2072	Transfer	15790	0.02
			Purchase				24/03/2017	1562	Transfer	17352	0.02
			Sale				24/03/2017	-1492	Transfer	15860	0.02
			Purchase				31/03/2017	10619	Transfer	26479	0.03
			Sale				31/03/2017	-6714	Transfer	19765	0.02
			Closing Balance				31/03/2017			19765	0.02
10	ABZPL 6669C	PUB	Opening Balance	KUMAR MANGALAM LAMBORIA	16500	0.02	31/03/2016			16500	0.02
			Sale				05/08/2016	-300	Transfer	16200	0.02
			Sale				12/08/2016	-386	Transfer	15814	0.02
			Sale				19/08/2016	-5810	Transfer	10004	0.01
			Sale				02/09/2016	-4283	Transfer	5721	0.01
			Sale				09/09/2016	-5721	Transfer	0	0.00
			Closing Balance				31/03/2017			0	0.00
11	AACCK 2725M	LTD	Opening Balance	KSHITIJ PORTFOLIO PVT. LTD.	15000	0.02	31/03/2016			15000	0.02
			Sale				01/04/2016	-5000	Transfer	10000	0.01
			Sale				13/05/2016	-1944	Transfer	8056	0.01
			Sale				08/07/2016	-8056	Transfer	0	0.00
			Closing Balance				31/03/2017			0	0.00
12	AAWFM 3351J	PUB	Opening Balance	NEETA JATIN JHAVERI	14000	0.02	31/03/2016			14000	0.02
			Sale				08/04/2016	-1220	Transfer	12780	0.01
			Sale				15/04/2016	-2000	Transfer	10780	0.01
			Sale				22/04/2016	-1702	Transfer	9078	0.01
			Sale				06/05/2016	-2500	Transfer	6578	0.01
			Sale				15/07/2016	-6578	Transfer	0	0.00
			Closing Balance				31/03/2017			0	0.00

Sl. No.	Folio/ DP-ID Client ID	Category	Type	Name of the Shareholder	Shareholding at the beginning of the year		Date	Increase/ Decrease in Share holding	Reason	Cumulative Shareholding during the year	
					No. of Shares	% of total Shares of of the company				No. of Shares	% of total Shares of of the company
13	AACPA 7828A	PUB	Opening Balance	KAILASH KUMARI AGGARWAL	13695	0.02	31/03/2016			13695	0.02
			Closing Balance								
14	AJHPD 7455J	PUB	Opening Balance	ADITYA DEORAH	13000	0.02	31/03/2016			13000	0.02
			Sale				13/05/2016	-7000	Transfer	6000	0.01
			Purchase				03/06/2016	7000	Transfer	13000	0.02
			Sale				08/07/2016	-13000	Transfer	0	0.00
			Closing Balance				31/03/2017			0	0.00
15	AAFCS 9294L	LTD	Opening Balance	SPA SECURITIES LTD	0	0.00	31/03/2016			0	0.00
			Purchase				03/03/2017	13700	Transfer	13700	0.02
			Sale				24/03/2017	-1700	Transfer	12000	0.01
			Closing Balance				31/03/2017			12000	0.01

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Directors and KMP	Shareholding at the beginning of the year		Increase/Decrease during the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	Shri Umang Narula	Nil	Nil	Nil	Nil	Nil	Nil
2	Shri Piyush Tiwari	Nil	Nil	Nil	Nil	Nil	Nil
3	Shri Pradip Kumar Das	Nil	Nil	Nil	Nil	Nil	Nil
4	Shri Sanjeev Ranjan	Nil	Nil	Nil	Nil	Nil	Nil
5	Shri Suman Billa	Nil	Nil	Nil	Nil	Nil	Nil
6	Smt. Meenakshi Sharma	Nil	Nil	Nil	Nil	Nil	Nil
7	Shri A.V. Ratnam	Nil	Nil	Nil	Nil	Nil	Nil
8	Dr. Usha Kiran Rai	Nil	Nil	Nil	Nil	Nil	Nil
9	Shri Ajay Swarup	Nil	Nil	Nil	Nil	Nil	Nil
10	Shri Patel Karsanbhai Bhikhabhai	Nil	Nil	Nil	Nil	Nil	Nil
11	Shri V. K. Jain (CS)	Nil	Nil	Nil	Nil	Nil	Nil

VI. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	Nil	Nil	Nil	Nil
(ii) Interest due but not paid	Nil	Nil	Nil	Nil
(iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
*Addition	Nil	Nil	Nil	Nil
*Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the Financial year				
(i) Principal Amount	Nil	Nil	Nil	Nil
(ii) Interest due but not paid	Nil	Nil	Nil	Nil
(iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VII. Remuneration of Directors and Key Management Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Sh. Umang Narula	Sh. Trinath Behera	Sh. Piyush Tiwari	Sh. Pradip Kumar Das
1.	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	28,65,036	7,60,458	23,24,850	20,25,770
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of Salary under Section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission	Nil	Nil	Nil	Nil
	- As % of profit				
	- Others, specify-----				
5.	Others, Employer's contribution to PF	Nil	Nil	2,33,742	2,04,049
	Other taxable perks	36,926	Nil	4,14,221	3,94,542
	Total (A)	29,01,962	7,60,458	29,72,813	26,24,361
	Ceiling as per the Act				

B. Remuneration to other Directors

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Shri A.V. Ratnam	Dr. Usha Kiran Rai	Shri Ajay Swarup	Shri Patel Karsanbha Bhikhabhai	Total
1.	Independent Directors					
	• Fee for attending Board/Committee Meeting	42,000	66,000	66,000	73,000	2,47,000
	• Commission	Nil	Nil	Nil	Nil	Nil
	• Other, please specify	Nil	Nil	Nil	Nil	Nil
	Total (1)	42,000	66,000	66,000	73,000	2,47,000
2.	Other Non-Executive Directors					
	• Fee for attending Board/Committee Meeting	Nil	Nil	Nil	Nil	Nil
	• Commission	Nil	Nil	Nil	Nil	Nil
	• Other, please specify	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	42,000	66,000	66,000	73,000	2,47,000
	Total Managerial Remuneration	42,000	66,000	66,000	73,000	2,47,000
	Overall Ceiling as per the Act					

C. Remuneration to Key Management Personnels (other than Managing Director, Manager and whole-time Director)

(Amount in ₹)

Sl. No.	Particulars of Remuneration	CEO	Company Secretary	Total
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	13,42,261	13,42,261
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	Nil		Nil
	(c) Profits in lieu of Salary Under Section 17(3) of the Income Tax Act, 1961	Nil		Nil
2.	Stock Option	Nil		Nil
3.	Sweat Equity	Nil		Nil
4.	Commission			
	- As % of profit			
	- Others, specify.....	Nil		Nil
5.	Others, please specify	Nil	1,19,869	1,19,869
	Other taxable perks	Nil	24,073	24,073
	Total	Nil	14,86,203	14,86,203

VIII. Penalties/Punishment/Compounding of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ punishment/ compounding Fees imposed	Authority (RD/NCLT/ Court)	Appeal Made, If any (give details)
A. COMPANY					
Penalty	Nil				
Punishment	Nil				
Compounding	Nil				
B. DIRECTORS					
Penalty	Nil				
Punishment	Nil				
Compounding	Nil				
C. OTHER OFFICERS IN DEFAULT : Nil					
Penalty	Nil				
Punishment	Nil				
Compounding	Nil				

Independent Auditor's Report to the Members of India Tourism Development Corporation Limited

Revised Report on the Standalone Financial Statements

Our report dated 30.05.2017 on the accounts for the year ended 31st March, 2017 has been revised to give effect to the observations made by the Comptroller & Auditor General of India in the supplementary audit carried out by them under Section 143(6)(a) of the Companies Act, 2013.

We have audited the accompanying financial statements of **INDIA TOURISM DEVELOPMENT CORPORATION LIMITED**, New Delhi, which comprise of Balance Sheet as at 31st March, 2017, 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 of 36 units for the year ended on that date audited by Branch Auditors of the Company at locations as per Exhibit A.

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 audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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 31st March 2017, its profit and cash flow for the year ended on that date.

Emphasis of Matter

a) *In respect of Ashok Hotel, notices of eviction/termination having been served on two licensees viz. M/s. Mayar Health Resort and M/s. Jain Restaurant (Shraman) in the year 2014 and 2012 respectively and the matter have become sub-judice having gone under litigation, accordingly the amounts of ₹ 77.11 lakh and ₹ 24.80 lakh received from them during the year 2016-17 are adjusted against their past*

dues. Our opinion is not qualified in respect of this matter [Refer Point 7 of Note No. 32 to the financial statements].

- b) *In respect of ACES, unit of the Company, we draw attention towards "Trade Payables" Note-9 in the Standalone Financial Statements, against which outstanding dues for more than 3 years amounting to ₹ 1,987.64 lakh are adjusted without reconciliation/approval from the management, the reconciliation being still in progress. Our opinion is not qualified in respect of this matter.*
- c) *The amount of consumption of stock of stores, crockery, cutlery, etc., has been worked out by adding to the opening balances purchases made during the year and deducting there from the closing balance at the year end based on the physical inventories valued as per the accounting policy and accordingly, no separate impact of loss/shortage/wastage is included in the consumption thereof in the financial statements. Our opinion is not qualified in respect of this matter. [Refer Point no. 3 of Note No.32 to financial statements]*
- d) *In most of the cases, the impact of loss/shortage due to non-reconciliation of the results of physical verification carried out for fixed assets with the books of accounts on the financial statements, remains indeterminate. Our opinion is not qualified in respect of this matter. [Refer Note No. 11 to the financial statements].*
- e) *Balances in trade receivables, loans and advances, deposits, trade*

payables and sundry creditors (other than trade payables) are subject to independent confirmation. Our opinion is not qualified in respect of this matter. [Refer Point no. 1 of Note No. 32 to the financial statements].

- f) *Amounts aggregating ₹ 156.60 lakh included under “Advances from customers” (Note No. 10 “Other Liabilities”) remain unadjusted/unlinked against “Trade Receivables” (Note No. 17).*
- g) *At Vigyan Bhawan, a Unit of the Company, the contract agreement with the Directorate of Estates for providing catering services expired on 17th November, 2015 and the Unit is operating without any formal agreement. Our opinion is not qualified in respect of this matter. [Refer Point 2 of Note 20 to the financial statements].*

Other Matter

We did not audit the financial statements /information of 36 branches included in the Standalone financial statements of the Company whose financial statements/financial information reflect total assets of ₹ 26,154.14 lakh as at 31st March, 2017, and total revenues of ₹ 31,231.89 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 considered appropriate by us 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 (5) 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 explanations given to us, we give in the “Annexure B” of our report on the compliances of the directions/sub-directions, indicating the areas to be examined, issued by the Comptroller and Auditor General of India.

3. 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;
- (b) 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;
- (c) 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;

- (d) 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.*
- (e) 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;
- (f) Being a Government Company, pursuant to Notification No. GSR 29(E) dated 21st October, 2003, issued by the Government of India, provisions of sub-section (2) of Section 164 of the Act, are not applicable to the Company ;
- (g) 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 C”.
- (h) 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;
- iii) No amount required to be transferred to the Investor Education and Protection Fund was outstanding at the year end; and
- iv) The Company has provided requisite disclosures in the financial statements with respect to Units as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management. However, amounts aggregating ₹ 39,19,000 were received from transactions not permitted during the period 8th November, 2016 to 30th December, 2016 which were duly deposited into the Bank- Refer Point 16 of Note 32 to the financial statements.

For Kishore & Kishore
Chartered Accountants
(FRN. No. 000291N)

Place: New Delhi
Date: 19.07.2017

S.C. Kishore
(Partner)
Membership No. 003390

“Annexure A” to Independent Auditor’s Report for the year ended 31.03.2017

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 31st March, 2017, 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 merged with the Company on 28.03.1970 and not transferred in the name of the Company.
2	Hotel Jammu Ashok, Jammu	Lease deed expired on 11.01.2010
3	Hotel Patliputra Ashok, Patna	Lease deed has not been executed in favour of the Company
4	ATT, Delhi	Leasehold land at C-119, Naraina Industrial Area, Phase-I, Naraina, New Delhi measuring 8566 sq. yards is leased by DDA for 99 years. The original title deed was seized by the CBI in a complaint case no. RC-10(A)/2013-CBI-ACB-DLI
5	Samrat Hotel, New Delhi	Title deed of leasehold land (4.01 acre) not executed
6	ACES	Registration of Title Deed in favour of the Company has not been effected in respect of leasehold land

measuring 64 Kanals at Gulmarg.
7 Taj Restaurant Title Deed in favour of the Corporation has not been effected.

ii) As per the information & explanation provided to us, 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 separately.*

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 Act, 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 Act.

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 Act, 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 Act.

vii) (a) In our opinion the Company 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 (₹ in lakh)	Period to which the Amount Relates
ATT Patna	Service-Tax	0.0068	More than 6 months
Hotel Kalinga Ashok	Lease Rent of Land Payable to Govt.	0.0195	More than 6 months

Name of the Unit	Nature of Dues	Amount (₹ in lakh)	Period to which the Amount Relates
	Works Contract Tax	0.7401	2015-16
	Works Contract Tax	0.0288	2016-17
	Labour Cess	0.0048	2015-16
	Labour Cess	0.0122	2016-17
	VAT	0.7288	More than 6 months
AIHTM	TDS	0.74	More than 6 months

Name of the Unit	Nature of Dues	Amount (₹ in lakh)	Period to which the Amount Relates
Hyderabad House	ESI	1.72	More than 6 months
Vigyan Bhawan	ESI	4.78	More than 6 months
Hotel Ashok	Property Tax	306.93	For earlier years

(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 any dispute:

Name of the Unit	Nature of Dues	Amount (₹ in lakh)	Period to which the Amount Relates	Forum where Dispute is Pending
Hotel Kalinga Ashok	Excise Duty (MGQ)	13.33	2002-03	Odisha High Court
	ESI	1.45	Earlier Years	District Court, Khurda
	Service Tax	52.91	Earlier Years	Addl. Director General, DGCEI, Kolkata
AITD	Custom Duty (Demand for DPS Mumbai)	18478.67	2004-05	CESTAT
	Custom Duty (Demand for DFS Kolkatta)	42.17	2003	Committee of Dispute
	Sales Tax/VAT	2465.12	1995-2008	Commissioner Appeals
Hotel Patliputra Ashok	ESI	0.67	Earlier Years	ESI Labour Court
	VAT	3.09	Earlier Years	Bihar VAT Act JCCT, Patna
Hotel Samrat	ESI	71.68**	1998-2003	Delhi High Court
	EPF	17.91	1982-1985	Supreme Court

Name of the Unit	Nature of Dues	Amount (₹ in lakh)	Period to which the Amount Relates	Forum where Dispute is Pending
Hotel Ashok	ESI	686.32	Earlier Years	Delhi High Court, Tis Hazari, Delhi
	Service Tax	22.04	Earlier Years	CESTAT, Delhi
Ashok events	Service-Tax	39.65	2006-2009	Additional Commissioner of Service Tax
Taj Restaurant	Trade Tax	0.50	30.09.2002	Department of VAT
	Trade Tax	0.71	12.02.2003	Department of VAT
LMPH	Service Tax	7.99	2010-11 to 2014-15	CESTAT
	Service Tax	5.89	2015-16	Commissioner of Service Tax

**Unit has provided liability of ₹ 50.79 lakh in the books of account.

- 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 (Auditor's 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 (Auditor's 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.
- xi) As per the information and explanation given to us the provisions of Section 197 read with Schedule V to the Act, are not applicable on Government Company. Thus, the provisions of Clause 3 (xi) of the Companies (Auditor's Report) Order, 2016, are not applicable to the Company.
- xii) The Company is not a Nidhi Company, so the provisions of Clause 3 (xii) of the Companies (Auditor's 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 the Act, and wherever applicable the details have been disclosed in the 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 Act, are not applicable on it; therefore Clause 3 (xiv) of the Companies (Auditor's 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 (Auditor's 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 (Auditor's Report) Order, 2016, are not applicable to the Company.

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

(S.C. Kishore)

Place: New Delhi

Partner

Date: 19.07.2017

M.No. 003390



*Glimpses of
Golden Jubilee
Celebrations*







राजभाषा
समारोह की
झलकियां





प

भारत पर्यटन विकास निगम लिमिटेड
राजभाषा समारोह

सांस्कृतिक कार्यक्रम, हिंदी कवि-गोष्ठी
एवं

राजभाषा पुरस्कार वितरण

28 सितम्बर 2016, नई दिल्ली



“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 directions given by the Comptroller and Auditor General of India under Section 143(5) of the Act, of the Company. (Standalone Financial Statement)

S. No.	Direction/Sub-directions	Comments																		
1.	Whether the Company has clear title/lease deeds for freehold and leasehold land respectively? If not, please state the area of freehold and leasehold for which title/lease deeds are not available.	<p>As per the information and explanation given to us, the Company has clear title/lease deeds for freehold and leasehold, except in the following cases:</p> <table border="1"> <thead> <tr> <th>S.No</th> <th>Unit Name</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>The Ashok</td> <td>Lease deed in respect of land of Ashok hotel is registered in the name of erstwhile Ashok Hotel Limited, which merged with the Company on 28th March, 1970. The total area of leasehold land is 21.155 acres.</td> </tr> <tr> <td>2.</td> <td>Hotel Samrat</td> <td>Title deed is not executed. Area involved is 4.01 acre.</td> </tr> <tr> <td>3.</td> <td>Hotel Patliputra Ashok, Patna</td> <td>Lease deed has not been executed in the favour of the Company. Area involved is 1.5 acre.</td> </tr> <tr> <td>4.</td> <td>Hotel Jammu</td> <td>Lease deed expired on 11.01.2010. Area involved is 60 Kannal.</td> </tr> <tr> <td>5.</td> <td>ATT, Delhi</td> <td>Leasehold land at C-119, Naraina Industrial Area, Phase-I, Naraina, New Delhi, measuring 8566 sq. yards is leased by DDA for 99 years. The original title deed was seized by CBI in a complaint case no. RC-10(A)/2013-CBI-ACB-DLI</td> </tr> </tbody> </table>	S.No	Unit Name	Remarks	1.	The Ashok	Lease deed in respect of land of Ashok hotel is registered in the name of erstwhile Ashok Hotel Limited, which merged with the Company on 28th March, 1970. The total area of leasehold land is 21.155 acres.	2.	Hotel Samrat	Title deed is not executed. Area involved is 4.01 acre.	3.	Hotel Patliputra Ashok, Patna	Lease deed has not been executed in the favour of the Company. Area involved is 1.5 acre.	4.	Hotel Jammu	Lease deed expired on 11.01.2010. Area involved is 60 Kannal.	5.	ATT, Delhi	Leasehold land at C-119, Naraina Industrial Area, Phase-I, Naraina, New Delhi, measuring 8566 sq. yards is leased by DDA for 99 years. The original title deed was seized by CBI in a complaint case no. RC-10(A)/2013-CBI-ACB-DLI
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S. No.	Direction/Sub-directions	Comments									
		<p>6. ACES Registration of Title deed in favour of Corporation has not been effected in respect of lease hold land at Gulmarg. The area of land is 64 Kanals.</p> <p>7. Taj Restaurant Title deed in favour of the Company has not been effected nor information as to the area of the property made available to us.</p>									
2.	Whether there are any cases of waiver/write off of debts/loans/ interest etc. If yes, the reasons there for and the amount involved.	<p>During the course of audit write off of debts made by the Company are as follows:</p> <table border="1"> <thead> <tr> <th>S.No.</th> <th>Unit Name</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>The Ashok</td> <td>The Unit has written off bad-debts amounting to ₹ 39,57,026.57 during the year ended 31st March, 2017. A unit level committee was formed for the purpose of reviewing the doubtful debts remaining outstanding for a period of more than 3 years. The committee, after examining and justifying that the debts have become irrecoverable and barred by time, recommended writing off of debts for total amount of ₹ 39,57,026.57 which was duly approved by the competent authority.</td> </tr> <tr> <td>2.</td> <td>ATT-Delhi</td> <td>Debts of ₹ 4,75,385 (25 Parties) has been written off on the recommendation of the committee constituted for the purpose and</td> </tr> </tbody> </table>	S.No.	Unit Name	Remarks	1.	The Ashok	The Unit has written off bad-debts amounting to ₹ 39,57,026.57 during the year ended 31st March, 2017. A unit level committee was formed for the purpose of reviewing the doubtful debts remaining outstanding for a period of more than 3 years. The committee, after examining and justifying that the debts have become irrecoverable and barred by time, recommended writing off of debts for total amount of ₹ 39,57,026.57 which was duly approved by the competent authority.	2.	ATT-Delhi	Debts of ₹ 4,75,385 (25 Parties) has been written off on the recommendation of the committee constituted for the purpose and
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2.	ATT-Delhi	Debts of ₹ 4,75,385 (25 Parties) has been written off on the recommendation of the committee constituted for the purpose and									

S. No.	Direction/Sub-directions	Comments
		<p>subsequent approval of the competent authority. The cases were old for more than 5 years and not recoverable.</p> <p>3. LMPH Sundry Debtors amounting ₹ 3,689.15 (M/s Crotia Crafts) has been written off as bad debts towards License fee after vacating the shop.</p> <p>4. ATT-Kolkata Write off of debts amounting ₹ 3645.41 were not recoverable so write off.</p> <p>5. ATT-Chennai Write off of debts amounting ₹ 3305.25 are more than 5 years old hence written off.</p> <p>6. ATT-Bengaluru Write off of debts amounting ₹ 76,698 outstanding more than 14 year and considered not recoverable.</p> <p>7. Janpath Hotel Write off of debts amounting to ₹ 50,830.50 being very old.</p>
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from Govt. or other authorities.	As per the information and explanations provided by the Management, no inventory is lying with third parties and no asset were received as gift/ grant(s) from Govt. or other Authorities except in cases of the Hotel The Ashok and Hotel Samrat, Delhi. The inventory of wine, beer and beverages is lying with the leased out restaurants, for which proper records are maintained by these Units.

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

(S.C. Kishore)
Partner
M.No. 003390

Place: New Delhi
Date: 19.07.2017

“Annexure C” 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 Act

We have audited the internal financial controls over financial reporting of **India Tourism Development Corporation Limited**, New Delhi, as of March 31, 2017, 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 Act.

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 Act, 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 control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2017, 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: 19.07.2017

(S.C.Kishore)
Partner
M.No. 003390

STATEMENT OF LOCATION OF THE COMPANY'S UNITS - 2016-17

Sl.No.	Name of the unit	Address
1	Hotel Jaipur Ashok, Jaipur	Jai Singh Circle, Bani Park, Jaipur-302 016
2	Hotel Samrat, New Delhi	Kautilya Marg, Chanakyapuri, New Delhi-1100021
3	Hotel Janpath ,New Delhi	Janpath, New Delhi-110 001
4	Western Court,New Delhi	Hotel Janpath, Janpath, New Delhi-110 001
5	Ashok Travels & Tours(ATT), New Delhi	Hotel Janpath, Janpath, New Delhi-110 001
6	Ashok Events, New Delhi	Ashok Hotel, 50-B, Chanakyapuri, New Delhi-110 021
7	Ashok International Trade Division, New Delhi	Scope Complex, Core-8, Lodi Road, New Delhi-110003
8	Ashok Institute of Hospitality & Tourism Management, New Delhi	C-12A, Qutab Institutional Area, New Delhi-110 016
9	Ashok Consultancy & Engg. Services Division (ACES), New Delhi	Scope Complex, Core-8, Lodi Road, New Delhi-110003
10	Hotel Jammu Ashok, Jammu	Opp. Amar Mahal, P. Box No.60, Jammu Tawi-180 001 J&K
11	Hotel Patliputra Ashok, Patna	Beer Chand Patel Path, Patna-800 001
12	Lalitha Mahal Palace Hotel, Mysore	Mysore-570 011 Karnataka
13	Hotel Kalinga Ashok, Bhubaneswar	Gautam Nagar, Bhubaneswar-751014
14	Taj Restaurant, Agra	Taj Ganj, Near Taj Mahal, Agra, U.P.
15	Kosi Restaurant, Kosi	Kosikalan, Kosi, U.P.
16	Bharatpur Forest Lodge	Bharatpur - 321001 Rajasthan
17	ATT Kolkata	3G Everest Building, 46 C, Jawaharlal Nehru Road, Kolkata - 700071
18	ATT Ranchi	P.O Hinoo, Doranda, Ranchi - 834002 Jharkhand
19	ATT Patna	Hotel Patliputra Ashok, Beer Chand Patel Path, Patna- 800 001
20	ATT Varanasi	Yadhunath Marg, Airlines Building, Varanasi - 221002
21	ATT Guwahati	Hotel Brahmaputra Ashok, MG Road, Guwahati - 781001
22	DFS Kolkata Port	N S Dock, Kolkata Port Trust, Kolkata
23	DFS Haldia Port	Finger Jetty Canteen Building, Interior Zone of Haldia Dock Complex, Haldia Port Trust, Haldia - 721607 WB
24	DFS-Paradip Port	GCB Control room, Ground Floor, Paradip Port, Paradip, Odisha - 754142
25	ATT Bangalore	No.33, Swiss Complex, Race Course Road, Bangalore
26	ATT Hyderabad	GF-3, Tourism Plaza, Balayogi Paryatak Bhawan, 6-3-870 Greenlands, Bagumpet, Hyderabad - 500016
27	ATT Chennai	29 Victoria Crescent, Commander-in-Chief Road, Chennai - 600015
28	DFS Madras Port	1st Floor, Cruise Passenger Terminal, West Quay- IV, Chennai Port Trust, Chennai - 600001
29	DFS Coimbatore	International Airport, Coimbatore - 641014 Tamil Nadu
30	DFS Visakhapatnam	EQ-3 & EQ-4, Main Gate, Docks Area, Visakhapatnam Port Trust, Visakhapatnam - 530035
31	ATT Mumbai	11, Morvi House, 28/30 Goa Street Fort, Mumbai - 400001
32	ATT Aurangabad	Shop No. 1 TRC Buildding, MTDC Holiday Resort, Railway Station Road, Aurangabad - 431005
33	DFS Sea Port- Goa	Near Berth no. 10 & 11, Marmugoa Port Vasco, Goa - 403802
34	DFS Sea Port- Mangalore	NMPT Panambur Mangalore - 575010 Karnataka
35	DFS-Mumbai Port	Port House Shoorji Vallabhdas Marg, Mumbai - 400001
36	DFS-Kakinada	Kakinada Deep Water Sea Port, Kakinada

Accounts (Standalone) for the Year 2016-17

Balance Sheet as at 31st March, 2017

(₹ in lakh)

Particulars	Note	As at 31.3.2017	As at 31.3.2016
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
Share Capital	2	8,576.94	8,576.94
Reserves and Surplus	3	25,840.15	24,635.44
Money Received against Share Warrants		-	-
Deferred Government Grants		158.34	3.63
(2) Non-Current Liabilities			
Long-Term Borrowings	4	-	-
Other Long-Term Liabilities	6	835.36	671.37
Long-Term Provisions	7	3,842.16	3,807.16
(3) Current Liabilities			
Short-Term Borrowings	8	-	-
Trade Payables	9	6,658.57	5,647.70
Other Current Liabilities	10	14,562.99	14,212.75
Short-Term Provisions	7	1,784.01	3,536.97
TOTAL		62,258.52	61,091.96
II. ASSETS			
(1) Non-Current Assets			
Fixed Assets			
Tangible Assets in Active Use	11	4,885.13	4,211.62
Tangible Assets Not in Active Use	11A	3.43	9.92
Intangible Assets	12	15.44	3.93
Capital Work-in-Progress	12A	1,060.42	513.39
Non-Current Investments	13	1,111.48	1,111.48
Deferred Tax Assets (Net)	5	3,727.04	3,296.48
Long-Term Loans and Advances	14	334.19	345.09
Other Non-Current Assets	15	30.61	94.39
(2) Current Assets			
Inventories	16	1,265.17	1,399.82
Trade Receivables	17	11,985.12	10,788.14
Cash and Cash Equivalents	18	26,429.50	27,841.38
Short-Term Loans and Advances	14A	9,814.01	9,707.92
Other Current Assets	19	1,596.98	1,768.40
TOTAL		62,258.52	61,091.96

Significant Accounting Policies

1

Note Nos. 1 to 32 form an Integral part of these Financial Statements

(V.K. Jain) (A.K. Jain) (Pradip Kumar Das) (Piyush Tiwari)
 Company Secretary General Manager (F&A) Director (Finance) Chairman & Managing Director

As per our Report of even date
 For Kishore & Kishore
 Chartered Accountants (FRN 00291N)

Date : 30.05.2017
 Place : New Delhi

(S.C. Kishore)
 Partner
 (M.No. 003390)

Statement of Profit & Loss for the Year Ended 31st March, 2017

(₹ in lakh)

Particulars	Note		Year Ended 31.3.2017	Year Ended 31.3.2016
REVENUE				
I. Revenue from Operations	20			
Sales of Products		10,358.28		9,891.09
Sales of Services		36,819.26		33,675.44
Other Operating Revenues		137.82	47,315.36	146.70
II. Other Income	21		2,198.74	2,856.10
III. Total Revenue (I+II)			49,514.10	46,569.33
EXPENSES				
Cost of Materials Consumed & Services Rendered	22		6,481.50	5,729.53
Purchase of Stock-in-Trade	23		803.07	1,005.19
Changes in inventories of Finished Goods and Stock-in-Trade	24		143.30	(180.50)
Employees' Remuneration & Benefits	25		12,809.52	13,183.68
Finance Costs	26		20.16	42.71
Depreciation and Amortization Expense	11&12	786.87		803.13
Less: Attributed to the Projects		(0.19)	786.68	(0.19)
Operating Expenses & Other Expenses	27		25,527.51	21,770.54
IV. Total Expenses			46,571.74	42,354.09
V. Profit/(Loss) Before Exceptional, Extraordinary Items and Prior Period Adjustments (III-IV)			2,942.36	4,215.24
VI. Exceptional Items	28		(1,071.30)	(809.88)
VII. Profit/(Loss) Before Extraordinary Items and Prior Period Adjustments (V-VI)			1,871.06	3,405.36
Prior Period Adjustments	29			
Prior Period Income		38.96		(9.24)
Prior Period Expenses/Adjustments		158.01	(119.05)	154.26
VIII. Profit/(Loss) Before Extraordinary Items			1,752.01	3,241.86
IX. Extraordinary Items			-	-
X. Profit/(Loss) Before Tax(PBT) (VIII-IX)			1,752.01	3,241.86
XI. Tax Expense of Continuing Operations				
Current Tax (Income Tax)		(980.00)		(1,230.00)
Tax Written Back (Previous Year)		2.14		0.05
Current Tax (Wealth Tax)		-		-
MAT Credit Entitlement		-		-
Deferred Tax	5	430.56	(547.30)	243.49
XII. Profit/(Loss) for the period from continuing operations (X-XI)			1,204.71	2,255.40
XIII. Profit/(Loss) from discontinuing operations			-	-
XIV. Tax expense of discontinuing operations			-	-
XV. Profit/ (Loss) from discontinuing operations (after Tax) (XIII-XIV)			-	-
XVI. Profit/ (Loss) for the period [Profit After Tax (PAT)] (XII+XV)			1,204.71	2,255.40
XVII. Earnings per equity share (in ₹)	30		1.40	2.63
(1) Basic &				
(2) Diluted				

(V.K. Jain) (A.K. Jain) (Pradip Kumar Das) (Piyush Tiwari)
Company Secretary General Manager (F&A) Director (Finance) Chairman & Managing Director

As per our Report of even date
For Kishore & Kishore
Chartered Accountants (FRN 00291N)

Date : 30.05.2017
Place : New Delhi

(S.C. Kishore)
Partner
M.No. 003390

Note - 1

Significant Accounting Policies

1. Accounting Convention

The Financial Statements are prepared on accrual basis of accounting under the historical cost convention and comply in all material aspects with generally accepted accounting principles in India, the Accounting Standards specified under Section 133 of Companies Act, 2013 read with Rule 7 of Companies (Account) Rule, 2014, the Companies Act, 2013 (to the extent notified and applicable) and the relevant provisions of the Companies Act, 2013.

