

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



(भारत सरकार का एक उपक्रम)

(A Government of India Undertaking)

CIN : U0909DL1965GO1004363

Website : www.theashokgroup.com

तारीख
Date

30.05.2019

निर्देश
Reference

Ref: SEC: COORD: 134

Manager,
Department of Corporate Services
The Stock Exchange, Mumbai
Floor 25, P.J. Towers, Dalal Street
Mumbai- 400 001

Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East),
Mumbai – 400 051.

Scrip code : S32189

Scrip Symbol — ITDC (EQ)

Sub: Submission of Audited Financial Results for the quarter and year (Standalone) ended 31st March, 2019 and for the year (Consolidated) ended 31st March, 2019 and recommendation of Dividend for the Financial Year 2018-19.

Sir,

Enclosed herewith please find the audited financial results (Standalone and Consolidated) in the prescribed format under Regulation 33 of SEBI (LODR) Regulation 2015 along with Audit Report thereon (both Standalone and Consolidated) for the quarter and year ended 31st March 2019.

2 The results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 30th May 2019.

3 Further, Pursuant to Regulation 43 of SEBI (LODR) Regulation 2015, the Board of Directors of the Company has recommended a dividend of Rs. 2.10 per share for year ended March 31, 2019 on equity share capital as on 31.03.2019.

Thanking you,

For India Tourism Development Corporation Ltd.

**V.K. JAIN
COMPANY SECRETARY**

INDIA TOURISM DEVELOPMENT CORPORATION LTD.
 Regd. Office : Scope Complex, Core 8, 6th Floor, 7 Lodhi Road, New Delhi - 110003,
 Telefax No. 011-24360249, Website - www.theashokgroup.com, CIN No. -L74899DL1965GOI004363
 Statement Of Unaudited Financial Results For The Quarter and Year Ended On 31st March, 2019

(₹ in Lakhs)

Sl.No.	Particulars	STANDALONE					CONSOLIDATED	
		Quarter Ended			For the year ended		For the year ended	
		31.03.2019 (Audited)	31.12.2018 (Unaudited)	31.03.2018 (Audited)	31.03.2019 (Audited)	31.03.2018 (Audited)	31.03.2019 (Audited)	31.03.2018 (Audited)
I	Revenue from Operations	9,507.47	9,574.09	8,266.61	34,995.50	33,971.24	35,594.87	34,576.84
II	Other Income	697.74	503.13	838.82	2,176.98	2,670.60	2,189.29	2,682.23
III	Total Income (I+II)	10,205.21	10,077.22	9,105.43	37,172.48	36,641.84	37,784.16	37,259.07
IV	Expenses							
	(a) Cost of materials consumed	1,463.04	2,038.57	916.71	6,008.95	5,824.71	6,079.73	5,907.71
	(b) Purchase of stock-in-trade	873.24	-	772.50	873.24	771.75	873.24	771.75
	(C) Changes in inventories of finished goods, work-in-progress and stock-in-trade	10.20	-	26.72	10.20	27.47	10.20	27.47
	(d) Employees benefit expenses	1,485.33	3,662.04	3,440.91	11,175.40	14,051.26	11,504.07	14,370.76
	(e) Finance Cost	45.51	0.04	18.22	53.41	47.79	65.67	55.67
	(f) Depreciation & amortisation expenses	161.15	168.01	138.36	711.82	687.45	735.89	721.36
	(g) Other Expenditure	4,682.96	3,064.84	4,304.92	14,321.73	14,304.81	14,690.21	14,679.51
	Total Expenses (IV)	8,721.43	8,933.50	9,618.34	33,154.75	35,715.24	33,959.01	36,534.23
V	Profit/(loss) from Operations before exceptional items (III-IV)	1,483.78	1,143.72	(512.91)	4,017.73	926.60	3,825.15	724.84
VI	Exceptional Items [Net Income/ (Expense)]	1,474.11	10.83	516.13	2,205.29	3,085.32	2,205.29	3,085.70
VII	Profit/(Loss) before tax (V+VI)	2,957.89	1,154.55	3.22	6,223.02	4,011.92	6,030.44	3,810.54
VIII	Tax expense							
	(a) Current Tax	799.82	13.12	358.31	1,391.11	1,598.29	1,397.62	1,598.92
	(b) Tax Written Back (Previous Year)	(121.46)	-	5.21	(121.46)	5.21	(121.70)	5.21
	(c) Deferred Tax	166.13	503.26	(569.75)	516.51	(728.60)	514.52	(712.64)
IX	Net Profit/(Loss) from Continuing Operation after tax (VII-VIII)	2,113.40	638.17	209.45	4,436.86	3,137.62	4,240.00	2,919.05
X	Net Profit/(Loss) from Discontinued Operation	(148.72)	(77.23)	(1,102.72)	(431.45)	(1,887.13)	(431.45)	(2,023.56)
XI	Tax expense of Discontinued Operation	(111.46)	(26.99)	(287.12)	(210.26)	(520.83)	(210.26)	(536.79)
XII	Net Profit/(Loss) from Discontinued Operation after tax (X-XI)	(37.26)	(50.24)	(815.60)	(221.19)	(1,366.30)	(221.19)	(1,486.77)
XIII	Net Profit/(Loss) for the period (IX+XII)	2,076.14	587.93	(606.15)	4,215.67	1,770.72	4,018.81	1,432.28
XIV	Share of Profit/(Loss) of Associates and Joint Venture (XII+XIII)	-	-	-	-	-	175.42	(275.40)
XV	Profit after taxes, Share of Profit/(Loss) of Associates and Joint Venture	2,076.14	587.93	(606.15)	4,215.67	1,770.72	4,194.23	1,156.88
XVI	Other Comprehensive Income							
	(A) (i) Items that will not be Reclassified to Profit or Loss	404.00	(69.00)	(402.77)	273.00	(627.77)	270.80	(630.17)
	(ii) Income Tax relating to Items that will not be Reclassified to Profit or Loss	(0.11)	(116.96)	101.50	(95.40)	179.37	(94.98)	178.81
	(B) (i) Items that will be reclassified to Profit or Loss							
	(ii) Income Tax relating to Items that will be Reclassified to Profit or Loss							
	Other Comprehensive Income for the Period	403.89	(185.96)	(301.27)	177.60	(448.40)	175.82	(451.36)
XVII	Total Comprehensive Income for the Period (XIII+XIV)	2,480.03	401.97	(907.42)	4,393.27	1,322.32	4,370.05	705.52
XVIII	Profit for the Period attributable to:							
	Owners of the parent						4,194.63	980.92
	Non-controlling Interest						175.42	(275.40)
	Paid-Up Equity Share Capital (8,57,69,400 Equity Shares of Face Value ₹ 10 each)	8,576.94	8,576.94	8,576.94	8,576.94	8,576.94	8,576.94	8,576.94
XIX	Earnings per Equity Share (for continuing operations) (of ₹ 10/- each (not annualised)							
	(a) Basic (in ₹)	2.46	0.73	0.58	5.38	3.13	5.35	2.56
	(b) Diluted (in ₹)	2.46	0.73	0.58	5.38	3.13	5.35	2.56
XX	Earnings per Equity Share (for discontinued operations) (of ₹ 10/- each (not annualised)							
	(a) Basic (in ₹)	(0.04)	(0.06)	(0.95)	(0.26)	(1.59)	(0.26)	(1.73)
	(b) Diluted (in ₹)	(0.04)	(0.06)	(0.95)	(0.26)	(1.59)	(0.26)	(1.73)
XXI	Earnings per Equity Share (for discontinued and continuing operations) (of ₹ 10/- each (not annualised)							
	(a) Basic (in ₹)	2.42	0.67	(0.37)	5.12	1.54	5.09	0.83
	(b) Diluted (in ₹)	2.42	0.67	(0.37)	5.12	1.54	5.09	0.83
	(See accompanying notes)							



