

भारत पर्यटन विकास निगम लि.
India Tourism Development Corporation Ltd.

(भारत सरकार का एक उपक्रम)
(A Government of India Undertaking)

CIN: L74899DL1965GOI004363
Website: www.theashokgroup.com



INDIA TOURISM DEVELOPMENT CORPORATION LIMITED - TRANSCRIPT

AGM held on 30.12.2020 AT 12.00 NOON

Mr. Ganji Kamala Vardhana Rao – Chairman:

Ladies and Gentlemen,

I have great pleasure in welcoming you to the 55th Annual General Meeting of ITDC convened electronically through Video Conferencing mode. I hope you and your family members are safe and in good health.

In view of the prevailing lockdown situation across the country due to outbreak of the COVID-19 pandemic and resultant travel restrictions as well as continuing Government guidelines to maintain social distancing, the Ministry of Corporate Affairs has permitted companies to hold their Annual Meeting (AGM) through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') and has also allowed companies to send Annual Reports and the Notice convening the Annual General Meeting electronically.

Considering the health and safety of all our stakeholders and in particular, the shareholders, the 55th Annual General Meeting of the Corporation is being conducted through Video Conferencing to avoid the physical presence of members at a common venue. The soft copy of the Annual Report has been sent to all the Members holding shares in dematerialised mode and whose e-mail addresses are available with the Depository Participant(s) as well as to all the Members holding shares in physical mode whose e-mail addresses are registered with the Corporation/RTA for communication purposes.

The requisite quorum is present and therefore, I now call the meeting to order.

The Register of Directors and Key Managerial Personnel and their shareholding, the Register of Contracts or arrangements in which the Directors are interested and the other documents mentioned in the Notice convening this meeting will be available for inspection by the Members. Members seeking to inspect such documents can contact the Company Secretary.

As mentioned in the Notice convening the meeting, since the meeting is being held electronically, the proxy related procedures have been dispensed with which is in line with the regulatory requirements.

Let me now introduce the Directors, Auditors, Representative of the President of India and Senior Executives of the Corporation attending the meeting through Video Conference from their respective locations.

Directors:

Dr. Paragbhai M. Sheth, joining us from Ahmedabad, Gujarat;
He is the Chairman of Audit Committee and Stakeholders Relationship Committee.

Mr. K. Padmakumar, joining us from Pathawamthitta, Kerala;
He is the Chairman of Nomination & Remuneration Committee.

Ms. Rupinder Brar, Govt. Nominee Director, joining us from Ministry of Tourism, New Delhi;

Mr. Piyush Tiwari, Director (Commercial & Marketing) joining us from HQ, New Delhi;

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Mr. Sanjay Pandey, Govt. Nominee Director, requested for leave of absence due to his engagement in some other meeting.

Auditors:

Mr. P.C. Agarwal, Representative of Statutory Auditors joining us from his office at New Delhi.

Mr. Anil Singh of M/s. Singh A. & Associates, Secretarial Auditor and Mr. P.C. Jain, the Scrutiniser for the e-voting process has joined the meeting from their offices at New Delhi.

Representative of President of India:

Mr. Pranav Prakash, Representative of President of India joining us from Ministry of Tourism, New Delhi

Sr. Executive:

Mr. Subhadepta Paul, Chief Financial Officer from HQ, New Delhi and

Mr. V.K. Jain, Company Secretary from HQ, New Delhi

Now Mr. V. K. Jain, the Company Secretary will describe the detailed procedure and agenda items.

Company Secretary:

Your Corporation, by virtue of being a listed company, is required to provide E-voting facility to its shareholders. Voting by show of hands is no longer permitted. The Corporation has engaged the services of M/s. KFin Technologies Private Limited to provide the facility of remote e-voting to all its members to cast their votes on all businesses contained in the Notice. Voting will be in proportion to the shares held by the members as on a cut-off date, this being 24th December, 2020 in our case.

In line with the regulatory requirements, remote E-voting facility on KFIN's e-voting platform had been provided to the members of the Corporation for three days starting from 27th December, 2020 till 29th December, 2020. This module was disabled for voting by KFin thereafter.

As mentioned in the Notice convening the meeting, for such of those members who did not or could not avail the remote E-voting facility, the Corporation is pleased to provide the facility to cast their votes electronically during the AGM on all the proposed resolutions through KFin's Instapoll mechanism. The Instapoll facility will be activated at the end of the meeting. Members can avail this facility and cast their votes on the resolutions proposed in the Notice. It is reiterated that this facility is available only to those members who have not cast their votes through the remote E-voting facility provided earlier by the Corporation. In case any member who has already voted in the remote E-voting, he/she will not be able to cast his/her vote again through Instapoll.