2. Use of Estimates

The preparation of Financial Statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions in respect of certain items that affect the reported amounts of assets and liabilities as at the date of the financial statements and the reported amount of income and expenses during the reporting period. Actual results/outcome could differ from estimates and assumptions. Any revision in accounting estimates is recognized prospectively in the period in which such results do materialize.

3. Disputed Income Tax and Sales Tax Demands

The disputed Income tax and Sales tax demands in respect of assessments completed and against

which appeals have been filed are disclosed by way of contingent liability and are charged to accounts in the year of settlement.

4. Property, Plant & Equipment - Fixed Assets and Depreciation

A) Fixed Assets

i) The Fixed assets are carried at cost of acquisition, net of 'Grant-in-aid' where applicable less accumulated depreciation/amortisation.

ii) The Fixed Assets retired from active use and held for disposal are stated at the lower of book value and/or net realizable value and are shown separately in the financial statements, the loss determined, if any, is recognized in the Profit & Loss Statement.

iii) In cases where receipts/scrutiny of final bills of the contractors/suppliers, settlement of the rates to be paid for extra items and price escalation, etc., are pending, the capitalization is effected provisionally, based on value of work completed as certified by Project Engineers. The difference, if any, is accounted for in the year in which the final bills are settled.

iv) Intangible Assets (Software) are stated at their cost of acquisition less accumulated amortisation.

B) Depreciation

i) Depreciation on Tangible Assets is provided pro-rata "over the useful life of the asset" on Straight Line Method following useful life as below:-

Sl. No.	Particulars	Useful life as per the Schedule II of the Companies Act, 2013 (for years)		Straight Line Method in % age rates	
		Hotels	Other than Hotel	Hotels	Other than Hotel
1	Building with Rcc Frame Structure	60	60	1.58	1.58
2	Building other than Rcc Frame Structure	30	30	3.17	3.17
3	Fence, Well, Tubewell	5	5	19.00	19.00
4	Gardening & Landscaping	3	3	31.67	31.67
5	Approach Road - Carpeted Road Rcc	10	10	9.50	9.50
6	Approach Road - Carpeted Road other than Rcc	5	5	19.00	19.00
7	Approach Road - Non Carpeted Road	3	3	31.67	31.67
8	Plant & Machinery	7.5	15	12.67	6.33
9	Lifts	7.5	15	12.67	6.33
10	Kitchen Equipment	7.5	15	12.67	6.33
11	Sound System & Musical Instruments	7.5	15	12.67	6.33
12	Sanitary Installation	7.5	15	12.67	6.33
13	Air Conditioners (Both Plant & Window Type), Coolers & Refrigerators	7.5	15	12.67	6.33
14	Electrical Installation	10	10	9.50	9.50
15	Office and Miscellaneous Equipments	5	5	19.00	19.00
16	Computers (End User Device Desktop, Laptop)	3	3	31.67	31.67
17	Computers Server & Network	6	6	15.83	15.83
18	Furniture, Fixture & Furnishing	8	10	11.88	9.50
19	Vehicles (Staff Car & Scooters)	10	10	9.50	9.50
20	Transport Vehicles Running on Hire	-	6	-	15.83
21	Transport Vehicles other than Running on Hire	8	8	11.88	11.88
22	LeaseHold Land is amortised over a period of Lease				

ii) Improvement to Building are depreciated on the basis of their estimated useful life i.e. 7 years.

iii) On Intangible Assets (Software), cost is amortized over a period of legal right to use or 3 years, whichever is earlier.

5. Investments

Long term investments are carried at cost. Provision for diminution in value of each investment, if any, is made to recognize the decline, other than of temporary nature.

6. Valuation of Inventories

Stocks and stores including stock of crockery, cutlery, glassware and linen etc., in hand as well as in circulation are valued at cost on FIFO basis or realizable value, whichever is less.

7. Execution of Projects for Clients

i) Value of work done in respect of projects executed including cost plus/deposit/ turnkey/ project management work are shown in the accounts at the best estimates by the management after deduction for likely rejections, if any, by the client.

ii) Indirect costs are treated as “period costs” and are charged to Statement of Profit & Loss in the year of incurrence.

8. Provision, Contingent Liabilities and Contingent Assets

i) Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be outflow of sources.

ii) Where as a result of past events, there is a possible obligation that may, but probably will not, require any outflow of resources, no

provision is recognized but appropriate disclosure is made in the notes as Contingent Liabilities.

- iii) Contingent liabilities are disclosed on the basis of judgement of the management/independent experts. These are revised at each Balance Sheet date and adjusted to reflect the current management estimate.
- iv) Contingent assets are neither recognized nor disclosed in the financial statements.

9. Employees' Benefits

A) Provident Fund

The Company's contribution to Provident Fund are charged to Statement of Profit & Loss.

B) Gratuity

The Company's liability towards gratuity, is determined by independent actuary, at year end using the projected unit credit method. Actuarial gains/losses are recognised in the Statement of Profit & Loss. The liability for gratuity as per actuarial valuation is paid to a fund administered through a separate trust.

C) Leave Encashment

The provision for leave encashment including half pay leave is made on the basis of actuarial valuation.

10. Deferred Taxation

- i) Deferred Tax is provided during the year, using the liability method on all temporary differences at the Balance Sheet date between the tax basis of assets and liabilities and their carrying amounts for

financial reporting purposes in accordance with the Accounting Standard (AS-22).

- ii) Deferred Tax Asset is recognized, subject to consideration of prudence, only to the extent that there is reasonable certainty that sufficient taxable profits will be available against which such Deferred Tax Assets can be realized. In situations where the company has any unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.
- iii) Deferred Tax Assets and Liabilities are measured at the rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the Balance Sheet date.

11. Government Grant

- i) The Government grant received for upgradation of properties is recognized as income from the year in which respective properties are upgraded and to the extent grant related costs incurred i.e. written off as depreciation, revenue expenditure each year.
- ii) The balance of Government Grant to the extent not adjusted as at the close of the

year, is carried in the financial statements as 'Deferred Government Grant' after 'Reserves & Surplus.'

12. Revenue Recognition

- i) Income from Projects is recognized on the percentage of completion method including in respect of cost plus/deposit/turnkey/project management work. In terms of this method, revenue is recognized in proportion to the actual costs incurred as against the total estimated cost of project under execution. The determination of revenues under this method involves making estimates, some of which are of technical nature, concerning, where relevant, the percentages of completion, costs of completion (including cost of rejection), expected revenues etc.
- ii) Income from services rendered in respect of projects /license fees/Management fee are accounted for (exclusive of service tax) as per terms of the agreement. However, where such service charges/fees are not realised in cash for significant period the accrual thereof is postponed to be accounted for on receipt.
- iii) Revenue from sales (net of returns and discounts) is recognized on transfer of substantial risks and rewards to the customers. Sales Tax and Value Added Tax are excluded.
- iv) Interest income, other than

management fees income/ interest on loans and advances from subsidiary companies which are accounted for on receipt basis or on receipt of Tax deduction certificate because of liquidity problem in those companies referred to in (ii) above, and income from investments are accounted for on accrual basis at the contracted rates and/or at the time of establishment of right to receive respectively.

- v) Interest/Damages on overdue amounts recoverable from licensees are accounted for on realization basis.

13. Foreign Currency Transactions

a) Transactions in Foreign Exchange

- i) Initial Recognition
 Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- ii) Conversion
 Foreign currency monetary items are reported using the closing rate. Non-monetary items that are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- iii) Exchange Differences
 Exchange differences arising on the settlement of monetary items or on recording/

reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise. Exchange differences on liabilities relating to fixed assets acquired from outside India are accordingly adjusted to the cost of such assets.

b) Money Changing Business

- i) The transactions concluded during the period are recorded based on the actual rate realized.
- ii) Foreign currency balances as at close of the year are converted at the year end rates.
- iii) Income from money changing business as reflected in the accounts is net of cost of sale of currency.

14. Borrowing Costs

- i) Borrowing Costs, if any, that are directly attributable to the acquisition/construction of qualifying assets are capitalized as part of the cost of the respective assets.
- ii) Other borrowing costs are expensed in the year in which they are incurred.

15. Prior Period/Extraordinary Items

- i) All prior period items which are materials and which arise in the current period as a result of 'errors or omissions' in the preparation of prior period's financial statements

are separately disclosed in the current Statement of Profit & Loss. However, differences in actual income/expenditure arising out of over or under estimation' in prior period are not treated as prior period income/expenditure.

- ii) All extraordinary items, i.e. gains or losses which arise from events or transactions which are distinct from the ordinary activities of the company and which are material, are separately disclosed in the Statement of Accounts.

16. Claims

Supplementary claims including insurance claims are accounted for on acceptance/receipt basis.

17. Segment Reporting

Segment revenue, Segment expenses, Segment assets and segment liabilities are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to company as a whole and not allocable to segments on reasonable basis are included under other revenue/expenses/assets/liabilities.

18. Cash Flow Statement

Cash Flow Statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS)-3 on 'Cash Flow Statements'.

Share Capital

Note - 2

Authorised, Issued, Subscribed and Paid-up Share Capital and Par Value Per Share

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
Authorised Share Capital		
15,00,00,000 Equity Shares of ₹ 10/- each (Previous year 15,00,00,000 Equity Shares of ₹ 10/- each)	15,000.00	15,000.00
	15,000.00	15,000.00
Issued & Subscribed Share Capital		
8,57,69,400 Equity Shares of ₹ 10/- each (Previous year 8,57,69,400 Equity Shares of ₹ 10/- each)	8,576.94	8,576.94
	8,576.94	8,576.94
Paid-up Share Capital		
8,57,69,400 Equity Shares of ₹ 10/- each (Previous year 8,57,69,400 Equity Shares of ₹ 10/- each)	8,576.94	8,576.94
Total	8,576.94	8,576.94

15,238 Equity Shares of ₹ 100/- each (since converted into 1,52,380 equity shares of ₹ 10/- each) were allotted as fully paid-up pursuant to the Amalgamation Order (1966) under Section 396 of Companies Act, 1956.

75,000 Equity Shares of ₹ 100/- each (since converted into 7,50,000 equity shares of ₹ 10/- each) were allotted as fully paid-up in consideration for transfer of ownership of some properties.

contd.....

Reconciliation of number of Equity Shares outstanding at the beginning and at end of the year

(In Nos.)

Particulars	As at 31.3.2017	As at 31.3.2016
Number of Shares outstanding as at beginning of the year	8,57,69,400	8,57,69,400
Add:		
Number of Shares allotted as fully paid-up-bonus Shares during the year	-	-
Number of Shares allotted during the year as fully paid-up pursuant to a contract without payment being received in cash	-	-
Number of Shares allotted to employees pursuant to ESOPs/ESPs	-	-
Number of Shares allotted for cash pursuant to public issue	-	-
	8,57,69,400	8,57,69,400
Less:		
Number of Shares bought back during the year	-	-
Number of Shares outstanding as at end of the year	8,57,69,400	8,57,69,400

Rights, Preferences and Restrictions (including restrictions on distribution of dividends and repayment of capital) attached to the class of Shares

Particulars	As at 31.3.2017	As at 31.3.2016
	Class of Shares	Class of Shares
The Company has one class of Equity shares having a par value of ₹ 10/- per share. Each Shareholder is eligible for one vote per share held. The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.	Equity Shares	Equity Shares

contd.....

Shares in the Company held by each Shareholder holding more than 5% Equity Shares

Particulars	As at 31.3.2017		As at 31.3.2016	
	Name of the Shareholder	Number of Shares Held	Percentage of Shares Held	Number of Shares Held
i) President of India	7,46,41,681	87.030	7,46,41,681	87.030
ii) The Indian Hotels Co. Ltd.	67,50,275	7.870	67,50,275	7.870

Appropriation of Profit (Dividend)

The Board, in its meeting held on May 30, 2017, has recommended a final dividend of ₹ 1.33 per equity share for the financial year ended March 31, 2017. The proposal is subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of ₹ 1,376.40 lakh (including corporate dividend tax).

Reserves and Surplus

Note - 3

(₹ in lakh)

Particulars		As at 31.3.2017	As at 31.3.2016
Capital Reserve			
As per Last Balance Sheet		23.54	23.54
Securities Premium Reserve			
As per Last Balance Sheet	5,475.00		5,475.00
Addition During The Year	-		-
		5,475.00	
General Reserve			
As per Last Balance Sheet	19,112.02		18,412.02
Less: Adjustment for fixed assets	-		-
Add/(Less): Current Year Adjustments	-		700.00
Closing Balance		19,112.02	19,112.02
Surplus in the Statement of Profit & Loss			
As per Last Balance Sheet	24.88		17.93
Transfer from Statement of Profit & Loss	1,204.71		2,255.40
Surplus For The Year	1,229.59		2,273.33
Appropriations/Adjustments			
Proposed Dividend	-		1,286.54
Dividend Tax	-		261.91
Transfer to General Reserve	-		700.00
Closing Balance		1,229.59	
Grand Total		25,840.15	24,635.44

Appropriation of Profit (Dividend)

The Board, in its meeting held on May 30, 2017, has recommended a final dividend of ₹ 1.33 per equity share for the financial year ended March 31, 2017. The proposal is subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of ₹ 1,376.40 lakh (including corporate dividend tax).

Long-Term Borrowings

Note - 4

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
(A) Bonds/Debentures		
Secured	-	-
Unsecured	-	-
(B) Term Loans from Banks	-	-
(C) Term Loans from others	-	-
(D) Loans and Advances from Related Parties		
Secured	-	-
Unsecured	-	-
(E) Public Deposits (Unsecured)	-	-
(F) Long-term Maturities of Finance Lease Obligations	-	-
Total	-	-

Deferred Tax Assets (Net)

Note - 5

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
DEFERRED TAX LIABILITIES	-	-
DEFERRED TAX ASSETS	3,727.04	3,296.48
DEFERRED TAX ASSETS (Net)	3,727.04	3,296.48

Notes:-

Accounting for Taxes on Income -
Accounting Standard - 22 - Deferred Tax:

The major components of Deferred Tax Asset (net)
as on 31.3.2017 are given below:-

(₹ in lakh)

Particulars	31.3.2017	31.3.2016
DEFERRED TAX LIABILITIES		
Depreciation	26.96	35.14
DEFERRED TAX ASSETS		
Carried forward Business Loss	-	-
Provision for Leave Encashment	1463.64	1427.00
Provision for Gratuity	140.20	153.09
Provision for Doubtful Debts & Advances & Inventory write down	1883.12	1621.27
Disallowances under Income Tax Act, 1961	267.04	130.26
	3754.00	3331.62
DEFERRED TAX ASSET (NET)	3727.04	3296.48

As required by Accounting Standard -22, the Deferred Tax Assets/Liabilities were reviewed by the management, based on the advice of tax consultants, and in view of sufficient taxable profits in the current year and the expectation that future taxable profits will be available for realisation of the Deferred Tax Assets and accordingly the above Deferred Tax Asset(Net) up to 31.3.2017 has been recognised in the financial statements.

Other Long-Term Liabilities

Note - 6

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
Security Deposit & Retention Money	835.36	671.37
Total	835.36	671.37

Provisions

Note - 7

(₹ in lakh)

Particulars	As at 31.3.2017			As at 31.3.2016		
	Long Term	Short Term	Total	Long Term	Short Term	Total
Employee Benefits						
Gratuity	5,702.31	1,548.04	7,250.35	5,931.85	1,732.98	7,664.83
Less:- Fund size of Investment as per Gratuity Policy	(5,285.33)	(1,548.04)	(6,833.37)	(5,489.50)	(1,732.98)	(7,222.48)
Leave Encashment	3,425.18	804.01	4,229.19	3,364.81	758.52	4,123.33
	<u>3,842.16</u>	<u>804.01</u>	<u>4,646.17</u>	<u>3,807.16</u>	<u>758.52</u>	<u>4,565.68</u>
Income Tax						
Provision for Income Tax	-	980.00	980.00	-	1,230.00	1,230.00
	<u>-</u>	<u>980.00</u>	<u>980.00</u>	<u>-</u>	<u>1,230.00</u>	<u>1,230.00</u>
Wealth Tax						
Provision for Wealth Tax	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Proposed Dividend						
Proposed Dividend	-	-	-	-	1,286.54	1,286.54
Dividend Tax	-	-	-	-	261.91	261.91
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,548.45</u>	<u>1,548.45</u>
Total	3,842.16	1,784.01	5,626.17	3,807.16	3,536.97	7,344.13

Short-Term Borrowings

Note - 8

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
(A) Loans Repayable on Demand		
Secured	-	-
Unsecured	-	-
(B) Loans and Advances from Related Parties		
Secured	-	-
Unsecured	-	-
(C) Public Deposits (Unsecured)	-	-
Total	-	-

Trade Payables

Note - 9

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
Trade Payables	6,658.57	5,647.70
Total	6,658.57	5,647.70

Note:-

Trade Payables includes per contra receivables for more than 3 years old debit balances of ₹ 1,987.64 lakh (Previous Year ₹ 1,750.24 lakh) which are reflected in running account dues. These are to be adjusted/ recovered after reconciliation.

Other Current Liabilities

Note - 10

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
Sundry Creditors (Other than Trade Payables)	4,453.30	4,107.76
Security Deposits & Retention Money	2,664.42	2,857.68
Advances From Customers	5,083.25	4,953.32
Unclaimed Dividend	0.49	0.55
Other Liabilities	2,361.53	2,293.44
Total	14,562.99	14,212.75

Note:-

Advance from Customers include unlinked receipts from customers etc. for ₹ 156.60 lakh (Previous year ₹ 170.58 lakh) which could not be linked to respective customers accounts for want of adequate details.

Property, Plant & Equipment: Fixed Assets - Tangible Assets in Active Use

Sl. No.	Description	Gross Carrying Amount			Up to 31.03.2017	Up to 31.03.2016	Provided during the year
		Up to 31.03.2016	Addition during the year	Add/(Less): Sales, Transfer, Write Offs and Adjustments during the year			
1.	Land						
	Owned (FreeHold)***	20.60	-	-	20.60	2.25	-
	Leased*	326.60	-	-	326.60	118.51	3.43
2.	Buildings****	2,664.89	588.67	-	3,253.56	1,590.51	60.61
3.	Plant & Equipment	8,092.88	644.40	(1.07)	8,736.21	5,849.67	533.15
4.	Furniture & Fixtures	2,997.23	102.73	-	3,099.96	2,490.25	136.43
5.	Vehicles	138.88	56.58	-	195.46	123.38	7.73
6.	Office Equipment	1,480.52	66.35	(0.51)	1,546.36	1,335.41	43.29
	Total	15,721.60	1,458.73	(1.58)	17,178.75	11,509.98	784.64
	Previous Year's Total	14,962.63	759.89	(0.92)	15,721.60	10,711.35	797.07

- Tangible Assets other than Leasehold land are owned by the Corporation.

* This represents amortization of leasehold land.

** Includes staff quarters of value of ₹ 194.03 lakh (Previous year ₹ 194.03 lakh). However, this figure does not include value of staff quarters at some units, as the cost could not be ascertained separately.

*** Includes amortisation of leasehold residential flats at Headquarters before their conversion into Freehold.

**** Gross Carrying Amount includes Improvement to Buildings at ₹ 574.00 Lakh (Previous Year ₹ NIL)

Notes:-

- Terms of purchase/lease of land not having been finalised and registration of title deeds/execution of lease deeds having not been effected, liability towards cost/lease rent, ground rent and registration fee, etc, have not been created in respect of Hotel Patliputra Ashok at Patna, Ashok Institute of Hospitality and Tourism Management(AIH&TM) and Tennis Court at New Delhi.
- Lease deeds/title deeds have not yet been executed in favour of the company in respect of land at Hotel Samrat and Office Premises in Scope Complex at New Delhi.
- Lease deed in respect of land of Ashok Hotel, New Delhi is registered in the name of erstwhile Ashoka Hotels Limited, which was merged with the company on 28th March, 1970
- Registration of title deeds in favour of the company have not been effected in respect of:-
 - Land and building of Taj Restaurant at Agra, and
 - Land at Gulmarg.
- Lease deed in respect of Hotel Jammu Ashok had expired on 11.01.2010 pending renewal of the same liability towards lease rent etc. has been provided.
- Pending finalisation of cost and adjustment thereof, capitalisation of Land, Building, Furniture & Fixtures and Equipment of retained Travellers Lodges, Restaurants and Hotel taken over from Ministry of Tourism, has been effected based on the payments made.
- Pending receipt/ scrutiny of final bills of the contractors/suppliers, settlement of the rates for extra items and escalation etc., the capitalisation and/ or charge to expenditure to the extent of ₹ 2,892.27 lakh has been accounted for based on certificates issued by Project Engineers for the work carried out at various projects (previous year ₹ 1,955.42 lakh). Adjustments, if any, to cost is proposed to be carried out upon final settlement of the bills.

Note - 11

(₹ in lakh)

Add/(Less): Sales, Transfer, Write Offs and Adjustments during the year	Depreciation		Impairment		Net Carrying Amount		
	Up to 31.03.2017	Up to 31.03.2016	Reversed during the year	Provided during the year	Up to 31.03.2017	As at 31.03.2017	As at 31.03.2016
-	2.25	-	-	-	-	18.35	18.35
-	121.94	-	-	-	-	204.66	208.09
-	1,651.12	-	-	-	-	1,602.44	1,074.38
(0.99)	6,381.83	-	-	-	-	2,354.38	2,243.21
(0.03)	2,626.65	-	-	-	-	473.31	506.98
-	131.11	-	-	-	-	64.35	15.50
0.02	1,378.72	-	-	-	-	167.64	145.11
(1.00)	12,293.62	-	-	-	-	4,885.13	4,211.62
1.56	11,509.98	-	-	-	-	4,211.62	-

Property, Plant & Equipment: Fixed Assets - Tangible Assets not in Active Use

Description	← Gross Carrying Amount →			
	Up to 31.3.2016	Addition during the year	Add/(Less): Sales, Transfers, Write-Offs and Adjustments during the year	Cost as on 31.3.2017
A. Net Realisable Value is more than Depreciated Value				
Plant & Equipment	117.48	-	-	117.48
Furniture & Fixtures	7.11	-	-	7.11
Vehicles	3.93	-	-	3.93
Office Equipments	2.83	-	-	2.83
Total-A	131.35	-		131.35
B. Net Realisable value is less than depreciated value:-				
Plant & Equipment	26.16	-	-	26.16
Furniture & Fixtures	35.64	-	-	35.64
Vehicles	-	-	-	-
Office Equipments	11.17	-	-	11.17
Total-B	72.97	-		72.97
Total (A+B)	204.32	-		204.32
Previous Year's Total	203.75	0.58	(0.01)	204.32

- Tangible Assets not in active use other than Leasehold land are owned by the Corporation.

Note - 11-A

(₹ in lakh)

← Depreciation →				← Net Carrying Amount →			
Up to 31.3.2016	Additions during the year	Add/(Less): Sales, Transfers, Write-Offs and Adjustments during the year	Accumulated Depreciation up to 31.3.2017	Depreciated Value as on 31.3.2017	Net Realisable Value as on 31.3.2017	Balance Provided For	
109.85	-	-	109.85	7.63	2.23	5.40	
6.74	-	-	6.74	0.37	0.06	0.31	
3.74	-	-	3.74	0.19	0.04	0.15	
2.18	-	-	2.18	0.65	0.64	0.01	
122.51	-	-	122.51	8.84	2.97	5.87	
16.96	-	-	16.96	9.20	0.43	8.77	
33.88	-	-	33.88	1.76	-	1.76	
-	-	-	-	-	-	-	
9.61	-	-	9.61	1.56	0.03	1.53	
60.45	-	-	60.45	12.52	0.46	12.06	
182.96	-	-	182.96	21.36	3.43	17.93	
182.40	0.56	-	182.96	21.36	9.92	11.44	

Intangible Assets

Sl. No.	Description	Gross Carrying Amount			As at 31.03.2016	As at 31.03.2016	Provided during the year
		As at 31.03.2016	Additional adjustments during the year	Deduction during the year			
1.	Goodwill						
2.	Brands/Trade Marks						
3.	Computer Software						
	- Acquired	99.71	13.74	-	113.45	95.78	2.23
	- Internally Generated						
4.	Mastheads						
5.	Mining Rights						
6.	Copyrights						
	- Acquired						
	- Internally Generated						
7.	Patents						
	- Acquired						
	- Internally Generated						
	Total	99.71	13.74	-	113.45	95.78	2.23
	Previous Year's total	97.72	1.99	-	99.71	89.72	6.06

Note - 12

(₹ in lakh)

Accumulated Depreciation		Accumulated Impairment			Net Carrying Amount		
Add/(Less) adjustments during the year	As at 31.03.2017	As at 31.03.2016	Reversed during the year	Provided during the year	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
-	98.01	-	-	-	-	15.44	3.93
-	98.01	-	-	-	-	15.44	3.93
-	95.78	-	-	-	-	3.93	-

Capital Work-in-Progress

Note - 12A

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
I) Work-in-Progress (at cost) including construction material lying at site and fixed assets not put to use, value of work done & material supplied by the contractors/suppliers	1,172.42	625.86
II) Expenses attributable on Projects Pending Allocation	114.85	113.99
III) Capital Goods-in-Hand & in-Transit	0.29	0.29
	1,287.56	740.14
Less:- Provision for Impairment	(227.14)	(226.75)
TOTAL	1,060.42	513.39

Notes:-

1. Expenses attributed to projects pending allocation are as follows: -

(₹ in lakh)

Particulars	Current Year	Previous Year
Opening balance	113.99	110.87
Add:-		
Other Project Overheads	0.67	2.93
Depreciation/Amortisation of Lease	0.19	0.19
Less: Capitalised during the year	0.00	0.00
Closing balance	114.85	113.99

2. Capital work-in-progress includes expenditure attributable to projects, to be apportioned on their completion.

Non-Current Investments

Note - 13

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
Non-Trade Investments		
A. Trade (Unquoted) in Subsidiary Companies*		
(i) Investments in Equity Instruments		
Utkal Ashok Hotel Corporation Ltd. 11,90,000 (P.Y. 11,90,000) Equity Shares of ₹ 10 Each	119.00	119.00
Ranchi Ashok Bihar Hotel Corporation Ltd. 24,988 (P.Y. 24,988) fully paid-up Equity Shares of ₹ 1,000 each	249.88	249.88
Madhya Pradesh Ashok Hotel Corporation Ltd. 8,160 (P.Y. 8,160) fully paid-up Equity Shares of ₹ 1,000 each	81.60	81.60
Assam Ashok Hotel Corporation Ltd. 5,100 (P.Y. 5,100) fully paid-up Equity Shares of ₹ 1,000 each	51.00	51.00
Pondicherry Ashok Hotel Corporation Ltd. 8,160 (P.Y. 8,160) fully paid-up Equity Shares of ₹ 1,000 each	81.60	81.60
Donyi Polo Ashok Hotel Corporation Ltd. 50,896 (P.Y. 50,896) fully paid-up Equity Shares of ₹ 100 each	50.90	50.90
Punjab Ashok Hotel Company Ltd. 12,75,000 (P.Y. 12,75,000) fully paid-up Equity Shares of ₹ 10 each	127.50	127.50
	761.48	761.48
(ii) Investments in Preference Shares**		
Utkal Ashok Hotel Corporation Limited 35,00,000 (P.Y. 35,00,000) 14% Non-cumulative Preference Share ₹ 10 Each Redeemable on 30-03-2017	350.00	350.00
B. Shares in Joint Venture Company (Trade Unquoted)		
ITDC Aldeasa India Private Limited *** 5,000 (P.Y. 5,000) fully paid-up Equity Shares of ₹ 10/- each	0.50	0.50
Less:- Provision for diminution in value of Investment	0.50	0.50
	-	-
C. Others (Trade Unquoted)		
1. Delhi Maida Consumers Co-operative Society Limited, Delhi One Equity share of ₹ 25/- Each****	-	-
TOTAL	1,111.48	1,111.48

* The Share are not transferable without the consent of Co-promoters within ten years. Even after ten years Shares can not be transferred to private parties.

** Utkal Ashok Hotel Corporation Limited has filed petition with National Company Law Tribunal (NCLT) seeking approval for issue of further redeemable Preference Shares as per provision of Section 55(3) of the Companies, 2013. The same has been approved by the Board of India Tourism Development Corporation Ltd. in the meeting held on 13.04.2017.

*** The Corporation had, for the purpose of running of the Duty Free Trade in India, established on 18/09/2007 a Joint Venture Company (JV) in collaboration with M/s Aldeasa of Spain vide agreement dated 10/07/2007. In terms of the JV agreement, the company and Aldeasa were to equally contribute funds to the JV towards capital and accordingly the Corporation has, being a promoter subscriber, recorded an investment to the extent of ₹ 50,000 (5,000 equity shares of ₹ 10 each) in the joint venture, though the share certificates remained to be received from the JV company. Based on the draft financials of the JV Company, the share of profit from the partnership amounting to ₹ 2.60 lakh (P.Year ₹ 2.78 lakh) has been recognised during the year.

**** Investment worth ₹ 25/- has been taken as NIL due to rounding off.

Notes:-

Investment of ₹ 1060.58 lakh (Previous Year ₹ 1060.58 lakh) in some of the above subsidiary companies, have been evaluated at cost despite significant accumulated losses. The company is accounting for income from these companies since 2008-09 (viz. management fees & interest on loans given) to actual realisation / to the extent of deposit of taxes deducted at source in view of the repayment not being commensurate with the amount charged to them. The accounts recoverables as listed above have, however, been considered good of recovery keeping in view the long term relationship with those companies and the intrinsic value of the assets held by the companies.

Long-Term Loans and Advances

Note - 14

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
A) Security Deposits		
Secured, considered good	-	-
Unsecured, considered good	168.52	180.66
Doubtful	77.38	77.38
Less: Allowance for bad and doubtful advances	(77.38)	(77.38)
Total (A)	168.52	180.66
(B) Others		
Secured, considered good	-	-
Unsecured, considered good	165.67	164.43
Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
Total (B)	165.67	164.43
TOTAL [(A)+(B)]	334.19	345.09

Short Term Loans & Advances

Note - 14A

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
(A) Loans and Advances to Related Parties		
Secured, considered good	-	-
Unsecured, considered good	1,359.27	1,333.17
Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
Total (A)	1,359.27	1,333.17
(B) Loans and Advances Due by Directors or Officers of the Company or any of them either severally or jointly with others or by Firms or Private Companies respectively in which any Director is a Partner or a Director or Member		
Secured, considered good	-	-
Unsecured, considered good	5.35	2.99
Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
Total (B)	5.35	2.99
(C) Others		
Secured, considered good	5.83	0.51
Unsecured, considered good#	1,665.75	1,569.65
Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
Total (C)	1,671.58	1,570.16
(D) Advance Income Tax and Tax Deducted at Source	6,564.36	6,611.17
Total (D)	6,564.36	6,611.17
(E) Sales Tax paid in Advance	13.73	46.15
(F) Service Tax paid in Advance	199.72	144.28
Total (E+F)	213.45	190.43
TOTAL [(A)+(B)+(C)+(D)+(E)+(F)]	9,814.01	9,707.92

Notes:-

1. Loans and Advances includes ₹ 1,359.27 lakh (net)(Previous year ₹ 1,333.17 lakh (net) in respect of following subsidiary companies:

(₹ in lakh)

Name of the Company	Current Year	Previous Year
i) Assam Ashok Hotel Corporation Limited.	71.98	71.53
ii) Donyi Polo Ashok Hotel Corporation Ltd.	(1.56)	(1.75)
iii) MP Ashok Hotel Corporation Ltd.	172.81	173.25
iv) Pondicherry Ashok Hotel Corporation Ltd.	29.25	26.69
v) Ranchi Ashok Bihar Hotel Corporation Ltd.	107.74	99.18
vi) Utkal Ashok Hotel Corporation Ltd.*	945.16	931.47
vii) Punjab Ashok Hotel Company Ltd.	33.89	32.80
Total	1,359.27	1,333.17
Less : Provision made	-	-
Net	1,359.27	1,333.17

(*) Non-operational w.e.f 31.03.2004

2. Loans and Advances include the following:-

(₹ in lakh)

Particulars	Current Year	Previous Year
Advances due from Directors and officers of the Corporation	5.35	2.99
Maximum amount due from Directors and officers of the Corporation during the year	9.23	4.24

Include FDR amounting to ₹ 1.62 lakh (Previous Year ₹ 1.62 lakh) deposited with Hon'ble High Court, Delhi, as per the Court order.

Other Non-Current Assets

Note - 15

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
(A) Long-Term Trade Receivables other than Current (including trade receivables on deferred credit terms)		
Secured, considered good	23.78	59.85
Unsecured, considered good	3.59	28.08
Doubtful	4,161.85	3,858.37
Less: Allowance for bad and doubtful advances	(4,161.85)	(3,858.37)
Total (A)	27.37	87.93
(B) Others		
Secured, considered good	-	-
Unsecured, considered good	3.24	6.46
Doubtful	458.26	450.43
Less: Allowance for bad and doubtful advances	(458.26)	(450.43)
Total (B)	3.24	6.46
TOTAL [(A)+(B)]	30.61	94.39

Inventories

Note - 16

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
(As per inventories prepared, valued and certified by the Management at lower of the cost or net realisable value)		
Stores and Spares	222.57	208.17
Tools	0.68	0.64
Crockery, Cutlery, Glassware and Linen etc. (in hand and in use)	203.01	250.54
Other Stocks and Stores (Others)	878.95	980.51
Goods - in- Transit	-	-
Less:- Provision for Inventory Write Down	(40.04)	(40.04)
Total	1,265.17	1,399.82

Trade Receivables

Note - 17

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
1. Current Trade Receivables		
(A) Trade Receivables outstanding for more than six months from the date they became due for payment:		
(i) Secured, considered good	182.83	101.46
(ii) Unsecured, considered good	4,054.50	3,720.60
(iii) Doubtful	703.77	154.73
Less: Allowance for bad and doubtful debts	(703.77)	(154.73)
TOTAL (A)	4,237.33	3,822.06
(B) Trade Receivables (others)		
(i) Secured, considered good	104.25	342.06
(ii) Unsecured, considered good	7,643.54	6,624.02
(iii) Doubtful	-	103.73
Less: Allowance for bad and doubtful debts	-	(103.73)
TOTAL (B)	7,747.79	6,966.08
TOTAL {A+B}	11,985.12	10,788.14

Notes:-

1. Trade Receivables include ₹ 335.70 lakh (Previous year ₹ 335.70 lakh-net) in respect of following Subsidiary companies:

(₹ in lakh)

Name of the Company	Current Year	Previous Year
i) Assam Ashok Hotel Corporation Limited.	106.42	106.42
ii) Donyi Polo Ashok Hotel Corporation Ltd.	-	-
iii) MP Ashok Hotel Corporation Ltd.	77.84	77.84
iv) Pondicherry Ashok Hotel Corporation Ltd.	50.30	50.30
v) Ranchi Ashok Bihar Hotel Corporation Ltd	76.58	76.58
vi) Utkal Ashok Hotel Corporation Ltd *	24.56	24.56
vii) Punjab Ashok Hotel Company Ltd.	-	-
Total	335.70	335.70
Less : Provision made	-	-
Net	335.70	335.70

(*) Non-operational w.e.f 31.03.2004

2. Trade receivables include the following:-

(₹ in lakh)

Particulars	Current Year	Previous Year
Debts due from Directors and officers of the Corporation	-	-
Maximum amount due from Directors and officers of the company during the year	-	-

3. Provision for Bad & Doubtful Debts are made:-

- (i) In respect of Debtors Ageing above three years excluding the amount of securities deposit received, if any, other than Bank Guarantee;
- (ii) In respect of Debtors Ageing less than three years on merits of the case;
- (iii) In case of Debtors due from Subsidiary Companies, no provision is made keeping in view intrinsic value of the Assets held by these companies.

Cash and Cash Equivalents

Note - 18

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
(A) Cash in hand		
Cash in hand*	14.43	24.19
(B) Balances with Banks		
In Current Accounts**	3,626.41	5,585.61
In Savings Accounts	0.05	0.76
Provision for Doubtful Recovery	-	-
(C) Cheques, Drafts in hand		
Cheques in hand	16.37	419.74
Drafts in hand	-	-
(D) Other Bank Balances		
Term deposits with Banks for Less than 12 months***	22,772.24	21,805.14
Term deposits with Banks for more than 12 months	-	5.94
(E) Others		
	-	-
TOTAL	26,429.50	27,841.38

* Include Foreign Currency equivalent to ₹ 2.75 lakh (Previous Year ₹ 4.98 lakh)

** Include towards Unclaimed Dividend of ₹ 0.49 lakh (Previous Year ₹ 0.55 lakh)

*** Include FDR's of ₹ 7.74 lakh (Previous year ₹ 53.49 lakh) lodged as security and FDR's at HDFC Bank of ₹ 300.00 lakh (Previous year ₹ 300.00 lakh) as collateral for availing Intraday Facility at Hotel Ashok, New Delhi

Other Current Assets

Note - 19

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
Interest accrued but not due on Term Deposits	1,105.60	1,294.77
Others	491.38	473.63
Less: Allowance for bad and doubtful advances	-	-
TOTAL	1,596.98	1,768.40

Notes:-

(i) Others include FDRs ₹ 1.58 lakh (Previous Year ₹ 1.58 lakh) deposited with RPFJ Jaipur.

(ii) Others include ₹ 185.37 lakh (Previous year ₹ 166.55 lakh) paid to the workers of the contractor towards wages upto March, 2017, as per the directions of the Hon'ble High Court in the matter filed by 60 workers of the contractors. The final outcome of the case is awaited.

Revenue from Operations

Note - 20

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
Sales of Products (A)		
Food	7,184.05	6,703.25
Beer,Wine & Spirits	2,699.64	2,709.61
Cigars and Cigarettes	107.30	68.31
Soft Drinks	280.07	285.12
Petrol, Oil & Lubricant	-	-
Tourist Literature and Other Publications	82.30	120.18
Miscellaneous Sales	4.92	4.62
Total(A)	10,358.28	9,891.09
Sales of Services (B)		
Room Rent	12,056.93	11,966.82
Licence Fees	5,029.36	5,024.15
Banquet Hall/Lawn Rental	1,473.21	1,172.05
Traffic Earnings & Package Tours	1,833.57	1,659.40
Travel Services	10,387.38	8,642.56
Management/Consultancy/Event Management/Traning Fees	3,994.73	2,660.46
Revenue from execution of Project	1,010.51	1,428.27
Son-et-Lumiere & Cultural Shows	85.60	93.54
Commission Received	31.69	95.63
Electricity Charges	501.58	499.40
Telephone Services	3.51	4.46
Advertisement income	25.73	37.96
Service Charges	385.46	390.74
Total(B)	36,819.26	33,675.44
Other Operating Revenues (C)		
Miscellaneous Income	137.82	146.70
Total (C)	137.82	146.70
TOTAL (A)+(B)+(C)	47,315.36	43,713.23

Notes:-

- (i) Pending execution of fresh license agreements, income from Licence fees (from continuing licencees) has been accounted for on provisional basis and/or based on the earlier licence agreements.
- (ii) In case of Vigyan Bhawan, New Delhi, which has been providing catering services under a contract with the Director of Estates, New Delhi, which ended on 17.11.2015. Further renewal is under process and pending renewal, revenue till year-end has been recognised on the basis of the above agreement.

Other Income

Note - 21

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
Other Income		
Interest (Gross) From- Banks/ Financial Institutions	1,824.32	2,251.28
On Loan to Employees	0.58	0.58
On Income Tax Refund	95.11	202.15
Others	-	0.84
Profit on Sale of Assets	-	0.02
Gain on Foreign Exchange Variation	31.69	5.27
Grant from Ministry of Tourism	17.76	0.09
Others	229.28	395.87
TOTAL	2,198.74	2,856.10

Note:-

Out of the balance amount of ₹ 3.63 lakh (Previous year ₹ 4.38 lakh) of Deferred Government Grants from the Ministry of Tourism for the renovation/upgradation of properties and fresh receipt of ₹ 240.00 lakh during the year, a total sum of ₹ 85.29 lakh which includes adjustments relating to earlier years ₹ 67.54 lakh (Previous year ₹ 0.66 lakh) has been appropriated to the respective head of income. The amount equivalent to the grant related cost incurred/ adjusted during the year has accordingly been recognised as income. The balance of ₹ 158.34 lakh (Previous Year ₹ 3.63 lakh) at the close of the year has been presented in the accounts as Deferred Government grant below Reserve and Surplus.

Cost of Material Consumed and Services Rendered

Note - 22

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
(A) Cost of Consumption of Raw Materials, Other Materials Sold and Service Rendered		
i) Provisions, Beverages & Smokes		
Opening Stock	78.38	58.60
Add:- Purchases & Adjustments	2,432.77	2,368.38
Less:- Transfer & Adjustments	(129.38)	(100.00)
Closing Stock	86.96	78.38
TOTAL (i)	2,294.81	2,248.60
ii) Wine & Liquors		
Opening Stock	331.63	323.25
Add:- Purchases & Adjustments	488.72	541.31
Less:- Transfer & Adjustments	(96.88)	(89.57)
Closing Stock	361.87	331.63
TOTAL (ii)	361.60	443.36
iii) Other Materials		
Opening Stock	-	-
Add:- Purchases & Adjustments	69.72	89.23
Less:- Transfer & Adjustments	-	-
Closing Stock	0.45	-
TOTAL (iii)	69.27	89.23
TOTAL (i+ii+iii) (A)	2,725.68	2,781.19
(B) Cost of Service Rendered/Purchased		
- Execution of Project	222.88	1,308.48
- Other Services	3,547.80	1,654.83
TOTAL (B)	3,770.68	2,963.31
TOTAL (A+B)	6,496.36	5,744.50
Less: Charged to the Ministry of External Affairs	(14.86)	(14.97)
GRAND TOTAL	6,481.50	5,729.53

Note:-

Cost of consumption of raw material, other materials sold and services rendered includes cost of food consumed by operational staff at catering establishments (amount not ascertained).

Purchases of Traded Goods

Note - 23

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
i) Provisions, Beverages & Smokes	62.20	40.47
ii) Wine & Liquors	739.09	962.91
iii) Other Material	1.78	1.81
TOTAL	803.07	1,005.19

Change in Inventory of Traded Goods

Note - 24

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
(A) OPENING STOCK		
i) Provisions, Beverages & Smokes	16.01	8.57
ii) Wine & Liquors	547.94	373.37
iii) Other Material	2.07	3.58
TOTAL	566.02	385.52
(B) CLOSING STOCK		
i) Provisions, Beverages & Smokes	16.03	16.01
ii) Wine & Liquors	404.66	547.94
iii) Other Material	2.03	2.07
TOTAL	422.72	566.02
(C) CHANGE IN INVENTORY	143.30	(180.50)
	143.30	(180.50)

Employees' Remuneration & Benefits

Note - 25

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
Salaries, Wages & Bonus	10,965.85	11,150.43
Employer's Contribution to Provident & Other Funds	898.86	997.57
Staff Welfare Expenses (Including contribution to Staff Welfare Fund)	791.61	848.31
Uniform	40.38	31.66
Provision/Contribution to Employees' Gratuity Scheme (net)	405.11	432.11
	13,101.81	13,460.08
Less:-		
Charged to the Projects of the Ministry of Tourism	63.98	61.39
Charged to the Ministry of External Affairs	228.31	215.01
Total	12,809.52	13,183.68

Note:-

1. The disclosure relating to AS-15 (Revised) - Employees' Benefits:-
 - a) Provident Fund - 12% of Basic (including dearness pay) plus Dearness Allowance, contributed to Recognised Provident Fund
 - b) Leave Encashment- Payable on separation to eligible employees who have accumulated earned leave
 - c) Gratuity- Payable on separation @ 15 days pay for each completed year of service to eligible employees who render continuous service for 5 years or more. Maximum limit is ₹ 10.00 lakh.

In terms of Accounting Standard 15 (Revised) on Employees' Benefits, the following disclosure sets out the status as required:-

(₹ in lakh)

Particulars	Gratuity		Leave Encashment		Half Pay Leave	
	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017	Year Ended 31.03.2016
Fair Value of Defined Obligations						
Present value of projected benefit obligation as at the beginning of the year	7,664.83	8,079.54	4,074.44	4,179.68	48.89	52.58
Current service cost	248.27	292.34	193.49	180.98	4.40	5.72
Interest cost	574.86	646.36	305.58	335.29	3.67	4.22
Actuarial gain(-) / losses(+)	212.23	52.35	(384.46)	(621.51)	(16.81)	(13.63)
Past service cost	-	-	-	-	-	-
Benefits paid	(1,449.84)	(1,405.77)	-	-	-	-
Present value of projected benefit obligation as at the end of the year	7,250.35	7,664.83	4,189.05	4,074.44	40.14	48.89

Particulars	Gratuity		Leave Encashment		Half Pay Leave	
	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017	Year Ended 31.03.2016
Reconciliation of Fair Value of Assets and Obligations						
Fair value of plan assets as at the beginning of the year	7,222.48	7,559.90	-	-	-	-
Acquisition adjustment	-	-	-	-	-	-
Expected return on plan assets	541.69	591.30	-	-	-	-
Actual Company's contribution	430.48	509.40	-	-	-	-
Actuarial gain(-) / losses(+)	88.57	(32.35)	-	-	-	-
Benefits paid/ adjustments	(1,449.84)	(1,405.77)	-	-	-	-
Fair value of plan assets as at the end of the year	6,833.38	7,222.48	-	-	-	-
Present value of defined obligation	7,250.35	7,664.83	4,189.05	4,074.44	40.14	48.89
Net liability recognised in the Balance Sheet (Note-7)	416.97	442.35	4,189.05	4,074.44	40.14	48.89
Expenses recognised in the Statement of Profit & Loss Account						
Current service cost	248.27	292.34	193.49	180.98	4.40	5.72
Interest cost	574.86	646.36	305.58	335.29	3.67	4.22
Actuarial gain(-) / losses(+)	123.67	84.70	(384.46)	(621.51)	(16.81)	(13.63)
Past service cost	-	-	-	-	-	-
Expected return on plan assets	(541.69)	(591.30)	-	-	-	-
Employees' Remuneration & Benefit charged to Statement of Profit & Loss	-	-	-	-	-	-
a) Gratuity	405.11	432.11	-	-	-	-
b) Others	-	-	114.61	(105.24)	(8.74)	(3.69)
Gratuity Fund Investment details (Fund manager wise, to the extent funded)						
Life Insurance Corporation of India	1,163.52	2,074.25	-	-	-	-
Metlife Traditional Fund	695.75	644.63	-	-	-	-
Kotak Mahindra Old Mutual Life Insurance Ltd	770.48	690.86	-	-	-	-
HDFC Standard Life Insurance	397.69	353.03	-	-	-	-
Birla Sun-life Insurance Fund	2,130.91	1,924.40	-	-	-	-
Future Generali India Fund	1,675.03	1,535.32	-	-	-	-
Total	6,833.38	7,222.48	-	-	-	-

Particulars	Gratuity		Leave Encashment		Half Pay Leave	
	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017	Year Ended 31.03.2016
Actuarial assumption						
Discount rate	7.50% per annum	8.00% per annum	7.50% per annum	8.00% per annum	7.50% per annum	8.00% per annum
Mortality rate	IALM(2006-08) ULTIMATE	IALM(2006-08) ULTIMATE	IALM(2006-08) ULTIMATE	IALM(2006-08) ULTIMATE	IALM(2006-08) ULTIMATE	IALM(2006-08) ULTIMATE
Withdrawal rate(18-30 years)	0.00% p.a.	0.00% p.a.	0.00% p.a.	0.00% p.a.	0.00% p.a.	0.00% p.a.
Withdrawal rate(31-44 years)	1.00% p.a.	1.00% p.a.	1.00% p.a.	1.00% p.a.	1.00% p.a.	1.00% p.a.
Withdrawal rate(44-58 years)	3.00% p.a.	3.00% p.a.	3.00% p.a.	3.00% p.a.	3.00% p.a.	3.00% p.a.
Expected rate of return	7.50% p.a.	8.00% p.a.	7.50% p.a.	8.00% p.a.	7.50% p.a.	8.00% p.a.
Future salary increase	5.00% p.a.	5.00% p.a.	5.00% p.a.	5.00% p.a.	5.00% p.a.	5.00% p.a.
Retirement age	58 years	58 years	58 years	58 years	58 years	58 years
Method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit

Finance Cost

Note - 26

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
Interest paid on Advances	3.62	40.72
Other Borrowing Cost	16.54	1.99
TOTAL	20.16	42.71

Operating and Other Expenses

Note - 27

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
TRAVELLING AND CONVEYANCE		
(a) Directors	43.56	28.54
(b) Officers and Staff	96.39	105.02
(c) Staff Car Expenses	80.32	77.14
	<u>220.27</u>	
RENT, RATES, TAXES AND INSURANCE		
(a) Rent	228.52	252.19
(b) Rates & Taxes	346.26	320.10
(c) Insurance	103.45	103.10
	<u>678.23</u>	
REPAIRS & MAINTENANCE		
(a) Plant and Machinery	600.17	510.11
(b) Buildings	378.39	748.80
(c) Vehicles	4.50	5.72
(d) Others	1,433.67	1,030.62
	<u>2,416.73</u>	
Auditors' Remuneration (Including Branch Auditors)		
(a) Audit fees	23.62	19.39
(b) Tax audit fees	7.09	5.81
(c) Certification	-	-
(d) Taxation Matters	-	-
(e) Company Law Matters	-	-
(f) Out of Pocket Expenses	0.15	0.06
	<u>30.86</u>	
Directors' Sitting Fees	2.38	2.02
Legal and Professional Charges	254.57	191.90
Printing, Stationery and Periodicals	111.56	115.12
Communication Expenses	104.77	110.91
Power & Fuel	2,809.76	3,000.42
Advertisement, Publicity & Sales Promotion	336.50	336.96
Entertainment	14.25	12.19
Band and Music	29.96	34.16
Commission to Travel Agents & Credit Card Companies	311.00	99.78
Licencees' Share of Profit	-	-
Miscellaneous Expenses	119.47	60.54
Upkeep, Service Cost and Other Operating Expenses	16,751.40	13,810.64
Loss on Sale of Fixed Assets/Write off of Assets	0.14	0.07
Depletion/Consumption & Breakage in Crockery, Cutlery & Utensils etc.	50.78	53.62
Reimbursement of Sale Proceeds	396.17	486.19
Bad Debts	46.40	7.58
Loss on Foreign Exchange Variations	-	-
Provision for Doubtful Debts & Advances	944.08	388.44
Provision for Impairments	6.49	2.93
Provision for Diminution of Fixed Assets	0.38	1.27
Provision for Inventory Write Down/Write Off of Inventories	0.73	0.08
Corporate Social Responsibility*	75.06	13.58
Demand and Notice	0.62	2.79
TOTAL (A)	<u><u>25,712.56</u></u>	<u><u>21,937.79</u></u>

Less:-

Charged to the Project of Ministry of Tourism		19.10	22.30
Charged to the Ministry of External Affairs		165.95	144.95
	TOTAL (B)	185.05	167.25
	TOTAL (A-B)	25,527.51	21,770.54

Notes:-

1. Expenses on Generation of Power:-

(₹ In lakh)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Salaries and Wages	6.45	6.27
Fuel	36.92	35.73
Depreciation	40.44	40.50
Repairs	49.58	39.06
Others	-	0.50
Total	133.39	122.06

(Above excludes expenditure incurred by some units which is not ascertainable.)

2. No separate charge is made to Repairs and Maintenance Account in respect of salaries, wages etc. of staff deployed for repairs carried out departmentally.

* Details of expenditure towards Corporate Social Responsibility

a) Gross Amount required to be spent by the company during the year ₹ 55.53 lakh (Previous Year ₹ 38.10 lakh)

b) Amount spent during the year on:

(₹ In lakh)

Particulars	In Cash	Yet to be paid in cash	Total
(i) Construction/ acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	73.42	1.64	75.06

Exceptional Items

Note - 28

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
Provisions no Longer required written back	428.01	504.34
Others*	(1,499.31)	(1,314.22)
Total	(1,071.30)	(809.88)

Note:-

(i) The Provisions/liabilities no longer required written back during the year and disclosed in Profit & Loss Account are given as under:-

(₹ in lakh)

Particulars	Current Year	Previous Year
1. Provision for Doubtful Debts and Advances	214.60	209.45
2. Depreciation	-	0.29
3. Cost of Material Sold and Services rendered	-	1.42
4. Salaries, wages and benefits	14.10	2.10
5. Finance cost	-	-
6. Repairs and Maintenance	70.19	130.62
7. Upkeep & Service Cost	-	9.97
8. Other Operating and Administrative Expenses	-	0.57
9. Provision for Inventory written down	-	-
10. Others	129.12	149.92
Total	428.01	504.34

* The Company had taken a property at L Block, Cannought Circus, New Delhi on rent from the Custodian of Enemy Property in 1965. Subsequently the said property was released in favour of present owner by the custodian. The owner filed a suit for recovery of the possession of the said property. The Hon'ble Delhi High Court decided the matter in favour of the owner and the corporation was directed to vacate the property accordingly ITDC vacated the property on 28.02.2007. The appeal of ITDC has been dismissed by Hon'ble Delhi High Court on 22.04.2016 and the demand has been paid in full in FY 2016-17.

Prior Period Adjustments

Note - 29

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
Prior Period Income	38.96	(9.24)
Prior Period Expenses	158.01	154.26
Net Prior Period Income/(Expenditure)	(119.05)	(163.50)

Note:-

1. Income/expenditure and adjustment relating to earlier years charged to Statement of Profit & Loss are as follows:-

(₹ in lakh)

Particulars	Current Year	Previous Year
Income:		
1. Beer, Wine and Spirit Sales	-	-
2. Income from Services Rendered :		
Room rent/ licence fee		
Consultancy	(7.35)	(13.56)
3. Others :		
Employees' Remuneration and Benefits	0.11	1.91
Income from Hired Vehicle	(0.05)	-
Deferred Govt. Grant	67.54	0.66
Miscellaneous Income	(21.29)	1.75
Total	38.96	(9.24)
Expenditure:		
1. Cost of consumption of raw material, other materials sold and services	2.23	21.03
2. Employees' Remuneration and Benefits	(5.38)	6.54
3. Travelling and Conveyance	0.37	0.28
4. Rent, Rates, Taxes and Insurance	(4.35)	1.20
5. Repairs and Maintenance	0.69	20.97
6. Audit Fees	0.01	0.03
7. Legal and Professional Charges	3.40	4.48
8. Staff Welfare	0.04	3.32
9. Communication Expenses	0.51	2.10
10. Power and Fuel	24.04	26.11
11. Advertisement, Publicity and Sales Promotion	0.30	1.66
12. Sundry Expenses	9.12	2.28
13. Upkeep and Service Cost and Other Operating Expenses	125.58	16.34
14. Depreciation	0.30	2.47

(₹ in lakh)

Particulars	Current Year	Previous Year
15. Electricity charges	1.05	-
16. Payment to hired vehicles	0.25	2.63
17. Fees & Subscription	-	0.03
18. Data Processing	-	0.34
19. Others	(0.15)	42.45
Total	158.01	154.26

Earning Per Share

Note - 30

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
The calculation of Earning per share as per Accounting Standard - 20 is as under:-		
BASIC & DILUTED		
Net (Loss)/ Profit available for Equity Shareholders (₹ in lakh)	1,204.71	2,255.40
Weighted Average number of Equity Share of ₹ 10/- each	8,57,69,400	8,57,69,400
Basic earnings per share (₹)	1.40	2.63

Note - 31

Contingent Liabilities and Commitments

(₹ in lakh)

Particulars	Current Year	Previous Year
A. Contingent Liabilities		
(a) Claims against the Company not acknowledged as debts		
(i) Claims against the Company not acknowledged as debts [includes demands from custom authority ₹ 18,520.84 lakh (Previous Year ₹ 18,520.84 lakh) and are subjudice].	74,727.47	72,857.40
(ii) Guarantees executed in favour of various authorities, banks and financial institution [including guarantees provided against loans obtained by subsidiary companies, ₹ 377.64 lakh (Previous year ₹ 360.84 lakh)].	604.56	516.21
(iii) Income Tax matters in appeal [Includes appeals preferred by Income Tax Department ₹ 475.84 lakh (Previous Year ₹ 475.84 lakh)]	1,321.15	847.92
(iv) Sales Tax matters in appeal [includes ₹ 2,465.62 lakh (Previous Year ₹ 2,465.62 lakh) in respect of closed Duty Free Shop, Mumbai, appeals against which are pending before Maharashtra Sales Tax Tribunal/High Court].	2,949.13	2,949.13
(v) (a) Liability towards service tax (including interest thereon pertaining to banqueting, including catering activities at hotels up to 31.03.2007.	Amount unascertained	Amount unascertained
(b) Liability towards work contract tax (including interest thereon) pertaining to building repair work carried at units.		
B. Commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances and excluding escalation in rates, if any) (on completion, part of the work may result as revenue expenditure).	251.31	386.65

Note No. (1): Contingent Liabilities at Sl. No. A(a) (i), A(a)(iii) & A(a)(iv) are dependent upon court decision/out of court settlement/disposal of appeal etc.

Note No. (2): Amount indicated as Contingent liability/ Claims against the Company only reflect basic value. Legal and other costs being indeterminable at this stage are not considered.