The Board has appointed Mr. P.C. Jain of M/s. P.C. & Company, Practicing Company Secretary for scrutinizing the E-voting process in a fair and transparent manner. Once all of you have cast your votes, the votes will be counted by Mr. P.C. Jain, the Scrutinizer. He will then unblock the results of the remote E-voting which will then be consolidated with the results of the voting done today during the meeting.

The Voting Results along with Scrutinizer's report will be communicated to the Stock Exchanges within 48 hours and the same will be placed on the website of the Corporation and on e-voting platform of KFin.

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The Ordinary businesses set out in the AGM notice pertain to: 1.	Adoption of Standalone Financial Statements for the year ended 31st March 2020 together with the Reports of the Board of Directors, Auditors and CAG comments thereon.
2.	Adoption of Consolidated Financial Statements for the year ended 31st March 2020 together with the Report of the Auditors and CAG comments thereon.
3.	Re-appointment of Mr. Piyush Tiwari, Director (Commercial & Marketing).
4.	Re-appointment of Ms. Rupinder Brar, Govt. Nominee Director

To sum up, following is the schedule for today's meeting:

After the Chairman's Speech, those of you who have registered as a Speaker at the meeting will be invited by the Moderator. Considering the time of all those attending the meeting, we request the Speakers to be brief and restrict their address to matters relevant to the business contained in the AGM notice. After this, the questions or queries raised by the Speakers or by shareholders who have already registered the same in the link provided by KFin for this purpose would be tabulated and answered. After the queries have been answered, the meeting will conclude and those of you who have not yet cast your votes would be given the opportunity to exercise the same.

Now, I request the Hon'ble Chairman to deliver the AGM speech.

CHAIRMAN SPEECH:

Ladies and Gentlemen,

On behalf of Board of Directors of India Tourism Development Corporation Limited, I extend to you all a very warm welcome to your company's fifty fifth Annual General Meeting.

The Annual Report for the financial year 2019-20 has been sent to you some time back and I trust it would have given you an overview of the performance of the Company.

Today, we are facing an unprecedented crisis – the novel Corona Virus Disease (COVID-19), a global pandemic which has not only affected economies across the world but turned lives upside down.

Resilience, Compassion and Hope are the need of the hour. Hence, I urge you to be safe, positive and optimistic to overcome these challenging times.

Tourism, Travel and Hospitality sector has emerged as First hit, Worst hit and Longest hit sector is likely to take considerably long period to reach pre-COVID level. Ministry of Tourism has recommended Protocols covering all service providers and their related activities in tourism and hospitality sector, to ensure a safe and prepared approach for a post COVID-19 revival. ITDC is committed to placing health and safety on top priority, while retaining traditional hospitality. An Advisory Board has been formed by ITDC in tie up with AIIMS to design and develop health and safety protocols and for providing ongoing, real time guidance for ITDC hotels and offices. Besides ITDC has done a rigorous training intervention on health.

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ITDC has remained active in a spate of upbeat activities since March 2020 to support the fight against COVID-19. Even before the lockdown, when the nation was still grappling with the initial stages of impact, ITDC hotels housed stranded tourists until they could be sent home. Starting April 1, 2020, the kitchens of Hotel The Ashok, New Delhi provided 2000 fresh and hygienically packed meals daily to frontline health workers at AIIMS, Safdarjung and Ram Manohar Lohia Hospitals, as well other needy persons for five weeks, serving more than 62,000 meals.

Hotel Kalinga Ashok, Bhubaneswar and Hotel Samrat, New Delhi continue to be enlisted by the State Government as paid quarantine facilities. Samrat Hotel was enlisted as quarantine facility for repatriates on Vande Bharat. Two facilities at Puducherry are being independently used for doctors and quarantine. Guided by AIIMS doctors, all health and safety protocols were put in place for the hotels.

ITDC has been closely involved with officials of the Ministry of Tourism in the formulation of Industry and sector specific guidelines/SoPs under the guidance of Minister of State for Tourism.

Preparing to restart business amid a new perspective and a new vision, ITDC is committed to placing health and safety on top priority, while retaining traditional hospitality. An Advisory Board has been formed by ITDC in tie up with AIIMS to design and develop health and safety protocols and for providing ongoing, real time guidance for ITDC hotels and offices. The entire post-COVID initiative is a 360 degree amalgamation of SoPs (Standard Operating Procedures), Hazard Analysis and Critical Control Point (HACCP) and Food Safety and Standards Authority of India (FSSAI) codes, technology, training, medical expertise and strict protocols.

ITDC has done a rigorous training intervention on health and safety protocols at its flagship property, The Ashok.

Your Corporation has achieved a total turnover of Rs. 359.11 crore during the financial year 2019-20 as against Rs.379.97 crore in the previous year 2018-19. During the financial year 2019-20, the Corporation has recorded a Total Comprehensive Income (TCI) of Rs.14.82 crore as against TCI of Rs.41.35 crore in previous year 2018-19.