Note No. (3): Contingent liabilities at A(a)(i) above includes ₹ 4,858.04 lakh (Previous Year ₹ 4,858.04 lakh) in respect of matters under arbitration with suppliers in respect of works relating to supply of furniture and furnishing of flats on behalf of Delhi Development Authority(DDA). However, the MoU with DDA indicates that the payments of decreed amounts, if any, as decided by arbitrator, court of law will be made by DDA.

C. The Airports Authority of India(AAI) and other private airport operators had levied service tax on their billings for licence fee/royalty for Duty Free Shops at various locations and Ashok Airport Restaurant w.e.f. 10.9.2004. However, the Circular dated 17.9.2004 issued by the Government of India provides that the activity of renting, leasing out part of airport/civil enclave premises does not amount to rendering of services and the licence fee/royalty payable in this regard is not subject to service tax. M/s Airports Authority of India had filed an appeal in CESTAT inter alia to adjudicate if Service tax is chargeable on Appealants revenue from renting/ leasing of space inside Airports Civil Enclave to various persons for their business activities. The CESTAT vide their order date 2.1.2015 had ordered that service tax is chargeable on above renting/ leasing. The AAI has further appealed against the order of Hon'ble Delhi High Court. Further an amount of ₹ 1.61 crore paid by ITDC as security deposit in the form of Fixed Deposit during 2006-07 was encashed by Delhi International Airport Pvt. Ltd.(DIAL) on account of Service tax levied as above. Pending final resolution of the matter the estimated liability of ₹ 1,779.49 lakh (Previous year ₹ 1,779.49 lakh) from 10.09.2004 to 31.03.2008 has been included as Contingent Liability at Para A(a)(i) above, and ₹ 1.61 crore has been included as amount recoverable from M/s DIAL.

D. The Employees' State Insurance Corporation (ESI) authorities had raised demands (including interest where applicable) totalling ₹ 826.79 lakh (Previous year ₹ 803.13 lakh) towards

ESI dues in respect of six hotel/catering units against which the company holds a deposit of ₹ 334.85 lakh (Previous year ₹ 334.85 lakh) (included in Loans and Advances) with the said authorities (made up of amounts withdrawn by the authorities after freezing bank accounts ₹ 310.09 lakh and amount deposited ₹ 24.76 lakh). Against this the company holds a liability of ₹ 215.43 lakh (previous year ₹ 215.44 lakh) towards ESI dues. No provision has been made for the balance of ₹ 611.35 lakh (Previous year ₹ 587.70 lakh) as the matter is subjudice and pending finality in the matter, the same has been included under Contingent Liabilities at Sl. No. 1(A)(a)(i) above.

- E. The matter relating to determination of property tax in respect of three Delhi based properties i.e. Ashok, Samrat and Janpath Hotels was subjudice in the Hon'ble High Court of Delhi. During proceedings NDMC offered a basis for determination of property tax for assessing the hotel properties to which ITDC also agreed. Accordingly, the Hon'ble High Court vide its orders dated 19.10.2010 disposed off the said petition by directing NDMC to reassess the property tax

due from hotels and hotels to fully cooperate in the matter. Accordingly, the NDMC vide its assessment orders dated 31.03.2013 had made the fresh assessment up to 31.03.2009 and gave a basis of determination of property tax which was agreed by ITDC.

From the year 2010-11 to 2015-16, NDMC vide their order dated 11.02.2016 assessed above three properties on Unit area method on a much higher RV than assessed upto the year 2008-09 vide Order dt. 31.3.2013. The company challenged the assessment made under Unit area method and filed three writ petitions in Delhi High Court. The matter came up for hearing before DB of the H'ble court on 8.3.2016. H'ble court was pleased to order that subject to ITDC paying the admitted tax, no coercive measures shall be taken by NDMC. The company has already deposited its admitted tax liability based upon assessment made vide order dt. 31.3.2013 and the balance disputed amount of ₹ 197.68 crore has been included in the contingent Liability A(a)(i) above subject to final resolution of the matter by H'ble court.

General Notes

Note - 32

- In spite of requests made by the Company, confirmation of balances have not been received in several cases in matter of Trade receivable, Trade payable, Loans and Advances and Deposits. Besides in a few units, balances in customers accounts are under reconciliation with the General Ledger control account balances. The effect on accounts, if any, due to our exercise for obtaining confirmation, reconciliation and adjustments thereof will be adjusted accordingly.
- The net accumulated amount of losses- ₹ 3,341.82 lakh (Previous year ₹ 3,086.15 lakh) of subsidiary companies so far as it concerns the company, not dealt with in the accounts is as under:-

(₹ in lakh)

Name of the Subsidiary Company	For the period up to	Share % of Profit/Losses	Accumulated Amount of Losses/(Profit)
Assam Ashok Hotel Corporation Ltd.#	2016-17	51.00	540.91
Donyi Polo Ashok Hotel Corporation Ltd.#	2016-17	51.02	(63.92)
Madhya Pradesh Ashok Hotel Corporation Ltd.#	2016-17	51.00	57.70
Pondicherry Ashok Hotel Corporation Ltd.#	2016-17	51.00	37.19
Punjab Ashok Hotel Company Ltd.#	2016-17	51.00	8.74
Ranchi Ashok Bihar Hotel Corporation Ltd.#	2016-17	51.00	497.44
Utkal Ashok Hotel Corporation Ltd.#@	2016-17	91.54	2,263.76
Total Net Losses			3,341.82
Previous Year Net Losses			3,086.15

There is no change in the % of sharing.

@ Non-operational from 2003-04.

AGM is yet to be convened.

- Following the past practice, consumption of Stocks, stores, crockery, cutlery etc. has been worked out by adding opening

balances to purchases and deducting therefrom closing balance based on physical inventories valued as per the accounting policy.

- The company has been managing Kosi Restaurant owned by the Ministry of Tourism and Hotel Bharatpur Ashok (since handed) to the Rajasthan Government and the profit/loss in respect of this unit is accounted for by the Company in the respective notes of statement of Profit & Loss.
- The company entered into an Agreement dt. 19th February, 2002 with M/S Maruti Udyog Ltd. for renewal of Sub-Lease from 1st February, 2002 to 31st January, 2011 and another period of nine years thereafter subject to enhancement of rent in respect of the property comprising of Workshop-cum-Depot constructed on Plot No. C-119 Naraina Industrial Area Phase- I, New Delhi. As per terms of agreement the entire rent for a period of 9 years was paid by Maruti Udyog Ltd in advance. During the currency of the lease period, M/S Maruti Udyog Ltd carried out additional construction in the said premises and in the process, the Workshop-cum-Depot that had been let out was demolished and rendered extinct which was neither envisaged nor intended in the Sub-Lease Agreement. Therefore, a legal notice dt. 14th June, 2010 was given to Maruti Udyog Ltd to vacate the premises w.e.f. 1.7.2010. The balance amount of advance rent lying with ITDC amounting to ₹ 25,01,849/- was accordingly returned to M/S Maruti Udyog Ltd. Applications dt. 1.7.2010 were filed by ITDC for eviction of premises and recovery of damages under Public Premises (Eviction of Unauthorized Occupants) Act, 1971, before the Estate Officer. In the meanwhile M/S Maruti Udyog Ltd. renamed as M/S Maruti Suzuki India Ltd. (MSIL) filed a writ petition with the H'ble Delhi High Court against the eviction and recovery applications of the company

which has been dismissed by the Hon'ble High Court vide order dt. 30.12.2012. Against the order of H'ble High Court MSIL had filed an appeal before the Division Bench which was also dismissed vide order dt. 29.4.2013. MSIL filed an SLP challenging the orders of H'ble High court. The said SLP was disposed off vide order dt. 13.9.2013 with direction to Estate Officer to decide the jurisdiction. The Estate officer vide its order dt. 24.3.2014 held that the Estate officer has jurisdiction to entertain the application filed by the company. Another Arbitration Petition had been filed by MSIL before Hon'ble High Court for appointment of Arbitrator. Hon'ble High Court vide its interim order dt 23.5.2011 directed to appoint two Arbitrators who may proceed to appoint Presiding Arbitrator. The company preferred an Application for recalling the order of H'ble court. The H'ble court vide its order dt. 29.9.2011 sustained the order dt. 23.5.2011 with modification that the only issue Arbitral tribunal will determine is whether the company violated terms of Sub-Lease dt. 19.2.2002 and MSIL suffered any losses/harassment. The rest of the issues shall be determined under Public Premises Act. MSIL filed SLP against order dt. 29.9.2011 and the same was dismissed vide order dt. 6.5.2014 by H'ble Supreme Court. Now the proceedings before the Estate officer are in progress and pending legal proceedings in the matter, the premises has not yet been vacated by M/S MSIL.

6. Disclosure in accordance with Accounting Standard- 7 - Construction Contracts:

(₹ in lakh)

Particulars	Current Year	Previous Year
a) Aggregate amount of Revenue recognised up to the reporting date	11,565.46	13,494.95
b) Aggregate cost incurred up to reporting date	10,569.20	12,284.36
c) Revenue recognised during the current financial year	1,009.81	1,400.03

d) Cost incurred during the financial year	933.39	1,308.33
e) Total amount of funds received up to the reporting date	15,952.22	17,790.23
f) Advance due from customers up to reporting date	567.09	164.10
g) Advance due to Customers up to reporting date	4,047.06	3,256.25

7. Notices of eviction has been served on two licensees viz. M/s Mayar Health Resort and M/s Jain Restaurant (Sharman) in the year 2014 and 2012 respectively. Against that termination both the licensees went to court and the matter is since subjudice. The amounts of ₹ 77.11 lakh and ₹ 24.80 lakh received from M/s Mayar Health and M/s Jain Restaurant during the year 2016-17 are adjusted with their past dues.

8. Disclosure pursuant to Accounting Standard 17 on Segment Reporting is given in Annexure A to this note.

9. Disclosure of transactions with related parties as per Accounting Standard -18, to the extent applicable, is as under: -

Key Management Personnels:

1. Shri Umang Narula,
Chairman & Managing Director
w.e.f. 24.04.2015 to 28.02.2017
2. Shri Piyush Tiwari,
Director (Commercial & Marketing)
w.e.f. 28.05.2015 till 28.02.2017
Chairman & Managing Director
w.e.f. 01.03.2017 till date
3. Shri Pradip Kumar Das,
Director (Finance) & CFO
w.e.f. 25.02.2016 till date
4. Shri. V. K. Jain,
Company Secretary
w.e.f 15.12.2008 till date

Payment made to key management personnels and their relatives.

(₹ in lakh)

Particulars	Current Year	Previous Year
Remuneration	107.46	75.92

10. Disclosure in pursuance of Accounting Standard -19 on Leases:-

The Company's leasing arrangements are generally in respect of operating lease for premises (residential, office accommodation, and godowns etc). These leasing arrangements are not non-cancellable and are also usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals paid/payable are charged as Rent under Employees' Remuneration & Benefits (Note-25) & Operating and other Expenses (Note-27). In some of the hotel units, arrangements made with other parties to operate restaurants and other business premises are on licence basis which are also not non-cancellable and are usually renewable by mutual consent on mutually agreeable terms.

11. Pursuant to a decision of the Government of India, it was decided that the Ministry of Tourism will examine the proposal for Sale/ Lease of Hotel Properties of the Company including Properties of Subsidiary Companies. In the cases where Hotel properties are located on State Govt Leased Land and the State is reluctant to extend the lease and allow it to be sub-leased to the private party, then the property may be offered to the State Govt at its officially valued price. Transaction Advisors for four Hotel Properties viz. Hotel Jaipur Ashok, Jaipur; Hotel Lalitha Mahal Palace, Mysore; Hotel Patliputra Ashok, Patna and Hotel Kalinga Ashok, Bhubaneswar have been appointed. The Transaction Advisors are engaged for doing the entire exercise of Valuation of the properties, devising framework for transfer/ exit/ absorption of employees, documentation, etc.

Hotel Bharatpur Ashok (Managed Property since owned by Government of Rajasthan) has been handed back to Government of Rajasthan on 30.04.2017.

In the absence of any formal approved plan for discontinuance of other Hotel Properties as on date, the hotel operations have been considered as normal continuing operations of the Company within the meaning of AS-24.

Further, as the process of disinvestment/ divestment of Hotel Properties including that of Subsidiary Companies is going on and Transaction Advisors for Hotel Brahmputra Ashok, Guwahati; Hotel Donyi Polo Ashok, Itanagar; Hotel Pondicherry Ashok, Puducherry; Incomplete Project of Anandpur Sahib, Punjab; Hotel Lake View Ashok, Bhopal have already been appointed. It is expected that on completion of the proposed transaction of transfer/sale/lease out properties of Subsidiary Companies then Company will be able to realise full value of its investments, made in these Subsidiary Companies and Accounts Recoverable on account of Management Fees and Loans & Advances, etc. Therefore, no provision is considered necessary and these accounts are considered good for recovery.

12. Impairment of Assets

Impairment of Fixed Assets/ Capital work-in-progress at each balance sheet date and impairment loss, if any, ascertained as per Accounting Standard-28-'Impairment of Assets' issued by the Institute of Chartered Accountants of India is recognised. As on 31st March, 2017, in the opinion of the Management except to the extent of loss recognised in respect of assets not in active use, capital work-in-progress including incomplete hotel project at Gulmarg, no such impairment loss warranting recognition/provision was noticed.

13. Disclosure in pursuance to Accounting Standard - 29 - Provisions, Contingent Liabilities and Contingent Assets

(₹ in lakh)

Name of the Provision	Balance as on 1.4.2016	Provided during the year relating to 2016-17	Provided during the year relating to 2015-16	Payments/ Adjustments during the year	Provision reversed/ written back	Closing Balance as on 31.3.2017
Income Tax	1,230.00	980.00	-	1,227.86	2.14	980.00

14. Other disclosure as per Schedule III of Companies Act, 2013

a) Value of Imports on C.I.F. basis

(₹ in lakh)

Particulars	Current Year	Previous Year
i) Beer, Wine and Spirits	715.94	941.10
ii) Cigars and Cigarettes	70.20	37.71
iii) Other items	-	-
Total	786.14	978.81

b) Expenditure in Foreign Currency

(₹ in lakh)

Particulars	Current Year	Previous Year
i) Travelling	3.72	9.18
ii) Fees & Subscription	1.66	2.32
iii) Miscellaneous	5.30	-
Total	10.68	11.50

(c) Earnings in Foreign Currency (Direct) (on receipt basis)

(₹ in lakh)

Particulars	Current Year	Previous Year
i) Boarding, Lodging and Other Facilities	103.78	529.90
ii) Sale of Goods at Duty Free Shops	1,383.50	1,260.31
iii) Gain in Foreign Exchange (net)	32.25	5.27
Total	1,519.53	1,795.48

(d) (i) Amount due to Small Scale Industries, to the extent such parties have been identified from available information, of more than one lakh and for a period exceeding 30 days is ₹ NIL (Previous Year ₹ NIL).

(ii) The identification of Micro & Small Enterprises under “The Micro, Small and Medium Enterprises Development Act, 2006”, has been made on the basis of their declarations. Amount payable ₹ NIL (Previous Year ₹ NIL).

(iii) The Companies (Second Amendment) Act, 2002, provides for levy of cess, towards rehabilitation/revival of sick industrial companies, which shall not be less than 0.005% but not more than 0.10% of the turnover or the gross receipts as the Central Government may from time to time specify in the Official Gazette. Since no notification has been issued, provision thereof has not been created.

15. In the opinion of the management, the value of assets, other than fixed assets and non-current investments, on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

16. As per the Ministry of Corporate Affairs Notification no. G.S.R. 308(E) dated 30th March ,2017, the details of Specified Bank Notes (SBN) held and transacted during

the period from 8th November ,2016 to 30th December 2016 are provided in the table below:-

(₹ in lakh)

	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	32.14	0.45	32.59
(+) Permitted receipts	-	246.67	246.67
(-) Permitted payments	-	0.13	0.13
(-) Amount deposited in Banks	71.33*	240.63	311.96*
Closing cash in hand as on 30.12.2016	-	6.36	6.36

* includes ₹ 39.19 lakh received in demonetised notes of ₹ 1,000 and ₹ 500 after 8th November, 2016 and deposited in Bank

17 Disclosure as per Accounting Standard - 1, on Disclosure of Accounting Policies

During the year, following changes in the Accounting Policies have been made:

a). Policy No. 4 - “Fixed Assets and Depreciation” has been modified in compliance of Revised Accounting

Standard, AS - 10 Property Plant and Equipment (PPE), as much as the expense on Improvement to Building during the Financial Year 2016-17, has been capitalised with a useful life of 7 years as estimated by the Management.

The above changes have been made for compliance with an Accounting Standard and impact of the change in accounting policy is as follows:

Particular	F.Y. 2016-17		F.Y. 2017-18 onwards	
	Increase	Decrease	Increase	Decrease
Gross Block-Improvement to building	574.00	-	-	-
Depreciation	16.37	-	41.75	-
Repair & Maintenance (Operating Expenditure)	-	574.00	-	-
Net Profit	557.63	-	-	41.75

Above mentioned impact is from three units - Hotel Ashok, Hotel Samrat and Hotel Jammu Ashok

18. Previous years' figures have been regrouped/rearranged wherever necessary.

Annexure “A” to Note No. 32 {Sl. No. 8}

Segment Reporting-AS-17

	Hotel/Restaurants Operations		Duty Free Shops Operations		Travels & Tours Operations	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
PRIMARY DISCLOSURE (Operation-wise)						
1. Segment Revenue						
a) Total Revenue	28,415.35	27,880.35	1,835.60	1,622.70	12,379.62	10,486.79
b) Less Inter Segment Revenue	164.05	125.76	-	-	73.43	49.93
c) External Revenue	28,251.30	27,754.59	1,835.60	1,622.70	12,306.19	10,436.86
2. Segment Results						
Profit/(Loss) before Interest, Tax and Overheads	3,456.48	3,892.26	330.74	236.61	(1,807.49)	(1,037.42)
Less:- Allocable Corporate Overheads						-
Less: Interest	16.43	1.99	-	-	0.11	-
Less: Provision for Income Tax						
Less: Provision for Wealth Tax						
Less: Provision for Deferred Tax						
Add: Provision for income tax for earlier year written back						
Profit/(Loss) available for appropriation	3,440.05	3,890.27	330.74	236.61	(1,807.60)	(1,037.42)
3. Segment Assets (Current assets plus fixed assets & WIP and Investments)	14,894.87	16,565.43	823.22	948.48	3,835.43	3,178.21
4. Segment Liabilities	16,619.37	16,038.64	529.25	773.10	2,237.80	1,996.81
5. Depreciation & amortisation in respect of Segment Assets for the period	724.49	759.90	2.42	1.99	4.32	4.26
6. Cost incurred during the period to acquire Segment Assets (Tangible & intangible fixed assets)	1,324.21	479.91	6.44	2.48	7.64	3.71
7. Non Cash Expenses Other than Depreciation and Amortisation incurred by the Business Segment	1,230.50	678.56	(2.22)	(18.17)	123.80	(97.20)

N.B. : Secondary (Geographical) disclosure is not given, since company has no overseas operations/activities.

(₹ in lakh)

Ashok Events & Misc. Operations		Construction, Consultancy & SEL Projects		Others		Total for Company	
2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
4,488.23	3,223.30	1,103.57	1,531.39	2,081.06	2,529.94	50,303.43	47,274.48
551.85	529.46	-	-	-	-	789.33	705.15
3,936.38	2,693.84	1,103.57	1,531.39	2,081.06	2,529.94	49,514.10	46,569.33
579.47	247.64	(296.84)	(283.92)	(946.30)	765.88	1,316.06	3,821.05
-	-	-	-	(456.11)	(536.50)	(456.11)	(536.50)
-	-	-	-	3.62	40.72	20.16	42.71
-	-	-	-	980.00	1,230.00	980.00	1,230.00
-	-	-	-	-	-	-	-
-	-	-	-	(430.56)	(243.49)	(430.56)	(243.49)
-	-	-	-	(2.14)	(0.05)	(2.14)	(0.05)
579.47	247.64	(296.84)	(283.92)	(1,041.11)	(797.79)	1,204.71	2,255.40
2,756.13	2,459.90	1,357.87	739.12	34,863.97	33,904.33	58,531.49	57,795.47
2,818.03	2,959.81	8,306.33	7,649.90	(2,827.69)	(1,542.31)	27,683.09	27,875.95
32.33	16.40	0.34	0.22	22.78	20.17	786.68	802.94
53.82	257.32	1.46	-	78.91	18.46	1,472.47	761.88
59.75	40.84	17.94	14.75	32.89	(11.24)	1,462.66	607.54

Cash Flow Statement for the Year ended 31st March, 2017

(₹ in lakh)

Particulars		Year Ended 31.3.2017		Year Ended 31.3.2016
A Cash Flow from Operations				
Profit before Taxation		1,752.01		3,241.86
Adjustments for:				
Depreciation	786.68		802.94	
Diminution in value of Fixed Assets/Investments	6.87		4.20	
Deferred Government Grant	(17.76)		(0.75)	
Finance Charges	20.16		42.71	
Provision for Inventory Write-down	0.73		0.08	
Provision for Doubtful Debts & Advances	944.08		388.44	
Interest Income	(1,920.01)		(2,454.85)	
Bad Debts/Advances Written Off	46.40		7.58	
(Profit)/Loss on Sale of Fixed Assets	0.14	(132.71)	0.05	(1,209.60)
Operating Profit before Working Capital Changes		1,619.30		2,032.26
(Increase)/Decrease in Current Assets				
Inventories	135.38		(172.99)	
Trade Receivables	(2,187.46)		812.84	
Other Current Assets	171.43		(35.73)	
Other Non-current Assets	63.78		(25.21)	
Long-term Loans and Advances	10.90		20.28	
Short-term Loans and Advances	(106.09)	(1,912.06)	151.15	750.34
Increase/(Decrease) in Current Liabilities				
Trade Payables	1,010.88		213.11	
Other Current Liabilities	350.25		(312.78)	
Other Long Term Liabilities	163.99		(92.04)	

(₹ in lakh)

Particulars		Year Ended 31.3.2017		Year Ended 31.3.2016
Long Term Provision	35.00		(243.56)	
Short Term Provision	45.49	1,605.61	57.34	(377.93)
Cash Inflow/(Outflow) from Operations		1,312.85		2,404.67
Direct Taxes Paid				
Income Tax Paid	1,226.96		949.95	
Income Tax for Earlier years Written Back	2.14	1,229.10	(0.05)	949.90
Net Cash Inflow/(Outflow) from Operation (A)		83.75		1,454.78
B Cash Flow from Investing Activities				
Purchase of Fixed Assets		(1,472.47)		(763.12)
Sale of Fixed Asset and Adjustments		0.01		0.02
Income from Interest/Dividends		1,920.01		2,454.85
Reduction/(Addition) of Work in Progress		(547.04)		(145.12)
(Increase)/Decrease in Investments		-		-
Net Cash Inflow/(Outflow) from Investing Activities (B)		(99.49)		1,546.63
C Cash Flow from Financing Activities				
Increase in Share Capital		-		-
Increase/(Decrease) in Borrowings		-		-
Finance Charges		(20.16)		(42.71)
Wealth Tax Paid		-		(0.79)
Dividend Paid		(1,286.54)		(1,715.39)
Dividend Tax Paid		(261.91)		(349.21)
Deferred Government Grant		172.47		0.75
Net Cash Inflow/(Outflow) from Financing Activities (C)		(1,396.14)		(2,107.35)

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
Net Change in Cash or Cash Equivalents during the Year	(1,411.88)	894.05
Cash and Cash Equivalents at the beginning of the year*	27,841.38	26,947.33
Cash and Cash Equivalents at the end of the year*	26,429.50	27,841.38

* For details refer Note-18

For CSR refer footnote in Note 27

(V.K. Jain) (A.K. Jain) (Pradip Kumar Das) (Piyush Tiwari)
 Company Secretary General Manager (F&A) Director (Finance) Chairman & Managing Director

As per our Report of even date
 For M/s Kishore & Kishore
 Chartered Accountants (FRN 00291N)

Date : 30.05.2017
 Place : New Delhi

(S.C. Kishore)
 Partner
 (M.No. 003390)

Consolidated Accounts for the Year 2016-17

Independent Auditors’ Report to the Members of India Tourism Development Corporation Limited, New Delhi

Revised Report on the Consolidated Financial Statements

Our report dated 30.05.2017 on the accounts for the year ended 31st March, 2017 has been revised to give effect to the observations made by the Comptroller & Auditor General of India in the supplementary audit carried out by them under Section 143(6)(a) of the Companies Act, 2013.

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”) and a joint venture entity, comprising of the Consolidated Balance Sheet as at 31st March, 2017, 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 joint venture 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.

Auditors’ 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 obtained by us and obtained by other auditors in terms of their report referred to in sub-paragraph a) of the Basis for Qualified opinion is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

(a) At Assam Ashok Hotel Corporation Limited, subsidiary,

- (i) For Deferred tax asset of ₹ 25.65 lakh created as per AS-22 "Accounting for taxes on Income" in the past, there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against*

which such deferred tax asset can be realized. The subsidiary has not been able to justify the aforesaid resulting in understatement of loss and overstatement of deferred tax assets by above mentioned amount.

- ii) The payment of ₹ 2.50 lakh for renewal of bar license for financial year 2017-18 and its charging as expense for the year has resulted in overstatement of expenses and understatement of current assets by equal amount.*

The overall impact of the Qualified opinion is over statement of profit for the year by ₹ 23.15 lakh and understatement of current assets by ₹ 2.5 lakh and overstatement of deferred tax assets by ₹ 25.65 lakh.

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 and joint venture as at 31st March, 2017, their consolidated profit and their consolidated cash flow for the year ended on that date.

Emphasis of Matter

- a) In respect of Ashok Hotel, Unit of the Holding Company, notices of eviction/termination having been served on two licensees viz. M/s. Mayar Health Resort and M/s. Jain Restaurant (Shraman) in the year 2014 and 2012 respectively and the matter have become sub-*

- judice having gone under litigation, accordingly the amounts of ₹ 77.11 lakh and ₹ 24.80 lakh received from them during the year 2016-17 are adjusted against their past dues. Our opinion is not qualified in respect of this matter [Refer Point 7 of Note No. 32 to the consolidated financial statements].
- b) In respect of ACES, Unit of the Holding Company, we draw attention towards “Trade Payables” Note-9 in the Consolidated Financial Statements, against which outstanding dues for more than 3 years amounting to ₹ 1,987.64 lakh are adjusted without reconciliation/approval from the management, the reconciliation being still in progress. Our opinion is not qualified in respect of this matter.
- c) At Vigyan Bhawan, a Unit of the Holding Company, the contract agreement with the Directorate of Estates for providing catering services expired on 17th November 2015 and the Unit is operating without any formal agreement. Our opinion is not qualified in respect of this matter. [Refer Point 2 of Note 20 to the consolidated financial statements].
- d) Amounts aggregating ₹ 156.60 lakh included under “Advances from customers” (Note No. 10 “Other Liabilities”) remain unadjusted/unlinked against “Trade Receivables” (Note No. 17).
- e) The amount of consumption of stock of stores, crockery, cutlery, etc., has been worked out by adding to the opening balances purchases made during the year and deducting there from the closing balance at the year end based on the physical inventories valued as per the accounting policy and accordingly, no separate impact of loss/shortage/wastage is included in the consumption thereof in the consolidated financial statements. Our opinion is not qualified in respect of this matter. [Refer Point no. 2 of Note No.32 to consolidated financial statements]
- f) In most of the cases, the impact of loss/shortage due to non-reconciliation of the results of physical verification carried out for fixed assets with the books of accounts on the consolidated financial statements, remains indeterminate. Our opinion is not qualified in respect of this matter. [Refer Note No. 11 to the consolidated financial statements].
- g) Balances in trade receivables, loans and advances, deposits, trade payables and sundry creditors (other than trade payables) are subject to independent confirmation. Our opinion is not qualified in respect of this matter. [Refer Point no. 1 of Note No.32 to consolidated financial statements]

Other Matters

We did not audit the financial statements/ information of following subsidiaries and joint venture, whose financial statement/financial information reflect total assets of ₹ 2431.76 lakh as at 31st March, 2017, total revenues of ₹ 2315.15 lakh and net cash flows amounting to (₹ 143.21 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 ₹ 453.04 lakh for the year ended 31st March, 2017, as considered in the consolidated financial statements, in respect of subsidiaries and joint venture, 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 and joint venture, 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 is based solely on the reports of the other auditors including the information relating to the joint venture which is unaudited.

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:

(Amount in ₹)

Name of the Subsidiary/ Joint Venture	Total Assets	Total Revenues	Net Cash Flows
Madhya Pradesh Ashok Hotel Corporation Ltd.	5,86,98,733.25	7,67,47,496.95	7,08,301.42
Utkal Ashok Hotel Corporation Ltd.	2,45,57,826.31	0.00	(23,12,356.00)
Assam Ashok Hotel Corporation Ltd.	3,38,02,457.00	6,02,69,152.00	(27,31,155.00)
Ranchi Ashok Bihar Hotel Corporation Ltd.	20,571,616.00	8,125,992.00	(1,30,68,086.00)
Pondicherry Ashok Hotel Corporation Ltd.	3,90,88,629.96	5,48,46,990.96	76,44,334.87
Punjab Ashok Hotel Company Ltd.	29,457,964.39	0.00	(600,060.00)
Donyi Polo Ashok Hotel Corporation Ltd.	3,14,99,648.71	3,11,40,095.00	(39,61,880.95)
ITDC Aldeasa India Private Ltd.*	54,98,691.00	3,85,276.00	-
Total	24,31,75,566.62	23,15,15,002.91	(1,43,20,901.66)

* These are unaudited figures

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

- 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 and joint venture company 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.
- As required by Section 143 (5) of the Act, and on the basis of such checks of the books and records of the Holding Company as we considered appropriate and the reports of the subsidiaries and joint venture, and according to the information and explanations given to us, we give in the "Annexure B" of our report on the compliances of the directions/ sub-directions, indicating the areas to be examined, issued by the Comptroller and Auditor General of India.
- As required by Section 143(3) of the Act, we report that:
 - 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 and its subsidiaries 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 and joint venture company 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 and the joint venture .
- (f) Being a Government Company, pursuant to Notification No. GSR 29(E) dated 21st October, 2003, issued by the Government of India, provisions of sub-section (2) of Section 164 of the Act, 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 joint venture and the operating effectiveness of such control, refer to our separate report in “Annexure C”.
- (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 and the joint venture - Refer Note 31 to the consolidated financial statements;
- ii) The Group and the joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii) No amount required to be transferred to the Investor Education and Protection Fund was outstanding at the year end; and
- iv) The Group and the joint venture has provided requisite disclosure in the consolidated financial statements with respect to Units of the Holding Company and the subsidiaries and joint venture company incorporated in India as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and

relying on the management representation and the reports received in respect of the subsidiaries and the joint venture we report that the disclosures are in accordance with books of account maintained by the Group and the joint venture and as produced to us by the Management. *However, amounts aggregating to ₹ 45,55,500 was received from transactions not permitted during the period 8th November, 2016 to 30th December, 2016 which were duly deposited into the Bank-Refer Point 17 of Note 32 to the consolidated financial statements.*

For Kishore & Kishore
Chartered Accountants
(FRN- 000291N)

Place: New Delhi
Date: 19.07.2017

S.C. Kishore
(Partner)
M.No. 003390

“Annexure A” to Independent Auditor’s Report for the year ended 31.03.2017

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 31st March 2017, we report that;

- (i) (a) The Group and its joint venture Company 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 year end *except Utkal Ashok Hotel Corporation Ltd, a subsidiary. Further, in most of the units/branches/subsidiaries/joint venture 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 deeds of immovable properties in following cases are*

not held in the name of the Holding Company/ the Group:

S. No.	Name of the Unit/ Subsidiary/JV	Status of the Title Deed
1	The Ashok, New Delhi	Lease deed is in the name of Ashok Hotels Ltd. which merged with the Company on 28.03.1970 and not transferred in the name of the Company.
2	Hotel Jammu Ashok, Jammu	Lease deed expired on 11.01.2010
3	Hotel Patliputra Ashok, Patna	Lease deed has not been executed in favour of the Company.
4	ATT, Delhi	Leasehold land at C-119, Naraina Industrial Area, Phase-I, Naraina, New Delhi, measuring 8566 sq. yards is leased by DDA for 99 years. The original title deed was seized by the CBI in a complaint case no. RC-10(A)/2013-CBI-ACB-DLI.
5	Samrat Hotel, New Delhi	Title deed of leasehold land (4.01 acre) not executed.

6	ACES	Registration of Title Deed in favour of the Company has not been effected in respect of leasehold land measuring 64 Kanals at Gulmarg.	(iii)	As per the information and explanations given to us, the Group and its joint venture 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.
7	Taj Restaurant	Title Deed in favour of the Corporation has not been effected.		
8	Assam Ashok Hotel Corporation Limited	Land Leased by Government of Assam has expired on 08.01.2017 and yet not renewed.	(iv)	As per the information and explanations given to us, the Group and its joint venture has complied with the provisions of Section 185 and 186 of the Companies Act, 2013.
9	MP Ashok Hotel Corporation Ltd	The lease of the land on which the Hotel main building is constructed has expired in August, 2016. Area involved is 7.16 acres.	(v)	As per the information and explanation given to us, the Group and its joint venture 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.
(ii)	<p>As per the information & explanation provided to us, the inventories have been physically verified, by the management generally once in a year. <i>Few of the branch auditors have reported that physical verification report was not available for verification.</i></p> <p>The Group and its joint venture is generally maintaining proper record of inventory <i>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.</i></p>		(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)	In our opinion the Group and its joint venture 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/ Joint Venture	Nature of Dues	Amount (₹ in lakh)	Period to which the Amount Relates
ATT Patna	Service-Tax	0.0068	More than 6 months
Hotel Kalinga Ashok	Lease Rent of Land Payable to Govt.	0.0195	More than 6 months
	Works Contract Tax	0.7401	2015-16
	Works Contract Tax	0.0288	2016-17
	Labour Cess	0.0048	2015-16
	Labour Cess	0.0122	2016-17
	VAT	0.7288	More than 6 months
AIHTM	TDS	0.74	More than 6 months
Hyderabad House	ESI	1.72	More than 6 months
Vigyan Bhawan	ESI	4.78	More than 6 months
Hotel Ashok	Property Tax	306.93	For earlier years

Assam Ashok Hotel Corporation Limited, subsidiary	Professional Tax	0.13	More than 6 months
	Assam General sales Tax	1.18	More than 6 months
	Assam Expenditure Tax	2.89	More than 6 months
	Assam Value Added Tax	6.80	More than 6 months
	Service Tax	13.57	More than 6 months
	Employees' State Insurance	0.01	More than 6 months
	Luxury Tax	34.59	More than 6 months
Hotel Ranchi Ashok, subsidiary	Sales Tax	0.77	More than 6 months
	Luxury Tax	0.06	More than 6 months
Donyi Polo Ashok, Hotel Corporation Ltd., subsidiary	Income Tax demand for TDS payment	0.18	2008-09
	Income Tax demand for TDS payment	0.04	2009-10
	Income Tax demand for TDS payment	0.03	2011-12
	Income Tax demand for TDS payment	0.004	2015-16
	Income Tax demand for TDS payment		

(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 Subsidiary/JV	Nature of Dues	Amount (₹ in lakh)	Period to which the Amount Relates	Forum where Dispute is Pending
Hotel Kalinga Ashok	Excise Duty (MGQ)	13.33	2002-03	Odisha High Court
	ESI	1.45	Earlier Years	District Court, Khurda
	Service Tax	52.91	Earlier Years	Addl. Director General, DGCEI, Kolkata
AITD	Custom Duty (Demand for DFS Mumbai)	18478.67	2004-05	CESTAT
	Custom Duty (Demand for DFS Kolkata)	42.17	2003	Committee of Dispute
	Sales Tax/VAT	2465.12	1995-2008	Commissioner Appeals
Hotel Patliputra Ashok	ESI	0.67	Earlier Years	ESI Labour court
	VAT	3.09	Earlier Years	Bihar VAT Act JCCT, Patna
Hotel Samrat	ESI	71.68*	1998-2003	Delhi High Court
	EPF	17.91	1982-1985	Supreme Court
Hotel Ashok	ESI	686.32	Earlier Years	Delhi High Court Tis Hazari, Delhi
	Service Tax	22.04	Earlier Years	CESTAT, Delhi
Ashok Events	Service-Tax	39.65	2006-2009	Additional Commissioner of Service Tax
Taj Restaurant	Trade Tax	0.50	30.09.2002	Department of VAT
	Trade Tax	0.71	12.02.2003	Department of VAT
LMPH	Service Tax	7.99	2010-11 to 2014-15	CESTAT
		5.89	2015-16	Commissioner of S Tax
Assam Ashok Hotel Corporation Limited	Service Tax with Interest & Penalty	89.96	Earlier Years	CESTAT, Kolkata
Madhya Pradesh Ashok Hotel Corporation Ltd.	Service Tax	5.59	2008-09 to 2012-13	CESTAT, New Delhi
	Luxury Tax	1.36**	2004-05	Commercial Tax department

* Unit has provided liability of ₹ 50.79 lakh in books of accounts

** ₹ 0.58 lakh deposited against appeal for demand have been deposited.

(viii) According to the information and explanations given to us, the Group and its joint venture 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:*

(₹ in lakh)	
Particulars	Amount
Loan from Assam Industrial Development Corporation Ltd.	90.00
Interest on Loan	206.40
Penal Interest	44.42
Additional Interest	42.67
Total	383.50

The period of default of the loan amount not made available to us.

(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 Group.

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 Group.

xii) The Group and its joint venture 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 Group and its joint venture 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 Group.

xv) According to information and explanations given to us, the Group and its joint venture 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 Group.

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 Group.

For Kishore & Kishore
Chartered Accountants
(FRN- 000291N)

xvi) According to information and explanations given to us, the Group and its joint venture is not required to be registered under Section 45-

Place: New Delhi
Date: 19.07.2017

S.C. Kishore
(Partner)
M.No. 003390

“Annexure B” to Independent Auditor’s Report of even date on the Consolidated Financial Statements of India Tourism Development Corporation Limited, New Delhi

Report on the directions given by the Comptroller and Auditor General of India under Section 143(5) of the Companies Act, 2013 of India Tourism Development Corporation Ltd. (Consolidated Financial Statement)

S. No.	Direction/Sub-directions	Comments												
1.	Whether the Company has clear title/lease deeds for freehold and leasehold land respectively? If not, please state the area of freehold and leasehold for which title/lease deeds are not available.	<p>As per the information and explanation given to us, the Group and its joint venture has clear title/lease deeds for freehold and leasehold, except in the following cases:</p> <table border="1"> <thead> <tr> <th>S.No</th> <th>Unit/ Subsidiary/ Joint Venture/ Name</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>The Ashok</td> <td>Lease deed in respect of land of Ashok hotel is registered in the name of erstwhile Ashok Hotel Limited, which merged with the Company on 28th March, 1970. The total area of leasehold land is 21.155 acres</td> </tr> <tr> <td>2.</td> <td>Hotel Samrat</td> <td>Title deed is not executed. Area involved is 4.01 acres</td> </tr> <tr> <td>3.</td> <td>Hotel Patliputra Ashok, Patna</td> <td>Lease deed has not been executed in the favour of the Company. Area involved is 1.5 acres</td> </tr> </tbody> </table>	S.No	Unit/ Subsidiary/ Joint Venture/ Name	Remarks	1.	The Ashok	Lease deed in respect of land of Ashok hotel is registered in the name of erstwhile Ashok Hotel Limited, which merged with the Company on 28th March, 1970. The total area of leasehold land is 21.155 acres	2.	Hotel Samrat	Title deed is not executed. Area involved is 4.01 acres	3.	Hotel Patliputra Ashok, Patna	Lease deed has not been executed in the favour of the Company. Area involved is 1.5 acres
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2.	Hotel Samrat	Title deed is not executed. Area involved is 4.01 acres												
3.	Hotel Patliputra Ashok, Patna	Lease deed has not been executed in the favour of the Company. Area involved is 1.5 acres												

S. No.	Direction/Sub-directions	Comments
		<p>4. Hotel Jammu Lease deed expired on 11.01.2010. Area involved is 60 Kannal.</p> <p>5. ATT, Delhi Leasehold land at C-119, Naraina Industrial Area, Phase-I, Naraina, New Delhi, measuring 8566 sq. yards is leased by DDA for 99 years. The original title deed was seized by CBI in a complaint case no. RC-10(A)/2013-CBI-ACB-DLI</p> <p>6. ACES Registration of Title deed in favour of Corporation has not been effected in respect of lease hold land at Gulmarg. The area of land is 64 Kanals.</p> <p>7. Taj Restaurant Title deed in favour of the Company has not been effected nor information as to the area of the property made available to us.</p> <p>8. MP Ashok Hotel Corporation Ltd. The lease of the land on which the hotel main building is constructed has expired in August 2016. Area involved is 7.16 acres.</p> <p>9. Assam Ashok Hotel Corporation Ltd. Land leased by Govt. of Assam has expired on 08.01.2017 and yet not renewed. Area involved is 2.5 acres.</p>

S. No.	Direction/Sub-directions	Comments												
2.	Whether there are any cases of waiver/write off of debts/loans/ interest etc. If yes, the reasons therefore and the amount involved	<p>During the course of audit we have not observed any case of waiver/write off of debts/loans/ interest etc.</p> <table border="1"> <thead> <tr> <th>S.No.</th> <th>Unit/ Subsidiary/ Joint Venture/ Name</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>The Ashok</td> <td>The Unit has written off bad-debts amounting to ₹ 39,57,026.57 during the year ended 31st March, 2017. A unit level committee was formed for the purpose of reviewing the doubtful debts remaining outstanding for a period of more than 3 years. The committee, after examining and justifying that the debts have become irrecoverable and barred by time, recommended writing off of debts for total amount of ₹ 39,57,026.57 which was duly approved by the competent authority.</td> </tr> <tr> <td>2.</td> <td>ATT-Delhi</td> <td>Debts of ₹ 475,385 (25 Parties) has been written off on the recommendation of the committee constituted for the purpose and subsequent approval of the competent authority. The cases were old for more than 5 years and not recoverable.</td> </tr> <tr> <td>3.</td> <td>LMPH</td> <td>Sundry Debtors amounting ₹ 3,689.15 (M/s Croatia Crafts) has been written off as bed debts towards License fee after vacating the shop.</td> </tr> </tbody> </table>	S.No.	Unit/ Subsidiary/ Joint Venture/ Name	Remarks	1.	The Ashok	The Unit has written off bad-debts amounting to ₹ 39,57,026.57 during the year ended 31st March, 2017. A unit level committee was formed for the purpose of reviewing the doubtful debts remaining outstanding for a period of more than 3 years. The committee, after examining and justifying that the debts have become irrecoverable and barred by time, recommended writing off of debts for total amount of ₹ 39,57,026.57 which was duly approved by the competent authority.	2.	ATT-Delhi	Debts of ₹ 475,385 (25 Parties) has been written off on the recommendation of the committee constituted for the purpose and subsequent approval of the competent authority. The cases were old for more than 5 years and not recoverable.	3.	LMPH	Sundry Debtors amounting ₹ 3,689.15 (M/s Croatia Crafts) has been written off as bed debts towards License fee after vacating the shop.
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S. No.	Direction/Sub-directions	Comments
		<p>4. ATT-Kolkata Write off of debts amounting ₹ 3645.41.</p> <p>5. ATT-Chennai Write off of debts amounting ₹ 3305.25 are more than 5 years old hence written off.</p> <p>6. ATT-Bangalore Write off of debts amounting ₹ 76,698 outstanding more than 14 year and considered not recoverable.</p> <p>7. Janpath Write off of debts amounting to ₹ 50,830.50 being very old.</p> <p>8. MP Ashok Hotel Corporation Ltd. Due from M/s. Moon Mark ₹ 53,268 and security deposit with supplier ₹ 10,570 written off vide approval in B.M. No. 124 dated 21.03.2017</p>
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from Govt. or other authorities.	As per the information and explanations provided by the Management, no inventory is lying with third parties and no asset were received as gift/grant(s) from Govt. or other authorities except in cases of the Hotel The Ashok and Hotel Samrat, Delhi - The inventory of wine, beer and beverages is lying with the leased out restaurants, for which proper records are maintained by these Units.

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

(S.C. Kishore)
Partner
M.No. 003390

Place: New Delhi
Date: 19.07.2017

“Annexure C” to Independent Auditor’s Report of even date on the Consolidated Financial Statements of India Tourism Development Corporation Limited, New Delhi, its Subsidiaries and Joint Venture Companies

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”), and its joint venture, in conjunction with our audit of the financial statements of the Company for the year ended on 31st March, 2017.

Management’s Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies and joint venture 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 Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Group and its joint venture internal financial controls over financial reporting based on our audit and considering the reports of the branch auditors and other auditors of the subsidiaries and joint venture. 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 Act, 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 and joint venture 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, 2017, based on the internal control over financial reporting criteria established by the Group and its joint venture 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".

Other matters

Our aforesaid report under Section 143 (3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to seven subsidiary Companies and one Joint Venture which are companies incorporated in India is based on the corresponding reports of the Auditors of such Companies, except the Joint venture which is unaudited .

Further, in our opinion the remarks of the auditor for Donyi Polo Ashok Hotel Corporation Limited, in the matter of their Internal Financial Control, not being significant in the context of the Group as a whole, have not been considered, and for that reason a reference is being made here.

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

Place: New Delhi
 Date: 19.07.2017

(S.C.Kishore)
 Partner
 M.No. 003390

Consolidated Balance Sheet as at 31st March, 2017

(₹ in lakh)

Particulars	Note	As at 31.3.2017	As at 31.3.2016
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
Share Capital	2	8,576.94	8,576.94
Reserves and Surplus	3	22,488.27	21,610.75
Money Received against Share Warrants		-	-
Deferred Government Grants		159.32	5.32
(2) Minority Interest		302.20	275.75
(3) Non-Current Liabilities			
Long-Term Borrowings	4	377.64	360.84
Other Long-Term Liabilities	6	838.37	725.72
Long-Term Provisions	7	4,357.49	4,257.72
(4) Current Liabilities			
Short-Term Borrowings	8	70.93	63.85
Trade Payables	9	6,799.79	5,769.57
Other Current Liabilities	10	16,095.01	15,782.81
Short-Term Provisions	7	1,815.23	3,560.87
TOTAL		61,881.19	60,990.14
II. ASSETS			
(1) Non-Current Assets			
Fixed Assets			
Tangible Assets in Active Use	11	5,715.19	5,092.99
Tangible Assets Not in Active Use	11A	4.06	10.55
Intangible Assets	12	17.11	4.12
Capital Work-in-Progress	12A	1,369.05	811.82
Non-Current Investments	13	-	-
Deferred Tax Assets (Net)	5	3,790.77	3,360.68
Long-Term Loans and Advances	14	355.78	367.22
Other Non-Current Assets	15	31.21	94.98
(2) Current Assets			
Inventories	16	1,316.91	1,456.36
Trade Receivables	17	11,982.83	10,856.19
Cash and Cash Equivalents	18	26,871.92	28,423.29
Short-Term Loans and Advances	14A	8,811.75	8,725.39
Other Current Assets	19	1,614.61	1,786.55
TOTAL		61,881.19	60,990.14

Notes to Accounts and Significant Accounting Policies 1

Note Nos. 1 to 32 form an Integral part of these Financial Statements

(V.K. Jain) (A.K. Jain) (Pradip Kumar Das) (Piyush Tiwari)
 Company Secretary GM (F&A) Director (Finance) Chairman & Managing Director

As per our Report of even date
 For Kishore & Kishore
 Chartered Accountants (FRN 00291N)

Date : 30.05.2017
 Place : New Delhi

(S.C. Kishore)
 Partner
 (M.No. 003390)

Consolidated Statement of Profit & Loss for the Year Ended 31st March, 2017

(₹ in lakh)

Particulars	Note	Year Ended 31.3.2017	Year Ended 31.3.2016
REVENUE			
I. Revenue from Operations	20		
Sales of products		11,248.23	10,785.10
Sales of services		38,049.53	34,945.01
Other operating revenues		175.01	177.69
		<u>49,472.77</u>	
II. Other Income	21	2,296.74	2,898.14
III. TOTAL REVENUE (I+II)		<u>51,769.51</u>	<u>48,805.94</u>
EXPENSES			
Cost of materials consumed & services rendered	22	6,870.22	6,091.67
Purchase of stock-in-trade	23	803.06	1,005.19
Changes in inventories of finished goods and stock-in-trade	24	143.29	(180.51)
Employees' Remuneration & Benefits	25	14,000.42	14,539.89
Finance Costs	26	49.62	65.43
Depreciation and amortization expense	11&12	866.30	
Less: Attributed to the Projects		<u>(0.19)</u>	
Operating Expenses & Other Expenses	27	26,400.23	22,678.39
IV. TOTAL EXPENSES		<u>49,132.95</u>	<u>45,090.56</u>
V. Profit/(Loss) Before Exceptional, Extraordinary Items and Prior Period Adjustments (III-IV)		2,636.56	3,715.38
VI. Exceptional Items	28	1,062.38	794.44
VII. Profit/(Loss) Before Extraordinary Items and Prior Period Adjustments (V-VI)		1,574.18	2,920.94
Prior Period Adjustments	29		
Prior Period Income		39.49	(8.10)
Prior Period Expenses/Adjustments		<u>160.27</u>	<u>175.34</u>
VIII. Profit/(Loss) Before Extraordinary Items		1,453.40	2,737.50
IX. Extraordinary Items		-	-
X. Profit/(Loss) Before Tax(PBT) (VIII-IX)		1,453.40	2,737.50
XI. Tax Expense of continuing operations			
Current Tax (Income Tax)		(981.17)	(1,238.09)
Tax written Back (Previous Year)		1.66	1.65
Current Tax (Wealth Tax)		-	-
MAT credit Entitlement		-	-
Deferred Tax	5	<u>430.09</u>	<u>254.70</u>
XII. Profit/(loss) for the period from continuing operations (X-XI)		903.98	1,755.76
XIII. Profit/(loss) from discontinuing operations		-	-
XIV. Tax expense of discontinuing operations		-	-
XV. Profit/ (loss) from discontinuing operations (after Tax) (XIII-XIV)		-	-
XVI. Profit/ (loss) for the period [Profit After Tax (PAT)] (XII+XV)		903.98	1,755.76
Less: Profit/(Loss) attributable to Minority Interest		26.46	(29.06)
AMOUNT AVAILABLE FOR APPROPRIATION		877.52	1,784.82
XVII. Earnings per equity share in ₹	30	1.02	2.08
(1) Basic			
(2) Diluted			
Notes to Accounts and Significant Accounting Policies	1		
Note Nos. 1 to 32 form an Integral Part of these Financial Statements			

(V.K. Jain)
Company Secretary

(A.K. Jain)
GM (F&A)

(Pardip Kumar Das)
Director (Finance)

(Piyush Tiwari)
Chairman & Managing Director

As per our Report of even date
For Kishore & Kishore
Chartered Accountants (FRN 00291N)

Date : 30.05.2017
Place : New Delhi

(S.C. Kishore)
Partner
(M.No. 003390)

Note - 1

Notes to Consolidated Financial Statements

1. BASIS OF CONSOLIDATION

1.1 The consolidated financial statements relate to ITDC Ltd. (the Company), its seven Subsidiaries and interest in one Joint Venture.

a) Basis of Accounting

- i) The financial statements of the subsidiary companies and Joint Ventures in the consolidation are drawn up to the same reporting date as of the Company.
- ii) The consolidated financial statements have been prepared in accordance with Accounting Standard (AS) 21- 'Consolidated Financial Statements' and Accounting Standard (AS) 27- 'Financial Reporting of Interest in Joint Venture' of Companies (Accounting Standards) Rules, 2014 and generally accepted accounting principles.

b) Principles of Consolidation

The consolidated financial statements have been prepared as per the following principles:

- i) The financial statements of the company and its subsidiaries are combined on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra-group transactions, unrealised profits or

losses and minority interest have been separately disclosed.

- ii) The consolidated financial statements include the interest of the company in joint ventures, which have been accounted for using the proportionate consolidation method of accounting and reporting whereby the company's share of each asset, liability, income and expense of a jointly controlled entity is considered as a separate line item.
- iii) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the company's separate financial statements except as otherwise stated in the notes to the accounts.

1.2 The list of Subsidiary Companies and Joint Ventures considered in the preparation of the Consolidated Financial Statements of ITDC Limited is as under:

Name of the Subsidiary Company	Share % of Profit/Losses
Assam Ashok Hotel Corporation Ltd.	51.00
Donyi Polo Ashok Hotel Corporation Ltd.	51.02
Madhya Pradesh Ashok Hotel Corporation Ltd.	51.00
Pondicherry Ashok Hotel Corporation Ltd.	51.00
Punjab Ashok Hotel Company Ltd.	51.00
Ranchi Ashok Bihar Hotel Corporation Ltd.	51.00
Utkal Ashok Hotel Corporation Ltd.	91.54
Name of the Joint Venture	Share % of Profit/Losses
ITDC Aldeasa India Private Ltd.*	50.00

* Accounts of the Joint Venture ITDC Aldeasa India Private Ltd. are unaudited.

All the above Companies are incorporated in India. There is no change in the % of sharing.

1.3 The consolidated financial statements include the interest of the Company in Joint Venture entity namely ITDC Aldeasa India Private Limited, whereby the Company's share in each asset, liability, income and expense is as under:

(Amount in ₹)

Particulars	Current Year	Previous Year
Fixed Assets	NIL	NIL
Current Assets	54,98,691.60	51,59,537.47
Current Liabilities	2,92,25,262.50	2,43,14,382.90
Provisions- Income Tax	1,16,528.00	1,24,176.00
Accumulated Losses	2,37,76,570.90	2,40,36,694.03
Income	3,85,276.00	4,11,217.37
Expenses- Operating & others	8,625.00	9,352.50
Prior Period Expenses	NIL	NIL
Profit/(Loss) before Tax	3,76,651.00	4,01,864.87
Net Profit/(Loss) after Tax	2,60,123.00	2,77,688.87

Significant Accounting Policies

1. Accounting Convention

The Financial Statements are prepared on accrual basis of accounting under the historical cost convention and comply in all material aspects with generally accepted accounting principles in India, the Accounting Standards specified under Section 133 of Companies Act, 2013 read with Rule 7 of Companies (Account) Rules, 2014. The Companies Act, 2013 (to the extent notified and applicable) and the relevant provisions of the Companies Act, 2013.

2. Use of Estimates

The preparation of Financial Statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions in respect of certain items that affect the reported amounts of assets and liabilities as at the date of the financial statements and

the reported amount of income and expenses during the reporting period. Actual results/outcome could differ from estimates and assumptions. Any revision in accounting estimates is recognized prospectively in the period in which such results do materialize.

3. Disputed Income Tax and Sales Tax Demands

The disputed Income tax and Sales tax demands in respect of assessments completed and against which appeals have been filed are disclosed by way of contingent liability and are charged to accounts in the year of settlement.

4. Property, Plant & Equipment - Fixed Assets and Depreciation

A) Fixed Assets

- i) The Fixed assets are carried at cost of acquisition, net of 'Grant-in-aid' where applicable less accumulated depreciation/amortisation.
- ii) The Fixed Assets retired from active use and held for disposal are stated at the lower of book value and/or net realizable value and are shown separately in the financial statements. Loss determined, if any, is recognized in the Profit & Loss Statement.
- iii) In cases where receipts/scrutiny of final bills of the contractors/suppliers, settlement of the rates to be paid for extra items and price escalation, etc., are pending, the capitalization is effected provisionally, based on value of work completed as certified by Project Engineers. Difference,

if any, is accounted for in the year in which the final bills are settled.

- iv) Intangible Assets (Software) are stated at their cost of acquisition less accumulated amortisation.

B) Depreciation

- i) Depreciation on Tangible Assets is provided pro-rata “over the useful life of the asset” on Straight Line Method following useful life as below:-

Sl. No.	Particulars	Useful life as per the Schedule II of Companies Act, 2013 (in years)		Straight Line Method % rates	
		Hotels	Other than Hotels	Hotels	Other than Hotels
1	Building with Rcc Frame Structure	60	60	1.58	1.58
2	Building other than Rcc Frame Structure	30	30	3.17	3.17
3	Fence, Well, Tubewell	5	5	19.00	19.00
4	Gardening & Land Scaping	3	3	31.67	31.67
5	Approach Road- Carpeted Road Rcc	10	10	9.50	9.50
6	Approach Road- Carpeted Road Other Than Rcc	5	5	19.00	19.00
7	Approach Road- Non Carpeted Road	3	3	31.67	31.67
8	Plant & Machinery	7.5	15	12.67	6.33
9	Lifts	7.5	15	12.67	6.33
10	Kitchen Equipment	7.5	15	12.67	6.33
11	Sound System & Musical Instruments	7.5	15	12.67	6.33
12	Sanitary Installation	7.5	15	12.67	6.33
13	Air Conditioners (Both Plant & Window Type), Coolers & Refrigerator	7.5	15	12.67	6.33
14	Electrical Installation	10	10	9.50	9.50
15	Office and Miscellaneous Equipments	5	5	19.00	19.00
16	Computers (End User Device Desktop, Laptop)	3	3	31.67	31.67
17	Computers Server & Network	6	6	15.83	15.83
18	Furniture, Fixture & Furnishing	8	10	11.88	9.50
19	Vehicles (Staff Car & Scooters)	10	10	9.50	9.50
20	Transport Vehicles Running on Hire	-	6	-	15.83
21	Transport Vehicles Other Than Running on Hire	8	8	11.88	11.88
22	LeaseHold Land is Amortised over a period of Lease				

- ii) Improvement to Building are depreciated on the basis of their estimated useful life i.e. 7 years.
- iii) On Intangible Assets (Software), cost is amortized over a period of legal right to use or 3 years, whichever is earlier.

5. Investments

Long term investments are carried at cost. Provision for diminution in value of each investment, if any, is made to recognize the decline, other than of temporary nature.

6. Valuation of Inventories

Stocks and stores including stock of crockery, cutlery, glassware and linen etc., in hand as well as in circulation are valued at cost on FIFO basis or realizable value, whichever is less.

7. Execution of Projects for Clients

- i) Value of work done in respect of projects executed including cost plus/deposit/ turnkey/ project management work are shown in the accounts at best estimates by the management after deduction for likely rejections, if any, by the client.
- ii) Indirect costs are treated as “period costs” and are charged to Profit & Loss Account in the year of incurrence.

8. Provisions, Contingent Liabilities and Contingent Assets

- i) Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable

that there will be outflow of sources.

- ii) Where as a result of past events, there is a possible obligation that may, but probably will not, require any outflow of resources, no provision is recognized but appropriate disclosure is made in the notes as Contingent Liabilities.
- iii) Contingent liabilities are disclosed on the basis of judgement of management/ independent experts. These are revised at each Balance Sheet date and are adjusted to reflect the current management estimate.
- iv) Contingent assets are neither recognized nor disclosed in the financial statements.

9. Employees’ Benefits

A) Provident Fund

The Company’s contributions to Provident Fund are charged to Profit & Loss Statement.

B) Gratuity

The Company’s liability towards gratuity, is determined by independent actuary, at year end using the projected unit credit method. Actuarial gains/losses are recognised in the Statement of Profit & Loss. The liability for gratuity as per actuarial valuation is paid to a fund administered through a separate trust.

C) Leave Encashment

The provision for leave encashment including half pay leave is made on the basis of actuarial valuation.