Performance of the Corporation took a hit in the last quarter of the financial year due to cancellation of various events, room bookings, banquet functions etc. in the month of February and March due to onset of COVID-19 crisis. All the operations came to standstill subsequent to announcement of total lockdown with effect from 23.03.2020.

Due to severe impact of COVID-19 on Hospitality and Travel Industry and uncertainty with respect to revival, ITDC is facing a financial crunch as operations of various verticals have been hit severely due to COVID-19 pandemic. Hence ITDC Board has not recommended dividend for the financial year 2019-20.

I am happy to inform that ITDC has also been entrusted responsibilities of setting up and running a Catering Unit in Parliament House. The operations have already been taken over from Northern Railway on 16.11.2020.

As per Disinvestment Policy of the Government of India, 9 hotel properties including 3 Joint Venture Hotel properties have been transferred/handed over to the respective State Governments. Disinvestment/Divestment process of remaining properties i.e. Process for joint leasing in respect of Hotel Pondicherry Ashok, Puducherry; process for giving Hotel Kalinga Ashok, Bhubaneswar on Operation & Maintenance Contract is underway. The equity stake in two Joint Venture Companies i.e. Ranchi Ashok Hotel Corporation Ltd. and Punjab Ashok Hotel Company Ltd. are under advanced stage of transfer to the State Government. Disinvestment process of Hotel Nilachal Ashok, Puri is stayed as the matter is subjudice and pending with the Hon'ble Supreme Court.

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Detailed status of disinvestment is given in the Board's Report.

With the ongoing process of disinvestment/divestment of hotels and to look into the business in the core expertise, ITDC Board appointed M/s Deloitte to advise ITDC to expand its existing business and to tap the potential business related with Tourism & Hospitality Sector. M/s Deloitte has already submitted its report which will be presented by them in the next Board Meeting.

I convey my thanks to the shareholders and investors for their confidence reposed in the company. I am thankful to all our valued customers, suppliers, bankers, auditors, stock exchanges and particularly the Ministry of Tourism for their guidance and invaluable support & co-operation extended to the company. I would also like to thank my Board Members and each and every colleague of ITDC family for their dedicated and committed efforts towards making the Company one of the most trusted names in Travel, Tourism & Hospitality sector.

I thank you once again for your support and for attending this meeting.

Ladies and Gentlemen,

The Notice dated 7th December, 2020 convening this meeting along with the copy of the annual report for the financial year ended 31st March 2020 has already been circulated and with your permission, I shall take the same as read. The Auditor's report on the financial statements of the Corporation does not have any qualification. There is only one qualification in the Secretarial Auditor's report with regard to appointment of Independent Directors and women Independent Director in ITDC. Reply to the qualification has been given at Page No. 86 of the Annual Report. The Administrative Ministry i.e. Ministry of Tourism has already taken action for appointment of Independent Directors and very soon the order will be issued once the proposal is cleared by DoPT. Accordingly, the reports of auditors and secretarial auditors are not required to be read out at the meeting.

Few shareholders have registered themselves as a Speaker for raising queries/questions at the meeting. I now request the moderator to facilitate shareholders to speak / raise clarifications regarding the accounts and operations of the Corporation during the year 2019-20 in the sequence of their registration.

In the interest of time and with a view to give adequate opportunity to all, I request members to be judicious in time and restrict the same to 3-5 minutes. We will hear all the queries first after which I would be pleased to give my responses to your queries in consolidation or have them answered by my colleagues.

Thank you Chairman Sir, this is your moderator. We have total 4 speakers registered as Speakers for this AGM Event.

- 1) Chetan Chadha
- 2) Krishnan Lal Chadha
- 3) Vimal Jain
- 4) Kirti Shah

Out of these 4, we have only Vimal Jain is present in the meeting and we will give an opportunity to Vimal Jain to speak now.

May I request Vimal Jain to unmute yourself and speak please. I am sorry sir, Vimal Jain joined this meeting, but at present he is not available as part of this meeting. So, with this we conclude the Q & A session and the stage is handed over back to Chairman Sir.

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CHAIRMAN:

Ladies and Gentlemen, this concludes the business part of the meeting.

The Instapoll facility will be activated now to enable members who have not cast their votes earlier through remote e-voting. This facility is available on the left-hand corner of the Video Conferencing screen in the form of a 'Thumb' sign. Members can click on the same to take them to the 'Instapoll' page and vote.

Mr. P.C. Jain, Scrutiniser will submit a report to the Corporation after consolidating the remote e-voting and voting at the AGM.

As there is no other business to be transacted, I declare the meeting as closed. I thank all the shareholders for connecting with us today. I also thank the KFin team for facilitating the Video conferencing which enabled connecting with our shareholders across the world and the other service providers for ensuring seamless conduct of the meeting.

Moderator: Thank you sir...the Instapoll will be activated now.

Chairman: Thank you so much.