10) Deferred Taxation

- i) Deferred Tax is provided during the year, using the liability method on all temporary differences at the Balance Sheet date between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes in accordance with the Accounting Standard (AS-22).
- ii) Deferred Tax Asset is recognized, subject to consideration of prudence, only to the extent that there is reasonable certainty that sufficient taxable profits will be available against which such Deferred Tax Assets can be realized. In situations where the company has any unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.
- iii) Deferred Tax Assets and Liabilities are measured at the rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the Balance Sheet date.

11) Government Grant

- i) The Government grant received for upgradation of properties is recognized as income from the year in which respective properties are upgraded and to the extent grant related costs incurred i.e. written off as depreciation, revenue expenditure each year.
- ii) The balance of Government Grant to the extent not adjusted as at the close of the year, is carried in the

financial statements as 'Deferred Government Grant' after 'Reserves & Surplus.'

12) Revenue Recognition

- i) Income from Projects is recognized on the percentage of completion method including in respect of cost plus/deposit/turnkey/project management work. In terms of this method, revenue is recognized in proportion to the actual costs incurred as against the total estimated cost of project under execution. The determination of revenues under this method involves making estimates, some of which are of technical nature, concerning, where relevant, the percentages of completion, costs of completion (including cost of rejection), expected revenues etc.
- ii) Income from services rendered in respect of projects /license fees/ Management fee are accounted for (exclusive of service tax) as per terms of the agreement. However, where such service charges/fees are not realised in cash for significant period the accrual thereof is postponed to be accounted for on receipt.
- iii) Revenue from sales (net of returns and discounts) is recognized on transfer of substantial risks and rewards to the customers. Sales Tax and Value Added Tax are excluded.
- iv) Interest income, other than management fees income/interest on loans and advances from subsidiary companies which are accounted for on receipt basis or on receipt of Tax deduction certificate because of liquidity problem in those companies referred to in (ii) above, and income from investments are accounted for on accrual basis at

the contracted rates and/or at the time of establishment of right to receive respectively.

- v) Interest/Damages on overdue amounts recoverable from licensees are accounted for on realization basis.

13) Foreign Currency Transactions

a) Transactions in Foreign Exchange

i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are reported using the closing rate Non-monetary items that are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on recording/reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arises. Exchange differences on liabilities relating to fixed assets acquired from outside India are added to the cost of such assets.

b) Money Changing Business

- i) The transactions concluded during the period are recorded based on the actual rate realized.

- ii) Foreign currency balances as at close of the year are converted at the year end rates.

- iii) Income from money changing business as reflected in the accounts is net of cost of sale of currency.

14) Borrowing Costs

- i) Borrowing Costs, if any, that are directly attributable to the acquisition/construction of qualifying assets are capitalized as part of the cost of the respective assets.

- ii) Other borrowing costs are expensed in the year in which they are incurred.

15) Prior Period/Extraordinary Items

- i) All prior period items which are material and which arise in the current period as a result of 'errors or omissions' in the preparation of prior period's financial statements are separately disclosed in the current Statement of Profit & Loss. However, differences in actual income/expenditure arising out of over or under estimation in prior period are not treated as prior period income/expenditure.

- ii) All extraordinary items, i.e. gains or losses which arise from events or transactions which are distinct from the ordinary activities of the company and which are material, are separately disclosed in the statement of accounts.

16) Claims

Supplementary claims including insurance claims are accounted for on acceptance/receipt basis.

17) Segment Reporting

Segment revenue, Segment expenses, Segment assets and segment liabilities are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to company as a whole and not allocable to segments on reasonable basis are included under other revenue/expenses/assets/liabilities.

18) Cash Flow Statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS)-3 on 'Cash Flow Statements'.

Share Capital

Note - 2

Authorised, Issued, Subscribed and Paid-up Share Capital and Par Value Per Share

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
Authorised Share Capital		
15,00,00,000 Equity Shares of ₹ 10/- each (Previous year 15,00,00,000 Equity Shares of ₹ 10/- each)	15,000.00	15,000.00
	15,000.00	15,000.00
Issued & Subscribed Share Capital		
8,57,69,400 Equity Shares of ₹ 10/- each (Previous year 8,57,69,400 Equity Shares of ₹ 10/- each)	8,576.94	8,576.94
	8,576.94	8,576.94
Paid-up Share Capital		
8,57,69,400 Equity Shares of ₹ 10/- each (Previous year 8,57,69,400 Equity Shares of ₹ 10/- each)	8,576.94	8,576.94
Total	8,576.94	8,576.94

15,238 Equity Shares of ₹ 100/- each (since converted into 1,52,380 equity shares of ₹ 10/- each) were allotted as fully paid-up pursuant to the Amalgamation Order (1966) under Section 396 of Companies Act, 1956.

75,000 Equity Shares of ₹ 100/- each (since converted into 7,50,000 equity shares of ₹ 10/- each) were allotted as fully paid-up in consideration for transfer of ownership of some properties.

contd.....

Reconciliation of number of Equity Shares outstanding at the beginning and at end of the year

(In Nos.)

Particulars	As at 31.3.2017	As at 31.3.2016
Number of Shares outstanding as at beginning of the year	8,57,69,400	8,57,69,400
Add:		
Number of Shares allotted as fully paid-up-bonus Shares during the year	-	-
Number of Shares allotted during the year as fully paid-up pursuant to a contract without payment being received in cash	-	-
Number of Shares allotted to employees pursuant to ESOPs/ESPs	-	-
Number of Shares allotted for cash pursuant to public issue	-	-
	8,57,69,400	8,57,69,400
Less:		
Number of Shares bought back during the year	-	-
Number of Shares outstanding as at end of the year	8,57,69,400	8,57,69,400

Rights, Preferences and Restrictions (including restrictions on distribution of dividends and repayment of capital) attached to the class of Shares

Particulars	As at 31.3.2017	As at 31.3.2016
The Company has one class of Equity shares having a par value of ₹ 10/- per share. Each Shareholder is eligible for one vote per share held. The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.	Class of Shares Equity Shares	Class of Shares Equity Shares

Shares in the Company held by each Shareholder holding more than 5% Equity Shares

Particulars	As at 31.3.2017		As at 31.3.2016	
	Number of Shares Held	Percentage of Shares Held	Number of Shares Held	Percentage of Shares Held
i) President of India	7,46,41,681	87.030	7,46,41,681	87.030
ii) The Indian Hotels Co. Ltd.	67,50,275	7.870	67,50,275	7.870

Reserves and Surplus

Note - 3

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
Capital Reserve		
As per Last Balance Sheet	62.98	62.98
Securities Premium Reserve		
As per Last Balance Sheet	5,475.00	5,475.00
Addition During The Year	-	-
	5,475.00	
General Reserve		
As per Last Balance Sheet	16,909.59	16,209.59
Add/(Less): Current Year Adjustments	-	700.00
Less: Adjustment for Depreciation	-	-
Closing Balance	16,909.59	16,909.59
Surplus in the Statement of Profit & Loss		
As per Last Balance Sheet	(836.82)	(373.19)
Transfer From Profit & Loss Accounts	877.52	1,784.82
Surplus For The Year	40.70	1,411.63
Appropriations/Adjustments		
Proposed Dividend	-	1,286.54
Dividend Tax	-	261.91
Transfer to General Reserve	-	700.00
Closing Balance	40.70	
Grand Total	22,488.27	21,610.75

Appropriation of Profit (Dividend):-

The Board, in its meeting held on May 30, 2017, has recommended a final dividend of ₹ 1.33 per equity share for the financial year ended March 31, 2017. The proposal is subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹ 1,376.40 lakh (including dividend tax).

Long-Term Borrowings

Note - 4

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
(A) Bonds/Debentures		
Secured	-	-
Unsecured	-	-
(B) Term Loans from Banks	-	-
(C) Term Loans from others	-	-
Secured Loan from Assam Industrial Development Corporation Ltd.		
Principal Amount	90.00	90.00
Interest accrued and due including penal interest	287.64	270.84
	377.64	270.84
(Term Loan from financial institutions guaranteed by ITDC and Govt of Assam secured against Plant and Machinery and Building of Assam Ashok Hotel Corporation Limited)		
Unsecured		
(D) Loans and Advances from Related Parties	-	-
Secured	-	-
Unsecured	-	-
(E) Public Deposits (Unsecured)	-	-
Total	377.64	360.84

Deferred Tax Assets (Net)

Note - 5

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
DEFERRED TAX LIABILITIES	11.14	11.44
DEFERRED TAX ASSETS	3,801.91	3,372.12
DEFERRED TAX ASSETS (Net)	3,790.77	3,360.68

Accounting for Taxes on Income - Accounting Standard - 22 - Deferred Tax:

The major components of Deferred Tax Asset (net) as on 31.3.2017 are given below:-

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
DEFERRED TAX LIABILITIES		
Depreciation	134.84	146.55
DEFERRED TAX ASSETS		
Carried forward Business Loss	5.07	-
Provision for Gratuity	189.06	205.44
Provision for Doubtful Debts & Advances & Inventory write down	1,928.42	1,658.48
Provision for Leave Encashment	1,520.53	1,480.28
Municipal Taxes	-	-
Disallowances under Income Tax Act, 1961	282.53	163.03
DEFERRED TAX ASSET (NET)	3,790.77	3,360.68

As required by Accounting Standard - 22, the Deferred Tax Assets/Liabilities were reviewed by the management, based on the advice of tax consultants, and in view of sufficient taxable profits in the current year and the expectation that future taxable profits will be available for realisation of the Deferred Tax Assets and accordingly the above Deferred Tax Asset(Net) up to 31.3.2017 has been recognised in the financial statements.

Other Long-Term Liabilities

Note - 6

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
Security Deposit & Retention Money	838.37	675.72
Other Liabilities	-	50.00
Total	838.37	725.72

Provisions

Note - 7

(₹ in lakh)

Particulars	As at 31.3.2017			As at 31.3.2016		
	Long Term	Short Term	Total	Long Term	Short Term	Total
Employee Benefits						
Gratuity	6,409.64	1,598.88	8,008.52	6,552.44	1,777.06	8,329.50
Less:- Fund size of Investment as per Gratuity Policy	(5,785.31)	(1,587.00)	(7,372.31)	(5,930.46)	(1,774.17)	(7,704.63)
Leave Encashment	3,806.75	832.35	4,639.10	3,686.28	784.54	4,470.82
Less:- Fund size of Investment as per Gratuity Policy	(73.59)	(10.17)	(83.76)	(50.54)	(13.10)	(63.64)
	<u>4,357.49</u>	<u>834.06</u>	<u>5,191.55</u>	<u>4,257.72</u>	<u>774.33</u>	<u>5,032.05</u>
Income Tax						
Provision for Income Tax	-	981.17	981.17	-	1,238.09	1238.09
	-	981.17	981.17	-	1,238.09	1238.09
Wealth Tax						
Provision for Wealth Tax	-	-	-	-	-	-
	-	-	-	-	-	-
Proposed Dividends						
Proposed Dividend	-	-	-	-	1,286.54	1286.54
Dividend Tax	-	-	-	-	261.91	261.91
	-	-	-	-	1,548.45	1548.45
Total	<u>4,357.49</u>	<u>1,815.23</u>	<u>6,172.72</u>	<u>4,257.72</u>	<u>3,560.87</u>	<u>7,818.59</u>

Short-Term Borrowings

Note - 8

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
(A) Loans Repayable on Demand		
Secured	-	-
Unsecured	-	-
(B) Loans and Advances from Related Parties		
Secured	-	-
Unsecured	70.93	63.85
(C) Public Deposits (Unsecured)	-	-
Total	70.93	63.85

Trade Payables

Note - 9

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
Trade Payables	6,799.79	5,769.57
Total	6,799.79	5,769.57

Note:-

Trade Payables includes per contra receivables for more than 3 years old debit balances of ₹ 1,987.64 lakh (Previous Year ₹ 1,750.24 lakh) which are reflected in running account dues. These are to be adjusted/ recovered after reconciliation.

Other Current Liabilities

Note - 10

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
Due To ITDC Limited		
Project Division	-	-
ITDC LTD. (HQ)	-	-
BSTDC/PTDC	44.12	40.48
Interest accrued but not due on borrowings	5.87	5.87
Interest accrued and due on borrowings	-	-
Sundry Creditors (Other than Trade Payable)	4,557.05	4,243.33
Security Deposit & Retention Money	2,717.40	2,946.69
Advance From Customers	6,007.05	5,879.29
Unclaimed Dividend	0.49	0.55
Other Liabilities	2,763.03	2,666.60
Total	16,095.01	15,782.81

Note:-

Advance from Customers include unlinked receipts from customers etc. for ₹ 156.60 lakh (P.Y. ₹ 172.04 lakh) which could not be linked to respective customers accounts, for want of adequate details.

Property, Plant & Equipment: Fixed Assets - Tangible Assets in Active Use

Sl. No.	Description	Gross Carrying Amount			Up To 31.03.2017	Up To 31.03.2016	Provided during the year
		Up To 31.03.2016	Addition during the year	Add/(Less): Sales, Transfer, Write Offs and Adjustments during the year			
1.	Land						
	Owned (FreeHold)***	26.25	-	-	26.25	2.24	0.00
	Leased*	335.00	-	-	335.00	121.05	3.52
2.	Buildings - Owned****	3,681.58	600.07	-	**4,281.65	2,000.44	83.14
3.	Plant & Equipment - Owned	8,936.70	650.08	(2.79)	9,583.99	6,514.23	569.78
4.	Furniture & Fixtures - Owned	3,303.00	103.96	-	3,406.96	2,743.30	151.04
5.	Vehicles - Owned	151.90	60.64	(2.49)	210.05	132.36	8.44
6.	Office Equipments - Owned	1,578.83	71.93	(1.20)	1,649.56	1,406.65	47.79
	Total	18,013.26	1,486.68	(6.48)	19,493.46	12,920.27	863.71
	Previous Year's total	17,178.41	840.91	(6.06)	18,013.26	12,038.51	884.52

- Tangible Assets other than Leasehold land are owned by the Corporation.

* This represents amortization of leasehold land.

** Includes staff quarters of the value ₹ 194.03 lakh (Previous year ₹ 194.03 lakh), however, it does not include value of staff quarters at some units, as the cost could not be ascertained separately.

*** Includes amortisation of leasehold residential flats at Headquarters before their conversion into Freehold.

**** Gross carrying amount includes Improvement to Buildings of ₹ 574.00 lakh (Previous Year ₹ NIL)

Notes:-

- Terms of purchase/lease of land not having been finalised and registration of title deeds/execution of lease deeds having not been effected liability towards cost/lease rent, ground rent and registration fee, etc, have not been created in respect of Hotel Patliputra Ashok at Patna, Ashok Institute of Hospitality and Tourism Management(AIH&TM) and Tennis Court at New Delhi.
- Lease deeds/title deeds have not yet been executed in favour of the company in respect of land at Hotel Samrat, Office Premises in Scope Complex at New Delhi and Donyo Polo Ashok Hotel Corporation Limited in respect of land at Itanagar.
- Lease deed in respect of land of Ashok Hotel, New Delhi is registered in the name of erstwhile Ashoka Hotels Limited, which was merged with the company on 28th March, 1970
- Registration of title deeds in favour of the company have not been effected in respect of:-
 - Land and building of Taj Restaurant at Agra and
 - Land at Gulmarg.
- Lease deed in respect of Hotel Jammu Ashok had expired on 11.01.2010, pending renewal of the same liability towards lease rent etc. has been provided.
- Pending finalisation of cost and adjustment thereof, capitalisation of Land, Building, Furniture & Fixtures and Equipment of retained Travellers Lodges, Restaurants and Hotel taken over from Ministry of Tourism, has been effected based on the payments made.
- Pending receipt/ scrutiny of final bills of the contractors/suppliers, settlement of the rates for extra items and escalation etc., the capitalisation and/or charge to expenditure to the extent of ₹ 2,892.27 lakh has been accounted for based on certificates issued by Project Engineers for the work carried out at various projects (previous year ₹ 1955.42 lakh). Adjustments, if any, to cost is proposed to be carried out upon final settlement of the bills.
- Lease agreement of Assam Ashok Hotel Corporation is taken on 09.07.1986 for 30 years with Govt of Assam, which was valid till 08.07.2016 and further renewed for a period of 6 months which has expired.
- Lease of the Land available with Madhya Pradesh Ashok Hotel Corporation Limited is expired in August 2016. Necessary actions for renewal of lease have already been initiated. Till date, renewal of the lease has not been awarded to us.

Note - 11

(₹ in lakh)

Add/(Less): Sales, Transfer, Write Offs and Adjustments during the year	Depreciation		Impairment		Net Carrying Amount		
	Up To 31.03.2017	As at 31.03.2016	Reversed during the year	Provided during the year	Up To 31.03.2017	As at 31.03.2017	As at 31.03.2016
-	2.24	-	-	-	-	24.01	24.01
-	124.57	-	-	-	-	210.43	213.95
-	2,083.58	-	-	-	-	2,198.07	1,681.14
(2.56)	7,081.45	-	-	-	-	2,502.54	2,422.47
(0.08)	2,894.26	-	-	-	-	512.70	559.70
(2.49)	138.31	-	-	-	-	71.74	19.54
(0.58)	1,453.86	-	-	-	-	195.70	172.18
(5.71)	13,778.27	-	-	-	-	5,715.19	5,092.99
(2.76)	12,920.27	-	-	-	-	5,092.99	-

Property, Plant & Equipment: Fixed Assets - Tangible Assets not in Active Use

Particulars	← Gross Carrying Amount →			
	Up to 31.3.2016	Addition during the year	Add/(Less): Sales, Transfers, Write-Offs and Adjustments during the year	Cost as on 31.3.2017
A. Net Realisable Value is more than Depreciated Value				
Plant & Equipment - owned	117.48	-	-	117.48
Furniture & Fixtures - owned	7.11	-	-	7.11
Vehicles - owned	23.35	-	-	23.35
Office Equipments - owned	2.83	-	-	2.83
Total-A	150.77	-	-	150.77
B. Net Realisable value is less than depreciated value:-				
Plant & Equipment - owned	36.62	0.03	-	36.65
Furniture & Fixtures - owned	42.16	-	-	42.16
Vehicles - owned	0.01	-	-	0.01
Office Equipments - owned	15.29	0.69	-	15.98
Total-B	94.08	0.72	-	94.80
Total (A+B)	244.85	0.72	-	245.57
Previous Year's Total	245.10	0.58	(0.83)	244.85

- Tangible Assets not in active use other than Leasehold land are owned by the Company.

Note - 11-A

(₹ in lakh)

← Depreciation →				← Net Carrying Amount →			
Up to 31.3.2016	Additions during the year	Add/(Less): Sales, Transfer, Write-Offs and Adjustments during the year	Accumulated Depreciation up to 31.3.2017	Depreciated Value as on 31.3.2017	Net Realisable Value as on 31.3.2017	Balance Provided For	
109.85	-	-	109.85	7.63	2.23	5.40	
6.74	-	-	6.74	0.37	0.06	0.31	
20.00	-	-	20.00	3.35	0.05	3.30	
2.18	-	-	2.18	0.65	0.64	0.01	
138.77	-	-	138.77	12.00	2.98	9.02	
26.78	-	-	26.78	9.87	0.79	9.08	
39.59	-	-	39.59	2.57	0.18	2.39	
0.01	-	-	0.01	-	-	-	
11.98	0.65	-	12.63	3.35	0.11	3.24	
78.36	0.65	-	79.01	15.79	1.08	14.71	
217.13	0.65	-	217.78	27.79	4.06	23.73	
217.13	0.56	-	217.13	27.72	10.55	17.17	

Fixed Assets-Intangible

Sl. No.	Description	Gross Carrying Amount			As at 31.03.2016	As at 31.03.2016	Provided during the year
		As at 31.03.2016	Additional Adjust-ment during the year	Deduction during the year			
1.	Goodwill						
2.	Brands/Trade Marks						
3.	Computer Software						
	- Acquired	101.73	15.58	-	117.31	97.61	2.59
	- Internally Generated						
4.	Mastheads						
5.	Mining Rights						
6.	Copyrights						
	- Acquired						
	- Internally Generated						
7.	Patents						
	- Acquired						
	- Internally Generated						
	Total	101.73	15.58	-	117.31	97.61	2.59
	Previous Year's total	99.74	1.99	-	101.73	91.44	6.17

Note - 12

(₹ in lakh)

Add/(Less): Adjust- ment during the year	Accumulated Amortisation		Accumulated Impairment		Net carrying Amount		
	As at 31.03.2017	As at 31.03.2016	Reversed during the year	Provided during the year	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
-	100.20	-	-	-	-	17.11	4.12
-	100.20	-	-	-	-	17.11	4.12
-	97.61	-	-	-	-	4.12	-

Capital Work-in-Progress

Note - 12A

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
I) Work-in-Progress (at cost) including construction material lying at site and fixed assets not put to use, value of work done & material supplied by the contractors/suppliers	1390.15	843.58
1. Construction material lying at site		
2. Value of work done and materials supplied by the Contractors/Suppliers		
3. Fixed assets not put to use		
II) Expenses attributable on Projects Pending Allocation*	205.75	194.70
III) Capital Goods-in-Hand & in Transit	0.29	0.29
	1,596.19	1,038.57
Less:- Provision for Impairment	(227.14)	(226.75)
TOTAL	1,369.05	811.82

(a) Capital work-in-progress includes expenditure attributable to projects, to be apportioned on their completion.

(b)* Expenses attributed to projects pending allocation are as follows: -

(₹ in lakh)

Particulars	Current Year	Previous Year
Opening balance	194.70	188.81
Add:-		
Other Project Overheads	10.86	5.70
Depreciation/Amortisation of Lease	0.19	0.19
Less: Capitalised during the year	0.00	0.00
Closing balance	205.75	194.70

Non-Current Investments

Note - 13

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
Non-Trade Investments		
Trade (Unquoted) in Subsidiary Companies		
(i) Investments in Equity Instruments		
Delhi Maida Consumers Co-operative Society Limited 1 Equity Share of ₹ 25 Each *	-	-
TOTAL	-	-

* Investment of ₹ 25 has been shown as NIL due to rounding off.

Long-Term Loans and Advances

Note - 14

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
A) Security Deposits		
Secured, considered good	-	-
Unsecured, considered good	190.11	202.79
Doubtful	77.71	77.71
Less: Allowance for bad and doubtful advances	(77.71)	(77.71)
Total (A)	190.11	202.79
(B) Others		
Secured, considered good	-	-
Unsecured, considered good	165.67	164.43
Doubtful	0.61	0.61
Less: Allowance for bad and doubtful advances	(0.61)	(0.61)
Total (B)	165.67	164.43
TOTAL [(A)+(B)]	355.78	367.22

Short Term Loans & Advances

Note - 14A

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
(A) Loans and Advances to Related Parties		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
Total (A)	-	-
(B) Loans and Advances Due by Directors or Officers of the Company or any of them either severally or jointly with others or by Firms or Private Companies respectively in which any Director is a Partner or a Director or Member		
Secured, considered good	-	-
Unsecured, considered good	5.35	2.99
Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
Total (B)	5.35	2.99
(C) Others (Specify)		
Secured, considered good	5.83	0.51
Unsecured, considered good*	1,881.98	1,772.98
Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
Total (C)	1,887.81	1,773.49
(D) Advance Income Tax and Tax Deducted at Source	6,687.96	6,756.71
Total (D)	6,687.96	6,756.71
(E) Sales Tax paid in Advance	20.64	47.92
(F) Service Tax paid in Advance	209.99	144.28
Total (E+F)	230.63	192.20
TOTAL [(A)+(B)+(C)+(D)+(E)+(F)]	8,811.75	8,725.39

Notes:-

1. Loans & Advances include the following:-

(₹ in lakh)

Particulars	Current Year	Previous Year
Advances due from Directors and officers of the Corporation	5.35	2.99
Maximum amount due from Directors and officers of the Corporation during the year	9.23	4.24

2. Loans and Advances includes ₹ 142.64 lakh being recoverable from M/s Paul Mech (lessee) on account of VRS (compensation) including terminal benefits in respect of 29 employees of Hotel Nilachal Ashok, Puri.

* Include FDR amounting to ₹ 1.62 lakh (Previous Year ₹ 1.62 lakh) deposited with Hon'ble High Court Delhi, as per the Court order

Other Non-Current Assets

Note - 15

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
(A) Long-Term Trade Receivables other than Current (including trade receivables on deferred credit terms)		
Secured, considered good	23.78	59.85
Unsecured, considered good	3.59	28.08
Doubtful	4,477.70	4,144.40
Less: Allowance for bad and doubtful advances	(4,477.70)	(4,144.40)
Total (A)	27.37	87.93
(B) Others		
Secured, considered good	-	-
Unsecured, considered good	3.84	7.05
Doubtful	459.19	451.36
Less: Allowance for bad and doubtful advances	(459.19)	(451.36)
Total (B)	3.84	7.05
TOTAL [(A)+(B)]	31.21	94.98

Inventories

Note - 16

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
(As per inventories prepared, valued and certified by the Management at lower of the cost or net realisable value)		
Stores and Spares	239.21	229.67
Tools	1.28	1.04
Crockery, Cutlery, Glassware and Linen etc. (in hand and in use)	218.21	265.90
Other Stocks and Stores (Others)	899.42	1,000.96
Goods - in- Transit	-	-
Less:- Provision for Inventory Write Down	(41.21)	(41.21)
Total	1,316.91	1,456.36

Trade Receivables

Note - 17

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
Current Trade Receivables		
(A) Trade Receivables outstanding for more than six months from the date they became due for payment:		
(i) Secured, considered good	184.34	102.90
(ii) Unsecured, considered good	3,876.97	3,563.92
(iii) Doubtful	703.77	154.73
Less: Allowance for bad and doubtful debts	(703.77)	(154.73)
TOTAL (A)	4,061.31	3,666.82
(B) Trade Receivables (others)		
(i) Secured, considered good	112.95	362.19
(ii) Unsecured, considered good	7,808.57	6,827.18
(iii) Doubtful	-	103.73
Less: Allowance for bad and doubtful debts	-	(103.73)
TOTAL (B)	7,921.52	7,189.37
TOTAL {A+B}	11,982.83	10,856.19

Notes:-

1. Trade Receivable include the following:-

(₹ in lakh)

Particulars	Current Year	Previous Year
Debts due from Directors and officers of the company	-	-
Maximum amount due from Directors and officers of the Company during the year	-	-

2. Provision for Bad & Doubtful Debts are made:-

- In respect of Debtors Ageing above three years excluding the amount of securities deposit received, if any, other than Bank Guarantee.
- In respect of Debtors Ageing less than three years on the merit of the case.

Cash and Cash Equivalents

Note - 18

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
(A) Cash in hand		
Cash in hand*	16.15	27.46
(B) Balances with Banks		
In Current Account**	3,803.06	5,719.81
In Savings Account	0.05	0.76
Provision for Doubtful Recovery	-	-
(C) Cheques, Drafts in hand		
Cheques in hand	24.95	424.60
Drafts in hand	-	-
(D) Other Bank Balances		
Term deposits with Banks for Less than 12 months***	22,972.13	22,193.22
Term deposits with Banks for more than 12 months	55.58	57.44
(E) Bank Balance held as margin money or as security against:		
Borrowings	-	-
Guarantees	-	-
Other commitments	-	-
(F) Others		
Gratuity Fund Trust (SBI)	-	-
TOTAL	26,871.92	28,423.29

* Include Foreign Currency equivalent to ₹ 2.75 lakh (Previous Year ₹ 4.98 lakh)

** Include towards Unclaimed Dividend of ₹ 0.49 lakh (Previous Year ₹ 0.55 lakh)

*** Include FDR's of ₹ 7.74 lakh (Previous year ₹ 53.49 lakh) lodged as security and FDR's at HDFC Bank of ₹ 300.00 lakh (Previous year ₹ 300.00 lakh) as collateral for availing Intraday Facility at Hotel Ashok, New Delhi

Other Current Assets

Note - 19

(₹ in lakh)

Particulars	As at 31.3.2017	As at 31.3.2016
Interest accrued but not due on Term Deposits	1,110.36	1,303.78
Others	504.25	482.77
Less: Allowance for bad and doubtful advances	-	-
TOTAL	1,614.61	1,786.55

Notes:-

(i) Others include FDRs ₹ 1.58 lakh (Previous Year ₹ 1.58 lakh) deposited with RPFC Jaipur.

(ii) Others include ₹185.37 lakh (Previous year ₹ 166.55 lakh) paid to the workers of the contractor towards wages upto March, 2017, as per the directions of the Hon'ble High Court in the matter filed by 60 workers of the contractors. The final outcome of the case is awaited.

Revenue from Operations

Note - 20

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
Sales of Products (A)		
Food	7,882.99	7,424.30
Beer, Wine & Spirits	2,812.44	2,809.22
Cigars and Cigarettes	108.11	69.03
Soft Drinks	301.80	307.02
Petrol, oil & Lubricant	-	-
Tourist Literature and Other Publications	82.30	120.18
Miscellaneous Sales	60.59	55.35
Total (A)	11,248.23	10,785.10
Sales of Services (B)		
Room Rent	13,088.90	12,972.20
Licence Fees	5,117.58	5,130.77
Banquet Hall/Lawn Rental	1,614.02	1,328.62
Traffic Earnings & Package Tours	1,833.57	1,658.71
Travel Services	10,391.34	8,645.51
Management/Consultancy/Event Management/Traning Fees	3,941.98	2,644.01
Revenue From Execution of Project	1,010.47	1,428.27
Son-et-Lumiere & Cultural Shows	85.60	93.54

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
Commission Received	32.05	95.98
Electricity Charges	515.01	509.13
Telephone Services	4.42	5.73
Advertisement income	25.73	37.96
Service Charges	388.86	394.58
Total (B)	38,049.53	34,945.01
Other Operating Revenues (C)		
Miscellaneous Income	175.01	177.69
Total (C)	175.01	177.69
TOTAL (A)+(B)+(C)	49,472.77	45,907.80

Notes:-

- (i) Pending execution of fresh license agreements, income from License fees(from continuing licensees) has been accounted for on provisional basis and/or based on the earlier license agreements.
- (ii) In case of Vigyan Bhawan, New Delhi, which has been providing Catering services under a contract with the Director of Estates, New Delhi which ended on 17.11.2015. Further renewal is under process and pending renewal revenue till year-end has been recognised on the basis of the above agreement.

Other Income

Note - 21

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
Other Income		
Interest (Gross) From- Banks/ Financial Institutions	1,847.85	2,290.70
Loan to Employees	0.58	0.58
On Income Tax Refund	95.11	202.15
Others	1.88	1.40
Profit on Sale of Assets	0.21	0.08
Gain on Foreign Exchange Variation	32.43	5.37
Grant from Ministry of Tourism	67.76	0.85
Others	250.92	397.01
Total	2,296.74	2,898.14

Note:-

Out of the balance amount of ₹ 5.32 lakh (Previous year ₹ 6.83 lakh) of Deferred Government Grants from the Ministry of Tourism for the renovation/upgradation of properties and fresh receipt of ₹ 240.00 lakh during the Year a total sum of ₹ 86.00 lakh, including adjustments relating to earlier years ₹ 67.54 lakh (Previous year ₹ 0.66 lakh) has been appropriated to the respective head of income. The amount equivalent to the grant related cost incurred/ adjusted during the year has accordingly been recognised as income. The balance of ₹ 159.32 lakh (Previous Year ₹ 5.32 lakh) at the close of the year has been presented in the accounts as Deferred Government grant below Reserve and Surplus.

Cost of Material Consumed and Services Rendered

Note - 22

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
(A) Cost of Consumption of Raw Materials, Other Materials Sold and Service Rendered		
i) Provisions, Beverages & Smokes		
Opening Stock	88.41	66.57
Add:- Purchases & Adjustments	2,763.28	2,698.00
Less:- Transfer & Adjustments	(135.57)	(101.30)
Closing Stock	92.91	88.41
TOTAL (i)	2,623.21	2,574.86
ii) Wine & Liquors		
Opening Stock	342.05	333.79
Add:- Purchases & Adjustments	538.62	577.07
Less:- Transfer & Adjustments	(96.88)	(89.57)
Closing Stock	361.87	342.05
TOTAL (ii)	421.92	479.24
iii) Other Materials		
Opening Stock	-	-
Add:- Purchases & Adjustments	69.72	89.23
Less:- Transfer & Adjustments	-	-
Closing Stock	0.45	-
TOTAL (iii)	69.27	89.23
TOTAL (i+ii+iii) (A)	3,114.40	3,143.33
(B) Cost of Service Rendered/Purchased		
- Execution of Project	222.88	1,308.48
- Other Services	3,547.80	1,654.83
TOTAL (B)	3,770.68	2,963.31
TOTAL (A+B)	6,885.08	6,106.64
Less: Charged to the Ministry of External Affairs	14.86	14.97
GRAND TOTAL	6,870.22	6,091.67

Note:-

Cost of consumption of raw material, other materials sold and services rendered includes cost of food consumed by operational staff at catering establishments (amount not ascertained).

Purchases of Traded Goods

Note - 23

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
i) Provisions, Beverages & Smokes	62.20	40.47
ii) Wine & Liquors	739.08	962.91
iii) Other Material	1.78	1.81
TOTAL	803.06	1,005.19

Change in Inventory of Traded Goods

Note - 24

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
OPENING STOCK		
i) Provisions, Beverages & Smokes	16.01	8.57
ii) Wine & Liquors	547.94	373.37
iii) Other Material	2.07	3.58
TOTAL	566.02	385.52
CLOSING STOCK		
i) Provisions, Beverages & Smokes	16.03	16.01
ii) Wine & Liquors	404.67	547.94
iii) Other Material	2.03	2.07
TOTAL	422.73	566.02
CHANGE IN INVENTORY	143.29	(180.51)
TOTAL	143.29	(180.51)

Employees' Remuneration & Benefits

Note - 25

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
Salaries, Wages & Bonus	11,951.91	12,304.72
Employer's Contribution to Provident & Other Funds	996.30	1,098.04
Staff Welfare Expenses (Including contribution to Staff Welfare Fund)	814.98	874.03
Uniform	46.65	35.02
Provision/Contribution to Employee's Gratuity Scheme (net)	482.87	504.48
	14,292.71	14,816.29
Less:-		
Charged to the Projects of the Ministry of Tourism	63.98	61.39
Charged to the Ministry of External Affairs	228.31	215.01
Total	14,000.42	14,539.89

Note:-

The disclosure relating to AS-15 (Revised) - Employees Benefits:-

- Provident Fund - 12% of Basic (including dearness pay) plus Dearness Allowance, contributed to Recognised Provident Fund
- Leave Encashment (P/Leave & Half Pay Sick leaves as applicable)-Payable on separation to eligible employees who have accumulated earned leave
- Gratuity- Payable on separation @ 15 days pay for each completed year of service to eligible employees who render continuous service for 5 years or more. Maximum limit is ₹ 10.00 lakh.

In terms of Accounting Standard 15 (Revised) on Employees Benefits, the following disclosure sets out the status as required:-

(₹ in lakh)

Particulars	Gratuity		Leave Encashment		Half Pay Leave	
	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017	Year Ended 31.03.2016
Fair Value of Defined Obligations						
Present value of projected benefit obligation as at the beginning of the year	8,329.50	8,675.76	4,421.94	4,491.58	48.89	52.58
Current service cost	277.54	319.36	210.04	195.25	4.40	5.72
Interest cost	626.92	693.81	333.00	360.11	3.67	4.22
Actuarial gain(-) / losses(+)	247.66	85.38	(336.36)	(603.56)	(16.81)	(13.63)
Past service cost	-	-	-	-	-	-
Benefits paid	(1,473.10)	(1,444.81)	(29.66)	(21.44)	-	-
Present value of projected benefit obligation as at the end of the year	8,008.52	8,329.50	4,598.96	4,421.94	40.14	48.89

Particulars	Gratuity		Leave Encashment		Half Pay Leave	
	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017	Year Ended 31.03.2016
Reconciliation of Fair Value of Assets and Obligations						
Fair value of plan assets as at the beginning of the year	7,704.63	7,961.47	63.64	46.46	-	-
Acquisition adjustment						
Expected return on plan assets	580.87	628.30	5.12	5.12	-	-
Actual Company's contribution	471.53	593.90	21.58	22.61	-	-
Actuarial gain(-) / losses(+)	88.38	(34.23)	9.75	(0.93)	-	-
Benefits paid/ adjustments	(1,173.10)	(1,444.81)	(16.33)	(9.61)	-	-
Fair value of plan assets as at the end of the year	7,672.31	7,704.63	83.76	63.64	-	-
Present value of defined obligation	8,008.52	8,329.50	4,598.96	4,421.94	40.14	48.89
Net liability recognised in the Balance Sheet (Note-7)	336.21	624.87	4,515.20	4,358.30	40.14	48.89
Expenses recognised in the Statement of Profit & Loss Account						
Current service cost	277.54	319.36	210.04	195.25	4.40	5.72
Interest cost	626.92	693.81	333.00	360.11	3.67	4.22
Actuarial gain(-) / losses(+)	159.28	119.61	(346.11)	(602.63)	(16.81)	(13.63)
Past service cost	-	-	-	-	-	-
Expected return on plan assets	(580.87)	(628.30)	(5.12)	(5.12)	-	-
Employees' Remuneration & Benefit charged to Statement of Profit & Loss						
a)Gratuity	482.87	504.48	-	-	-	-
b)Others	-	-	191.81	(52.39)	(8.74)	(3.69)
Gratuity Fund Investment details (Fund manager wise, to the extent funded)						
Life Insurance Corporation of India	1,702.45	2,556.39	83.76	63.64	-	-
Metlife Traditional Fund	695.75	644.63	-	-	-	-
Kotak Mahindra Old Mutual Life Insurance Ltd	770.48	690.86	-	-	-	-
HDFC Standard Life Insurance	397.69	353.03	-	-	-	-
Birla Sun-life Insurance Fund	2,130.91	1,924.40	-	-	-	-
Future Generali India Fund	1,675.03	1,535.32	-	-	-	-
Total	7,372.31	7,704.63	83.76	63.64	-	-

Particulars	Gratuity		Leave Encashment		Half Pay Leave	
	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017	Year Ended 31.03.2016
Actuarial assumption						
Discount rate	7.50% per annum	8.00% per annum	7.50% per annum	8.00% per annum	7.50% per annum	8.00% per annum
Mortality rate	IALM(2006-08) ULTIMATE	IALM(2006-08) ULTIMATE	IALM(2006-08) ULTIMATE	IALM(2006-08) ULTIMATE	IALM(2006-08) ULTIMATE	IALM(2006-08) ULTIMATE
Withdrawal rate(18-30 years)	0.00% p.a.	0.00% p.a.	0.00% p.a.	0.00% p.a.	0.00% p.a.	0.00% p.a.
Withdrawal rate(31-44 years)	1.00% p.a.	1.00% p.a.	1.00% p.a.	1.00% p.a.	1.00% p.a.	1.00% p.a.
Withdrawal rate(44-58 years)	3.00% p.a.	3.00% p.a.	3.00% p.a.	3.00% p.a.	3.00% p.a.	3.00% p.a.
Expected rate of return	7.50% p.a.	8.00% p.a.	7.50% p.a.	8.00% p.a.	7.50% p.a.	8.00% p.a.
Future salary increase	5.00% p.a.	5.00% p.a.	5.00% p.a.	5.00% p.a.	5.00% p.a.	5.00% p.a.
Retirement age	58 years	58 years	58 years	58 years	58 years	58 years
Method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit

Finance Cost

Note - 26

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
Interest paid to Banks/Financial Institutions	33.08	63.44
Other Borrowing Cost	16.54	1.99
TOTAL	49.62	65.43

Operating and Other Expenses

Note - 27

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
TRAVELLING AND CONVEYANCE		
(a) Directors	44.83	28.83
(b) Officers and Staff	112.04	135.59
(c) Staff Car Expenses	81.79	78.39
	<u>238.66</u>	
RENT, RATES, TAXES AND INSURANCE		
(a) Rent	229.82	253.48
(b) Rates & Taxes	383.53	353.63
(c) Insurance	107.22	107.34
(d) Bar licence fees	-	-
	<u>720.57</u>	
REPAIRS & MAINTENANCE		
(a) Plant and Machinery	617.93	528.70
(b) Building	391.76	829.67
(c) Vehicles	5.32	6.30
(d) Others	1,462.34	1,057.66
	<u>2,477.35</u>	
Auditors' Remuneration (Including Branch Auditors)		
(a) Audit fees	25.70	21.21
(b) Tax audit fees	7.85	6.44
(c) Certification	0.12	0.11
(d) Taxation Matters	-	-
(e) Company Law Matters	-	-
(f) Out of Pocket Expenses	0.47	0.09
	<u>34.14</u>	
Directors' Sitting Fees	2.38	2.02
Legal and Professional Charges	265.29	205.55
Printing, Stationery and Periodicals	126.03	128.49
Communication Expenses	116.93	124.68
Power & Fuel	2,981.10	3,199.85
Advertisement, Publicity & Sales Promotion	342.98	344.23
Litigation Loss	-	-
Entertainment	14.25	12.19
Band and Music	30.84	34.98
Expenses on Cultural Shows	-	-
Commission to Travel Agents & Credit Card Companies	335.91	117.38
Licencees' Share of Profit	129.17	72.28
Miscellaneous Expenses	127.16	66.56
Upkeep, Service Cost and Other Operating Expenses	17,086.71	14,116.68
Loss on Sale of Fixed Assets/Write off of Assets	-	0.73
Loss on Collaboration Ventures	-	-
Depletion/Consumption & Breakage in Crockery, Cutlery & Utensils etc.	54.08	62.16
Reimbursement of Expenses	396.17	486.19
Interest paid on Advances	-	-
Bad Debts	46.40	7.63
Loss on Foreign Exchange Variations	-	-
Advances Written Off	-	-

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
Provision for Doubtful Debts & Advances	975.23	432.21
Provision for Impairments	6.91	4.20
Provision for Diminution of Fixed Assets	-	-
Provision for Inventory Write Down/Write Off of Inventories	0.73	0.08
Corporate Social Responsibility*	75.06	14.08
Marketing, Guidance & supervision expenses	-	-
Demand & Notice	1.23	6.03
TOTAL (A)	26,585.28	22,845.64
Less:-		
Charged to the Project of Ministry of Tourism	19.10	22.30
Charged to the Project of Ministry of External Affairs	165.95	144.95
Departmental Expenses Charged to ITDC Unit	-	-
TOTAL (B)	185.05	167.25
TOTAL (A-B)	26,400.23	22,678.39

Notes:-

1. Expenses on Generation of Power:-

(₹ In lakh)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Salaries and Wages	6.45	6.27
Fuel	40.03	39.02
Depreciation	40.44	40.50
Repairs	50.01	39.81
Others	-	0.50
Total	136.93	126.10

(Above excludes expenditure incurred by some units which is not ascertainable.)

2. No separate charge is made to Repairs and Maintenance Account in respect of salaries, wages etc. of staff deployed for repairs carried out departmentally.

* Details of expenditure towards Corporate Social Responsibility

a) Gross Amount required to be spent by the company during the year ₹ 55.53 lakh (Previous Year ₹ 38.10 lakh)

b) Amount spent during the year on:

(₹ In lakh)

Particulars	In Cash	Yet to be paid in cash	Total
(i) Construction/ acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	73.41	1.64	75.06

Exceptional Items

Note - 28

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
Provisions no Longer required written back (Negative if profit)	(436.93)	(519.78)
Others*	1,499.31	1,314.22
Total	1,062.38	794.44

Note:-

(i) The Provisions/liabilities no longer required written back during the year and disclosed in Statement of Profit & Loss are given as under:-

(₹ in lakh)

Particulars	Current Year	Previous Year
1. Provision for Doubtful Debts and Advances	223.52	209.45
2. Depreciation	-	0.29
3. Cost of Material Sold and Services rendered	-	1.42
4. Salaries wages and benefits	14.10	17.15
5. Finance cost	-	-
6. Upkeep & Service Cost	-	9.97
7. Other Operating and Administrative Expenses	129.12	150.88
8. Provision for diminution in fixed assets	-	-
9. Provision for Inventory written down	-	-
10. Legal & Professional Charges	-	-
11. Rates & Taxes	-	-
12. Communication Exp.	-	-
13. Repairs and Maintenance	70.19	130.62
14. Power & fuel	-	-
Total	436.93	519.78

* The Corporation had taken a property at L Block, Cannaught Circus, New Delhi on rent from the Custodian of Enemy Property in 1965. Subsequently the said property was released in favour of present owner by the custodian. The owner filed a suit for recovery of the possession of the said property. The Hon'ble Delhi High Court decided the matter in favour of the owner and the corporation was directed to vacate the property accordingly ITDC vacated the property on 28.02.2007. The appeal of ITDC has been dismissed by Hon'ble Delhi High Court on 22.04.2016 and the demand has been paid in full in FY 2016-17.

Prior Period Adjustments

Note - 29

(₹ in lakh)

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
Prior Period Income (Negative)	39.49	(8.10)
Prior Period Expenses/Adjustments	160.27	175.34
Total	120.78	183.44

Note:-

1. Details of Income/expenditure and adjustment relating to earlier years charged to Statement of Profit & Loss are as follows:-

(₹ in lakh)

Particulars	Current Year	Previous Year
Income:		
1. Beer Wine and Spirit Sales	-	-
2. Income from Services Rendered :	-	-
Room rent/ licence fee		
Consultancy	(7.35)	(12.52)
3. Others :		
Employees' remuneration and benefits	0.11	1.91
Income from Hired Vehicle	(0.05)	-
Miscellaneous Income	(20.76)	1.85
Income from Govt. Grant	67.54	0.66
Total	39.49	(8.10)
Expenditure:		
1. Cost of consumption of raw material, other materials sold and services	2.48	23.07
2. Employees' remuneration and benefits	(3.17)	18.40
3. Travelling and Conveyance	0.39	1.83
4. Rent, rates, taxes and insurance	(4.23)	4.16
5. Repairs and maintenance	1.46	21.30
6. Legal and Professional Charges	3.90	5.01
7. Printing, Stationery and Periodicals		0.08
8. Communication Expenses	0.51	2.75
9. Power and Fuel	24.04	26.61
10. Advertisement, publicity and sales promotion	0.49	1.66
11. Sundry Expenses	9.12	2.28
12. Upkeep and Service Cost and Other Operating Expenses	125.58	16.18
13. Depreciation	0.30	2.47
14. Data Processing		0.34

(₹ in lakh)

Particulars	Current Year	Previous Year
15. Payment to hired vehicles	0.25	2.70
16. Electricity & Water charges	1.05	-
17. Hire charges		-
18. Commission charges		-
19. Staff welfare	0.04	3.32
20. Audit Fee	0.01	0.03
21. Others	(1.95)	43.15
Total	160.27	175.34

Earning Per Share

Note - 30

Particulars	Year Ended 31.3.2017	Year Ended 31.3.2016
The calculation of Earning per share as per Accounting Standard - 20 is as under:-		
BASIC & DILUTED		
Net Profit/(Loss) available for Equity Shareholders (₹ in lakh)	877.52	1,784.82
Weighted number of Equity Share of ₹ 10/- each	8,57,69,400	8,57,69,400
Basic & diluted earnings per share (₹)	1.02	2.08

Note - 31

Contingent Liabilities and Commitments

(₹ in lakh)

Particulars	Current Year	Previous Year
A. Contingent Liabilities		
(a) Claims against the Corporation not acknowledged as debts		
(i) Claims against the Company not acknowledged as debts [includes demands from custom authority ₹ 18,520.84 lakh (Previous Year ₹ 18,520.84 lakh) and are subjudice].	75,118.89	73,248.02
(ii) Guarantees executed in favour of various authorities, banks and financial institution [including guarantees provided against loans obtained by subsidiary companies, ₹ 377.64 lakh (Previous year ₹ 360.84 lakh)].	604.56	516.21
(iii) Income Tax matters in appeal [Includes appeals preferred by Income Tax Department ₹ 475.84 lakh (Previous Year ₹ 475.84 lakh)]	1,329.72	847.92
(iv) Sales Tax matters in appeal [includes ₹ 2,465.62 lakh (Previous Year ₹ 2,465.62 lakh) in respect of closed Duty Free Shop, Mumbai, appeals against which are pending before Maharashtra Sales Tax Tribunal/High Court].	2,949.13	2,949.13
(v) (a) Liability towards service tax (including interest thereon pertaining to banqueting, including catering activities, at hotels up to 31.03.2007.	Amount unascertained	Amount unascertained
(b) Liability towards work contract tax (including interest thereon) pertaining to building repair work carried at units.		
B. Commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances and excluding escalation in rates, if any) (on completion, part of the work may result as revenue expenditure).	251.31	386.65

Note No. (1): Contingent Liabilities at Sl. No. A(a) (i), A(a)(iii) & A(a)(iv) are dependent upon court decision/out of court settlement/disposal of appeal etc.

Note No. (2): Amount indicated as Contingent liability/ Claims against the Company only reflect basic value. Legal and other costs being indeterminable at this stage are not considered.

Note No. (3): Contingent liabilities at A(a) (i) above includes ₹ 4,858.04 lakh (previous year ₹ 4,858.04 lakh) in respect of matters under arbitration with suppliers in respect of works relating to supply of furniture and furnishing of flats on behalf of Delhi Development Authority (DDA). However, the MoU with DDA indicates that the payments of decreed amounts, if any, as decided by arbitrator, court of law will be made by DDA.

- C. The Utkal Ashok Hotel Corporation Limited, Puri has neither ascertained nor provided for any liability that may arise due to non-deduction of Tax on provisions made for payment of Interests to the holding company to the tune of ₹ 123.11 lakh (Previous Year ₹ 23.56 lakh), the liability on account of interest that may become payable for such non-deduction and non-payment of dues to Central Govt. account under the Income Tax Act, 1961. Since the Company is not in operation, any liability arising therefore shall be recognized in the year of adjudication/ payment.
- (D) In Utkal Ashok Hotel Corporation Limited, Puri, no provision has been made for liabilities which may arise due to pending legal cases in the court of law on account of wage revision w.e.f. 01.01.1992, the same shall be recognised on the basis of actual due.
- (E) In Utkal Ashok Hotel Corporation Limited, Puri, the damages that may arise and become payable on the delayed deposits of Statutory Dues in relation to Provident Fund and ESI etc. could not be ascertained and therefore has not been provided for. The expenses if any shall be accounted for in the year of adjudication and payment.
- (F) The Employees State Insurance Corporation (ESI) authorities had raised demands (including interest where applicable) totalling ₹ 826.79 lakh (Previous year ₹ 803.13 lakh) towards

ESI dues in respect of six hotel/catering units against which the corporation holds a deposit of ₹ 334.85 lakh (Previous year ₹ 334.85 lakh) (included in Loans and Advances) with the said authorities (made up of amounts withdrawn by the authorities after freezing bank accounts ₹ 310.09 lakh and amount deposited ₹ 24.76 lakh). Against this the corporation holds a liability of ₹ 215.43 lakh (previous year ₹ 215.44 lakh) towards ESI dues. No provision has been made for the balance of ₹ 611.35 lakh (Previous year ₹ 587.70 lakh) as the matter is subjudice and pending finality in the matter, the same has been included under Contingent Liabilities at Sl. No. 1(A)(a)(i) above.

- (G) M/s Airports Authority of India(AAI) and other private airport operators had levied service tax on their billings for licence fee/royalty for Duty Free Shops at various locations and Ashok Airport Restaurant w.e.f. 10.9.2004. However, the Circular dated 17.9.2004 issued by Government of India provides that the activity of renting, leasing out part of airport/civil enclave premises does not amount to rendering of services and the license fee/royalty payable in this regard is not subject to service tax. M/s Airports Authority of India had filed an appeal in CESTAT inter alia to adjudicate if Service Tax is chargeable on Appealants revenue from renting/ leasing of space inside Airports Civil Enclave to various persons for their business activities. CESTAT vide their order date 2.1.2015 had ordered that service tax is chargeable on above renting/ leasing. The AAI has further appealed against the order of Hon'ble Delhi High Court. Further an amount of ₹ 1.61 crore paid by ITDC as security deposit in the form of Fixed Deposit during 2006-07 was encashed by Delhi International Airport Pvt. Ltd.(DIAL) on account of Service Tax levied as above. Pending final resolution of the matter the estimated liability of

₹ 1,779.49 lakh (Previous year ₹ 1,779.49 lakh) from 10.09.2004 to 31.03.2008 has been included as Contingent Liability at Para A(a) (i). above, and ₹ 1.61 crore has been included as amount recoverable from M/s DIAL.

- (H) The matter relating to determination of property Tax in respect of three Delhi based properties i.e. Ashoka, Samrat and Janpath Hotels was subjudice in the Hon'ble High Court of Delhi. During proceedings NDMC offered a basis for determination of property tax for assessing the hotel properties to which ITDC also agreed. Accordingly, the Hon'ble High Court vide its orders dated 19.10.2010 disposed off the said petition by directing NDMC to reassess the property tax due from hotels and hotels to fully cooperate in the matter. Accordingly, the NDMC vide its assessment orders dated 31.03.2013 and made the fresh assessment up to 31.03.2009 and gave a basis of determination of property tax which was agreed by ITDC.

From the year 2010-11 to 2015-16, NDMC vide their order dated 11.02.2016 assessed above three properties on Unit area method on a much higher RV than assessed upto the year 2008-09 vide Order dt. 31.3.2013. The company challenged the assessment made under Unit area method and filed three writ petitions in Delhi High Court. The matter came up for hearing before DB of the H'ble court on 8.3.2016. H'ble court was pleased to order that subject to the company paying the admitted tax, no coercive measures shall be taken by NDMC. The company has already deposited its admitted tax liability based upon assessment made vide order dt. 31.3.2013 and the balance disputed amount of ₹ 197.68 crores has been included in the contingent Liability A(a)(i) above subject to final resolution of the matter by H'ble court.

Note - 32

General Notes

1. In spite of request made by the company, confirmation of balances have not been received in several cases in matter of Trade receivable, Trade payable, Loans and Advances and Deposits. Besides in a few units, balances in customers accounts are under reconciliation with the General Ledger control account balances. The effect on accounts, if any, due to our exercise for obtaining confirmation, reconciliation and adjustments thereof will be adjusted accordingly.
2. Following the past practice, consumption of Stocks, stores, crockery, cutlery etc. has been worked out by adding opening balances to purchases and deducting that from closing balance based on physical inventories valued as per the accounting policy.
3. The Company has been managing Kosi Restaurant owned by the Ministry of Tourism and Hotel Bharatpur Ashok (since handed to the Rajasthan Govt.) the profit/loss in respect of this unit is accounted for by the Company in the respective notes of statement of Profit & Loss.
4. Company entered into an Agreement dt. 19th February, 2002 with M/S Maruti Udyog Ltd. for renewal of Sub-Lease from 1st February, 2002 to 31st January, 2011 and another period of nine years thereafter subject to enhancement of rent in respect of the property comprising of Workshop-cum-Depot constructed on Plot No. C-119 Naraina Industrial Area Phase- I, New Delhi. As per terms of agreement the entire rent for a period of 9 years was paid by Maruti Udyog Ltd in advance. During the currency of the lease period, M/S Maruti Udyog Ltd carried out additional construction in the said premises and in the process, the Workshop cum Depot that had been let out was demolished and rendered extinct which was neither envisaged nor intended in the Sub-Lease Agreement. Therefore, a legal notice dt. 14th June, 2010 was given to Maruti Udyog Ltd to vacate the premises w.e.f. 1.7.2010. The balance amount of advance rent lying with ITDC amounting to ₹ 25,01,849/- was accordingly returned to M/S Maruti Udyog Ltd. Applications dt. 1.7.2010 were filed by ITDC for eviction of premises and recovery of damages under Public Premises (Eviction of Unauthorized Occupants) Act, 1971, before the Estate Officer. In the meanwhile M/S Maruti Udyog Ltd. renamed as M/S Maruti Suzuki India Ltd. (MSIL) filed a writ petition with the H'ble Delhi High Court against the eviction and recovery applications of the company which has been dismissed by the Hon'ble High Court vide order dt. 30.12.2012. Against the order of H'ble High Court MSIL had filed an appeal before the Division Bench which was also dismissed vide order dt. 29.4.2013. MSIL filed an SLP challenging the orders of H'ble High court. The said SLP was disposed off vide order dt. 13.9.2013 with direction to Estate Officer to decide the jurisdiction. The Estate officer vide its order dt. 24.3.2014 held that that the Estate officer has jurisdiction to entertain the application filed by company. Another Arbitration Petition had been filed by MSIL before Hon'ble High Court for appointment of Arbitrator. Hon'ble High Court vide its interim order dt 23.5.2011 directed to appoint two Arbitrators who may proceed to appoint Presiding Arbitrator. The company preferred an Application for recalling the order of H'ble court. The H'ble court vide its order dt. 29.9.2011 sustained the order dt. 23.5.2011 with modification that the only issue Arbitral tribunal will determine is whether The company violated terms of Sub-Lease dt. 19.2.2002 and MSIL suffered any losses/harassment. The rest of the issues shall be determined under Public Premises Act. MSIL filed SLP against order dt. 29.9.2011 and the same was dismissed vide order dt. 6.5.2014 by H'ble Supreme Court. Now the proceedings before the Estate officer are in progress and pending legal proceedings in the matter, the premises has not yet been vacated by M/S MSIL.
5. In respect of Assam Ashok Hotel Corporation Limited disputed billing revenue of Rs. 245.59 lakh is not accounted during the year 2006-07, as hotel has gone for arbitration case with 33rd National Games 2007 authority to release disputed billing balance toward the Catering Service during the National Games events. As the matter is disputed and Company is contemplating for settlement through Arbitration.

6. Disclosure in accordance with Accounting Standard- 7 - Construction Contracts:

(₹ in lakh)		
Particulars	Current Year	Previous Year
a) Aggregate amount of Revenue recognised up to the reporting date	11,565.46	13,494.95
b) Aggregate cost incurred up to reporting date	10,569.20	12,284.36
c) Revenue recognised during the current financial year	1,009.81	1,400.03
d) Cost incurred during the financial year	933.39	1,308.33
e) Total amount of funds received up to the reporting date	15,952.22	17,790.23
f) Advance due from customers up to reporting date	567.09	164.10
g) Advance due to Customers up to reporting date	4,047.06	3,256.25

7. Notices of eviction has been served on two licensees viz. M/s Mayar Health Resort and M/s Jain Restaurant (Sharman) in the year 2014 and 2012 respectively. Against that termination both the licensees went to court and the matter is since subjudice. The amounts of ₹ 77.11 lakh and ₹ 24.80 lakh received from M/s Mayar Health and M/s Jain Restaurant during the year 2016-17 are adjusted with their past dues.

8. Disclosure in pursuance of Accounting Standard -19 on Leases:-

The company's leasing arrangements are generally in respect of operating lease for premises (residential, office accommodation, and godowns etc). These leasing arrangements are not non-cancellable and are also usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals paid/payable are charged as Rent under Employees' Remuneration & Benefits (Note-25) & Operating and Other Expenses (Note-27). In some of the hotel units, arrangements made with other parties to operate restaurants and other business premises are on license basis which are also not non-cancellable and are usually renewable by mutual consent on mutually agreeable terms.

9. Other disclosure as per Schedule III of Companies Act, 2013:

a) Value of Imports on C.I.F. basis:-

(₹ in lakh)		
Particulars	Current Year	Previous Year
i) Beer, Wine and Spirits	715.94	941.10
ii) Cigars and Cigarettes	70.20	37.71
iii) Other items	-	-
Total	786.14	978.81

b) Expenditure in Foreign Currency :-

(₹ in lakh)		
Particulars	Current Year	Previous Year
i) Travelling	3.72	9.18
ii) Fees & Subscription	1.66	2.32
iii) Miscellaneous	5.66	-
Total	11.04	11.50

(c) Earnings in Foreign Currency (Direct) (on receipt basis) :-

(₹ in lakh)		
Particulars	Current Year	Previous Year
i) Boarding, Lodging and Other Facilities	104.58	532.32
ii) Sale of Goods at Duty Free Shops	1,383.50	1260.31
iii) Gain in Foreign Exchange (net)	32.28	5.37
Total	1,520.36	1,798.00

(d) (i) Amount due to Small Scale Industries, to the extent such parties have been identified from available information, of more than one lakh and for a period exceeding 30 days is ₹ NIL (Previous year ₹ Nil).

(ii) The identification of Micro & Small Enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006", has been made on the basis of their declarations. Amount payable ₹ NIL (Previous Year ₹ NIL).

(iii) The Companies (Second Amendment) Act, 2002, provides for levy of cess, towards rehabilitation/revival of sick industrial companies, which shall

not be less than 0.005% but not more than 0.10% of the turnover or the gross receipts as the Central Government may from time to time specify in the Official Gazette. Since no notification has been issued, provision thereof has not been created.

10. Going concern assumption

The Unit was incurring huge loss since its inception and was not even generating enough revenue to meet its operational expenses and had no viability to be run as a commercial entity. The Board of Directors in their meeting held on 23rd March, 2004, after reviewing the performance in view of the losses standing at ₹ 946.20 lakh upto 31.03.2003 had resolved to temporarily close down the commercial operation of the unit effective from March, 2004. Subsequently, the Govt. of India directed ITDC to examine various options including long term lease in respect of Hotel Nilanchal Ashok Puri. Therefore in accordance with the decision of the Govt. of India, the Board of Directors in their meeting held on 21st June, 2005 approved the leasing out of the Hotel Nilanchal Ashok Puri for a period of 30 years. Further the State Govt. while granting the permission vide their letter dated 26.05.2007 allowed Utkal Ashok Hotel Corp., Puri to sublease the land for a period of 40 years. The Board in its meeting held on 09.06.2008 approved the proposal of leasing out the joint venture hotel property at Puri on lease cum Management basis for a period of 40 years. The Committee formed for this purpose has already floated the tender and the tender was awarded to M/S Paulmech Infrastructure Pvt. Ltd. for 40 years lease. The letter of intent has been issued to the lessee.

M/s Paulmech Infrastructure Pvt Ltd, who were issued a Letter of Intent dated 19.01.2010, pursuant to the tender for 40 years lease of Hotel Nilachal Ashok, Puri have filed a Writ Petition being WP (Civil) No. 23103 of 2013 before the Hon'ble High Court at Cuttack praying for a direction to ITDC and Utkal Ashok Hotel Corporation Ltd (UAHCL) to execute the lease agreement pertaining to the lease of Hotel Nilachal Ashok, Puri in pursuance to the letter of Intent and further direction to ITDC and UAHCL to calculate interest on the amounts deposited by the Petitioner more

particularly ₹ 4.41 crore since 17.2.2010, ₹ 2 crore since 28.12.2010, ₹ 1.41 crore since 29.12.2010 and ₹ 70 lakh since 07.10.2011 and to adjust the said interest towards balance payment. Thereafter M/s Paulmech filed amendment Petition seeking stay of operation of cancellation of lease as per letter dated 10.12.2013.

UAHCL issued termination of letter of intent letter vide letter no. ITDC /Nilachal /2013 dated 10.12.2013 due to non compliance of Clause -2 of the LOI by Paulmech. The Board of Directors in the meeting held on 19.09.2013 decided to find out the (a)possibility to run the hotel after carrying out necessary renovation (b) To demolish the hotel completely and construct a new hotel in its place (c) To run the hotel through Public, Private Partnership(PPP) model (d) To lease out the hotel on as is where is basis through competitive bidding process after obtaining requisite clearance.

After filing of the above Petition, M/s Paulmech has filed an amended Petition praying inter alia for quashing the letter dated 10/12/2013 whereby the Board of Directors of OP No. 5 - UAHCL had decided to terminate the letter of Intent dated 19/01/2010.

The matter had come up for hearing on 15.10.2014 for orders. Having been apprised of the counteraffidavit being already filed on our behalf, the Hon'able Court directed the matter to be placed for final disposal. Now the matter is likely to be listed any day. Interim order passed earlier has been directed to be continued till the next date. As informed by the Senior Advocate, the matter is likely to be listed after Summer vacations. ITDC filled an application for taking permission for using the Hotel Nilanchal Ashok for temporary accomodation/ceremonial occasions. The application was listed on 04.07.2015, when the Court did not function in the second half after lunch, due to certain death of an officials of the Court. Though memeo of Hearings are being filed by our Advocates yet the matter has not been taken up. On 09.02.2016 ITDC filled an application being Misc. Case No 2188 of 2016 praying for passing appropriated orders directing early hearing and disposal of the writ petition. After several listings the matter come up on 9th March, 2017 for final arguments. Upon hearing the Ld Counsels for the parties, the Hon'ble High Court has

dismissed the Petition of M/s Paulmech Infrastructure Pvt. Ltd. (PIPL)

Therefore in view of the position stated above efforts have been made to revive the hotel unit of the company at Puri to run it in a commercially viable manner. The management had at no point of time intentions to close the unit permanently. In view of the temporary suspension of commercial activities and further in view of the revival process in progress as stated above the Annual Accounts for the year 2016-17 have been prepared on "Going Concern" basis/assumption.

- 11 Out of total 23 employees of Hotel Nilanchal Ashok, 22 employees who accepted VRS were stand relieved w.e.f. 30/04/2015 (AN). All above 22 employees were paid their full and final dues as per VRS scheme during the financial Year 2015-16, the remaining one employee had also accepted the offer of VRS on 3rd March, 2016. Accordingly his final dues on the VRS scheme were paid on 8th June, 2016.
- 12 The Company Punjab Ashok Hotel Ltd. was incorporated on 11th November, 1998. The only Hotel of the Subsidiary is under construction. The Hotel building is being constructed on Land measuring 5 Acres was provided by the Government of Punjab during 1998-99. Agreement for the same was executed on 30.03.2000. Accordingly the company has been granted lease hold rights for 99 years. There was no commercial activity during the Financial Year 2016-17. The construction work of company's hotel project at Anandpur Sahib has been at a standstill for quite some time for paucity of funds.
- 13 Disclosure pursuant to Accounting Standard 17 on Segment Reporting is given in Annexure "A" to this note.
- 14 Disclosure of transactions with related parties as per Accounting Standard -18, to the extent applicable, is as under: -

Key Management Personnels: -

1. Shri Umang Narula , Chairman & Managing Director w.e.f. 24.04.2015 to 28.02.2017
2. Shri Piyush Tiwari, Director (Commercial & Marketing) w.e.f. 28.05.2015 till 28.02.2017
Chairman & Managing Director w.e.f. 01.03.2017 till date

3. Shri Pradip Kumar Das , Director (Finance) & CFO w.e.f. 25.02.2016 till date
4. Shri. V. K. Jain, Company Secretary w.e.f 15.12.2008 till date

Payment made to key management personnels and their relatives.

(₹ in lakh)

Particulars	Current Year	Previous Year
Remuneration	107.46	75.92

- 15 Pursuant to a decision of Government of India, it was decided that Ministry of Tourism will examine the proposal for Sale/ Lease of Hotel Properties of the company including Properties of Subsidiary Companies. In the cases where Hotel properties are located on State Govt Leased Land and the State is reluctant to extend the lease and allow it to be sub-leased to the private party, then the property may be offered to the State Govt at its officially valued price. Transaction Advisors for four Hotel Properties viz. Hotel Jaipur Ashok, Jaipur; Hotel Lalitha Mahal Palace, Mysore; Hotel Patliputra Ashok , Patna and Hotel Kalinga Ashok, Bhubaneswar have been appointed. The Transaction Advisors are engaged for doing the entire exercise of Valuation of the properties, devising framework for transfer/ exit/ absorption of employees, documentation, etc.

Hotel Bharatpur Ashok (Managed Property since owned by Government of Rajasthan) has been handed back to Government of Rajasthan on 30.04.2017.

In the absence of any formal approved plan for discontinuance of other Hotel Properties as on date the hotel operations have been considered as normal continuing operations of the company within the meaning of AS-24.

Further, as the process of disinvestment/ divestment of Hotel Properties including that of Subsidiary Companies is going on and Transaction Advisors for Hotel Brahmaputra Ashok, Guwahati; Hotel Donyi Polo Ashok, Itanagar; Hotel Pondicherry Ashok, Puducherry; Incomplete Project of Anandpur Sahib, Punjab; Hotel Lake View Ashok, Bhopal have already been appointed. It is expected

that on completion of the proposed transaction of transfer/sale/lease out properties of Subsidiary Companies, company will be able to realise full value of its investments, made in these Subsidiary Companies and Accounts Recoverable on account of Management Fees and Loans & Advances, etc. Therefore, no provision is considered necessary and these accounts are considered good for recovery.

- 16 Impairment of Fixed Assets/ Capital work-in-progress at each balance sheet date and impairment loss, if any, ascertained as per Accounting Standard-28-‘Impairment of Assets’ issued by the Institute of Chartered Accountants of India is recognised. As on 31st

March, 2017, in the opinion of the Management except to the extent of loss recognised in respect of assets not in active use, capital work-in-progress including incomplete hotel project at Gulmarg, no such impairment loss warranting recognition/provision was noticed.

- 17 As per the Ministry of Corporate Affairs Notification no. G.S.R. 308(E) dated 30th March ,2017, the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December 2016 are provided in the Table below:-

(₹ in lakh)

	SBNs (₹)	Other Denomination Notes (₹)	Total (₹)
Closing cash in hand as on 08.11.2016	47.00	0.47	47.47
(+) Permitted receipts	-	295.31	295.31
(-) Permitted payments	-	0.13	0.13
(-) Amount deposited in Banks	92.55*	287.85	334.85*
Closing cash in hand as on 30.12.2016	-	7.80	7.80

* includes ₹ 45.56 lakh received in demonetised notes of ₹ 1,000 and ₹ 500 after 8th November, 2016 and deposited in Bank

- 18 Disclosure in pursuance to Accounting Standard - 29 - Provisions, Contingent Liabilities and Contingent Assets :

(₹ in lakh)

Name of the Provision	Balance as on 1.4.2016	Provided during the year relating to 2016-17	Provided during the year relating to 2015-16	Payments/ Adjustments during the year	Provision reversed/ written back	Closing Balance as on 31.3.2017
Income Tax	1,236.85	980.00	0.48	1,235.19	2.14	980.00
Dividend Tax	261.91	-	-	261.91	-	-

- 19 Additional Information as required under Schedule III to the Companies Act, 2013 of enterprises consolidated as Subsidiary/Joint Venture for the year 2016-2017 is enclosed as Annexure “B”.
- 20 Statement containing Salient features of the Financial Statements of Subsidiaries/ Joint venture as per Companies act, 2013 is enclosed as Annexure “C”.
- 21 In the opinion of the management, the value of assets, other than fixed assets and non-current investments, on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.
- 22 Disclosure as per Accounting Standard - 1, on Disclosure of Accounting Policies
- During the year, following changes in the Accounting Policies have been made:
- a) Policy No. 4- “Fixed Assets and Depreciation “ has been modified in compliance of Revised Accounting Standard, AS -10 Property Plant and Equipment (PPE), as much as the expense on Improvement to Building during the Financial Year 2016-17 has been capitalised with a useful life of 7 years as estimated by the Management.
- The above changes have been made for compliance with an Accounting Standard and impact of the change in accounting policy is as follows:

Particulars	F.Y. 2016-17		F.Y. 2017-18 onwards	
	Increase	Decrease	Increase	Decrease
Gross Block-Improvement to building	574.00	-	-	-
Depreciation	16.37	-	41.75	-
Repair & Maintenance (Operating Expenditure)	-	574.00	-	-
Net Profit	557.63	-	-	41.75

Above mentioned impact is from three units - Hotel Ashok, Hotel Samrat and Hotel Jammu Ashok

23. Previous years’ figures have been regrouped/ rearranged wherever necessary.

Annexure “A” to Note No. 32 {Sl. No. 13}

Segment Reporting-AS-17 (Consolidated Financial Statement)

	Hotel/Restaurants Operations		Duty Free Shops Operations		Travels & Tours Operations	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
PRIMARY DISCLOSURE (Operation-wise)						
1 Segment Revenue						
a) Total Revenue	30,726.65	30,133.66	1,839.45	1,626.81	12,379.62	10,486.79
b) Less Inter Segment Revenue	221.19	146.57	2.60	-	73.43	49.93
c) External Revenue	30,505.46	29,987.09	1,836.85	1,626.81	12,306.19	10,436.86
2 Segment Results :-						
Profit/(Loss) before Interest, Tax and overheads	3,186.16	3,406.62	331.91	240.63	(1,807.49)	(1,037.42)
Less:- Allocable Corporate Overheads	-	-	-	-	-	-
Less: Interest	45.89	24.71	-	-	0.11	-
Less: Provision for Income Tax	-	6.85	1.17	1.24	-	-
Less: Provision for Wealth Tax	-	-	-	-	-	-
Less: Provision for Deferred Tax	0.47	(11.21)	-	-	-	-
Add: Provision for Income Tax for earlier year written back	(0.48)	1.60	-	-	-	-
Profit/(Loss) available for appropriation	3,139.32	3,387.86	330.74	239.39	(1,807.60)	(1,037.42)
3 Segment Assets	17,207.90	19,128.17	875.61	1,000.08	3,835.43	3,178.21
(Current assets plus fixed assets & WIP)						
4 Segment Liabilities	21,790.10	21,003.21	583.74	824.19	2,237.80	1,996.81
5 Depreciation & Amortisation in respect of Segment Assets for the period	803.92	847.46	2.42	1.99	4.32	4.26
6 Cost incurred during the period to acquire Segment Assets (Tangible & intangible fixed assets)	1,354.14	560.93	6.44	2.48	7.64	3.71
7 Non Cash Expenses Other than Depreciation and Amortisation incurred by the Business Segment	1,412.31	843.24	(2.22)	(18.17)	123.80	(97.20)

N.B. : Secondary (Geographical) disclosure is not given, since company has no overseas operations/activities.

(₹ in lakh)

Ashok Events & Misc. Operations		Construction, Consultancy & SEL		Others		Total for Company	
2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
4,488.23	3,223.30	1,103.57	1,531.39	2,081.06	2,529.94	52,618.58	49,531.90
551.85	529.46	-	-	-	-	849.07	725.96
3,936.38	2,693.84	1,103.57	1,531.39	2,081.06	2,529.94	51,769.51	48,805.94
579.47	247.64	(296.84)	(283.92)	(946.30)	765.88	1,046.91	3,339.43
-	-	-	-	(456.11)	(536.50)	(456.11)	(536.50)
-	-	-	-	3.62	40.72	49.62	65.43
-	-	-	-	980.00	1,230.00	981.17	1,238.09
-	-	-	-	-	-	-	-
-	-	-	-	(430.56)	(243.49)	(430.09)	(254.70)
-	-	-	-	2.14	0.05	1.66	1.65
579.47	247.64	(296.84)	(283.92)	(1,041.11)	275.20	903.98	1,755.76
2,756.13	2,459.90	1,147.91	533.87	32,267.44	31,329.23	58,090.42	57,629.46
2,818.03	2,959.81	8,082.08	7,398.57	(5,157.29)	(3,661.25)	30,354.46	30,521.34
32.33	16.40	0.34	0.22	22.78	20.17	866.11	890.50
53.82	257.32	1.46	-	78.91	18.46	1,502.40	842.90
59.75	40.84	17.94	14.75	32.89	(11.24)	1,644.47	772.22

ANNEXURE- B

Additional Information as required under Schedule III to the Companies Act, 2013 of enterprises consolidated as Subsidiary/ Joint Venture for the year 2016-17

(₹ in lakh)

Name of the Entity in the parent i.e India Tourism Development Corporation Ltd.	Net Assets, i.e. Total Assets minus Total Liabilities		Share in Profit or Loss	
	As % of consolidated Net Assets	Amount	As % of consolidated Profit or Loss	Amount
Parent				
India Tourism Development Corporation	110.78	34,417.09	137.29	1,204.71
Subsidiaries				
Indian				
Ranchi Ashok Bihar Hotel Corpn. Ltd.	-1.56	-484.02	-24.05	-211.08
MP Ashok Hotel Corpn. Ltd.	0.15	46.87	1.79	15.67
Pondicherry Ashok Hotel Corpn.Ltd.	0.36	112.07	4.87	42.71
Utkal Ashok Hotel Corpn. Ltd.	-6.37	-1,977.97	-14.58	-127.92
Punjab Ashok Hotel Co.Ltd.	0.75	232.87	-0.01	-0.12
Donyi Polo Ashok Hotel Corpn. Ltd.	0.72	225.04	-0.49	-4.27
Assam Ashok Hotel Corpn. Ltd.	-3.05	-948.81	-19.44	-170.63
Minority Interest in all Subsidiaries	0.97	302.20	3.02	26.46
Joint Venture (as per proportioned) ITDC Aldeasa India Private Ltd.	-0.76	-237.26	0.30	2.60

ANNEXURE- C

Statement containing Salient features of the Financial Statements of Subsidiaries/Joint Venture as per Companies Act, 2013

Part "A": Subsidiaries

Sl. No.	1	2	3	4	5	6	7
	Ranchi Ashok Bihar Hotel Corporation Ltd.	Madhya Pradesh Ashok Hotel Corporation Ltd.	Pondicherry Ashok Hotel Corporation Ltd.	Utkal Ashok Hotel Corporation Ltd.	Punjab Ashok Hotel Company Ltd.	Donyi Polo Ashok Hotel Corporation Ltd.	Assam Ashok Hotel Corporation Ltd.
Name of the Subsidiary	Ranchi Ashok Bihar Hotel Corporation Ltd.	Madhya Pradesh Ashok Hotel Corporation Ltd.	Pondicherry Ashok Hotel Corporation Ltd.	Utkal Ashok Hotel Corporation Ltd.	Punjab Ashok Hotel Company Ltd.	Donyi Polo Ashok Hotel Corporation Ltd.	Assam Ashok Hotel Corporation Ltd.
Reporting Period for the Subsidiary concerned, if different from Holding Company's Reporting period	NA	NA	NA	NA	NA	NA	NA
Reporting currency and exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries.	NA	NA	NA	NA	NA	NA	NA
Share Capital	489.96	160.00	160.00	480.00	250.00	99.75	100.00
Reserves (Net of Accumulated Losses)	(974.96)	(113.13)	(47.93)	(2,457.97)	(17.13)	125.29	(1,048.81)
Total Assets	205.72	586.99	390.89	245.58	294.58	315.00	338.02
Total Liabilities	689.74	540.12	278.81	2,223.55	61.71	89.96	1,286.84
Investments	-	-	-	-	-	-	-
Turnover	81.26	767.47	548.47	-	-	311.40	602.69
Profit/loss before taxation	(211.08)	22.96	40.73	(127.92)	(0.12)	(8.63)	(170.63)
Provision for taxation	-	-	1.98	-	-	-	-
Profit/loss after taxation	(211.08)	15.67	42.71	(127.92)	(0.12)	(4.27)	(170.63)
Proposed Dividend	-	-	-	-	-	-	-
% of Shareholding	51.00	51.00	51.00	91.54	51.00	51.02	51.00

Name of subsidiaries which are yet to commence operations

1. Punjab Ashok Hotel Company Ltd.

Name of subsidiaries which have been liquidated or sold during the year: NA

Part “B” : Associates & Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Joint venture

(₹ in lakh)

Name of the Associate / Joint Venture	ITDC Aldeasa India Pvt. Ltd.
1. Latest audited Balance Sheet date	2013-14
2. Shares of associate / Joint Venture held by the Company on the year end	
Amount of Investment in associates/joint venture	0.50
Extent of holding %	50.00
3. Description of how there is significant influence	There is significant influence due to (%) percentage of shareholding
4. Reason why associate / Joint Venture is not consolidated	NA
5. Networth attributable to shareholding as per latest Audited Balance Sheet (2013-14)	(245.26)
6. Profit/ loss for the year*	
i. Considered in consolidation	2.60
ii. Not considered in consolidation	-

*The profit considered in consolidation are based on unaudited Accounts of the Joint Venture ITDC Aldeasa India Private Ltd. for 2016-17.

Name of associates/ joint ventures which are yet to commence operations NA

Name of associates/ joint ventures which have been liquidated or sold during the year NA

Cash Flow Statement for the Year ended 31st March, 2017

(₹ in lakh)

Particulars		Year Ended 31.3.2017		Year Ended 31.3.2016t
A Cash Flow from Operations				
Profit before Taxation		1,453.40		2,737.50
<u>Adjustments for:</u>				
Depreciation	866.11		890.50	
Diminution/impairment in value of Fixed Assets	6.91		4.20	
Deferred Government Grant	(67.76)		(1.51)	
Finance Charges	49.62		65.43	
Provision for Inventory Write-down	0.73		0.08	
Provision for Doubtful Debts & Advances	975.23		432.21	
Interest Income	(1,945.42)		(2,494.83)	
Bad Debts/Advances Written Off	46.40		7.63	
(Profit)/Loss on Sale of Fixed Assets	(0.21)	(68.39)	(0.81)	(1,097.10)
Operating Profit before Working Capital Changes		1,385.01		1,640.40
(Increase)/Decrease in Current Assets				
Inventories	138.72		(175.44)	
Trade Receivables	(2,148.27)		743.40	
Other Current Assets	171.94		(27.67)	
Other Non-current Assets	63.77		(25.23)	
Long-term Loans and Advances	11.44		30.74	
Short-term Loans and Advances	(86.36)	(1,848.76)	442.19	987.99
Increase/(Decrease) in Current Liabilities				
Trade Payables	1,030.22		212.21	
Other Current Liabilities	312.21		(347.52)	
Other Long Term Liabilities	112.65		(39.36)	
Long Term Provision	99.78		(237.09)	
Short Term Provision	59.73	1,614.59	44.10	(367.66)
Cash Inflow/(Outflow) from Operations		1,150.84		2,260.73
Direct Taxes Paid				
Income Tax Paid	1,238.09		965.67	
Income Tax for Earlier years Written Back	(1.66)	1,236.43	-	965.67
Net Cash Inflow/ (Outflow) from Operation (A)		(85.59)		1,295.06

B	Cash Flow from Investing Activities		
	Purchase of Fixed Assets	(1,502.40)	(843.01)
	Sale of Fixed Asset and Adjustments	0.86	0.02
	Income from Interest/Dividends	1,945.42	2,494.83
	Reduction/(Addition) of Work in Progress	(557.23)	(147.89)
	(Increase)/Decrease in Investments	-	-
	Net Cash Inflow/ (Outflow) from Investing Activities (B)	(113.35)	1,503.95
C	Cash Flow from Financing Activities		
	Increase in Share Capital	-	-
	Increase/(Decrease) in Borrowings	23.88	46.45
	Finance Charges	(49.62)	(65.43)
	Wealth Tax Paid	-	(0.79)
	Dividend Paid	(1,286.54)	(1,715.39)
	Dividend Tax Paid	(261.91)	(349.21)
	Deferred Government Grant	221.76	1.51
	Net Cash Inflow/ (Outflow) from Financing Activities (C)	(1,352.43)	(2,082.86)
	Net Change in Cash or Cash Equivalents during the Year	(1,551.37)	716.15
	Cash and Cash Equivalents at the beginning of the year*	28,423.29	27,707.14
	Cash and Cash Equivalents at the end of the year*	26,871.92	28,423.29

**For Details refer Note-18
For CSR refer footnote in Note 27*

(V.K. Jain)
Company Secretary

(A.K. Jain)
G.M. (F&A)

(Pradip Kumar Das)
Director (Finance)

(Piyush Tiwari)
Chairman & Managing Director

As per our Report of even date
For Kishore & Kishore
Chartered Accountants (FRN 00291N)

Date : 30.05.2017
Place : New Delhi

(S.C.Kishore)
Partner
(M.No. 003390)

Comments of the Comptroller and Auditor General of India under Section 143(6) (b) of the Companies Act, 2013 on the Financial Statements of India Tourism Development Corporation Limited for the year ended 31st March, 2017

The preparation of financial statement of INDIA TOURISM DEVELOPMENT CORPORATION LIMITED for the year ended 31st March, 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 19 July, 2017.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6) (a) of the Act of the financial statement of INDIA TOURISM DEVELOPMENT CORPORATION LIMITED for the year ended 31st March, 2017. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report.

For and on behalf of the
Comptroller and Auditor General of India

Sd/-

(Neelesh Kumar Sah)

Principal Director of Commercial Audit
& Ex-officio Member, Audit Board-I,
New Delhi

Place : New Delhi

Dated : 22nd August, 2017

Comments of the Comptroller and Auditor General of India under Section 143(6) (b) read with Section 129(4) of the Companies Act, 2013 on the Consolidated Financial Statements of India Tourism Development Corporation Limited for the year ended 31st March, 2017

The preparation of consolidated financial statements of INDIA TOURISM DEVELOPMENT CORPORATION LIMITED for the year ended 31st March, 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013(Act) is the responsibility of the Management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) read with Section 129(4) of the Act is responsible for expressing opinion on the financial statements under Section 143 read with Section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 19 July, 2017.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6) (a) read with Section 129(4) of the Act of the consolidated financial statements of INDIA TOURISM DEVELOPMENT CORPORATION LIMITED for the year ended 31st March, 2017. We conducted a supplementary audit of the financial statements of INDIA TOURISM DEVELOPMENT CORPORATION LIMITED and its subsidiary companies Madhya Pradesh Ashok Hotel Corporation Ltd., Pondicherry Ashok Hotel Corporation Ltd. & Donyi Polo Ashok Hotel Corporation Ltd. but did not conduct supplementary audit of the financial statements of its four subsidiaries whose list is annexed for the year ended on that date. Further, Section 139(5) and 143(6) (b) of the Act are not applicable to its Joint Venture ITDC - Aldeasa India Private Limited being private entity for appointment of its Statutory Auditor nor for conduct of supplementary audit. Accordingly, C&AG has neither appointed the Statutory Auditor nor conducted the supplementary audit of this Company. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the Statutory Auditor and Company personnel and a selective examination of some of the accounting records.

On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

For and on behalf of the
Comptroller and Auditor General of India

Sd/-
(Neelesh Kumar Sah)
Principal Director of Commercial Audit
& Ex-officio Member, Audit Board-I,
New Delhi

Place : New Delhi
Dated : 22nd August, 2017

List of subsidiaries of India Tourism Development Corporation Limited whose audit was not conducted by the O/o C&AG of India

1. Utkal Ashok Hotel Corporation Ltd.
2. Ranchi Ashok Bihar Hotel Corporation Ltd.
3. Assam Ashok Hotel Corporation Ltd.
4. Punjab Ashok Hotel Company Ltd.

India Tourism Development Corporation Limited

Registered office: Scope Complex, Core 8, 6th Floor, 7 Lodi Road, New Delhi - 110 003
 Telefax: 011-24360249 web: www.theashokgroup.com
 CIN No. L74899DL1965GOI004363

PROXY FORM

Name of the Member	
Folio No.	
DP ID No.	
Client ID No.	
No. of Shares Held	

I/We, being the Member(s) ofShares of the above named Company, hereby appoint :

Name		Signature	
Address			
E-mail ID			

Or failing him

Name		Signature	
Address			
E-mail ID			

Or failing him

Name		Signature	
Address			
E-mail ID			

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Thursday, the 28th September, 2017 at 1130 hours at Convention Hall, Ashok Hotel, Chankyapuri, New Delhi - 110 021 and any adjournment thereof in respect of such resolutions as are indicated below :

Sl. No.	Resolution	For	Against
	ORDINARY BUSINESS		
1	Adoption of Standalone Financial Statements as at 31st March 2017 together with the Report of the Auditors, CAG and the Board's Report thereon.		
2	Adoption of Consolidated Financial Statement and Report of Auditors thereon		
3	Declaration of Dividend @ 13.30% on the equity share capital		
4	Re-appointment of Shri Piyush Tiwari, Director who retires by rotation		
5	Re-appointment of Shri Pradip Kumar Das, Director who retires by rotation		
	SPECIAL BUSINESS		
6	To obtain approval under section 180(4) of the Companies Act, 2013 for utilization of proceeds of disinvestment/divestment		

Signed this _____ day of _____, 2017.

Affix Revenue
Stamp of ₹ 1/-

Signature of Shareholder.....

Signature of Proxy Holder(s).....

Road Map for The Ashok



Landmarks:

- Adjacent to Nehru Garden
- Opposite British High Commission
- Opposite Australian High Commission



Sh. Mahesh Sharma, Hon'ble Minister of State (IC) for Tourism & Culture releasing the Golden Jubilee Logo of ITDC



Hotel The Ashok, New Delhi being awarded The National Tourism Award by Smt. Sumitra Mahajan, Hon'ble Speaker, Lok Sabha



Sh. Umang Narula, the then C&MD, ITDC receiving the coveted LEED Gold certification trophy



Sh. Umang Narula, the then C&MD, ITDC receiving the Governance Now Award



The SKOCH Award received by Sh. Piyush Tiwari, Director (C&M) and Sh. Pradip Kumar Das, Director (F), ITDC



ITDC

(ESTABLISHED IN 1966)

**ONE STOP SOLUTION FOR ALL YOUR
HOSPITALITY, TRAVEL & TOURISM NEEDS**

HOTELS & CATERING | CONFERENCES & CONVENTIONS | DUTY FREE SHOPPING
AIR TICKETING | TRAVEL & TRANSPORTATION | HOSPITALITY EDUCATION & TRAINING
EVENT MANAGEMENT | PUBLICITY & CONSULTANCY | TOURISM INFRASTRUCTURE PROJECTS
SOUND & LIGHT SHOWS | PRINT PRODUCTION



India Tourism Development Corporation Ltd.