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Reporting of Segment-wise Revenue, Results, Assets and Liabilities along with the quarterly results

(₹ in Lakhs)

Sl.No.	Particulars	STANDALONE						
		Quarter Ended			Year Ended		Year Ended	
		31.03.2019 (Audited)	31.12.2018 (Unaudited)	31.03.2018 (Audited)	31.03.2019 (Audited)	31.03.2018 (Audited)	31.03.2019 (Audited)	31.03.2018 (Audited)
1	Segment Revenue (Net sale/Income)							
A	Hotel Division	7,043.12	6,789.30	8,362.97	25,165.32	26,984.28	25,777.02	27,847.93
B	International Trade Division	471.15	546.03	373.85	1,847.08	1,503.29	1,847.08	1,503.29
C	Travels &Tours	767.63	691.86	672.96	3,450.16	2,964.61	3,450.16	2,964.61
D	Engg.Consultancy Projects	511.52	35.30	148.57	573.48	871.52	573.48	871.52
E	Headquarter & Others(Event Management, Hospitality & Tourism Management Institute)	2,178.13	2,015.59	1,831.11	6,985.84	6,741.10	6,985.84	6,741.10
	TOTAL	10,971.55	10,078.08	11,389.46	38,021.88	39,064.80	38,633.58	39,928.45
	Less: Inter-Segment Revenue				-	-	-	-
	Net Sales/Income from Operations	10,971.55	10,078.08	11,389.46	38,021.88	39,064.80	38,633.58	39,928.45
2	Segment Results (Profit/(Loss) before tax and interest)							
A	Hotel Division	1,159.59	1,332.26	(777.69)	3,353.67	(8.61)	3,129.77	(338.54)
B	International Trade Division	77.54	100.23	(38.57)	326.73	53.18	326.73	53.18
C	Travels &Tours	(145.66)	(98.66)	(160.40)	162.37	214.06	162.37	214.06
D	Engg.Consultancy Projects and Creatives	(99.72)	(112.68)	(165.85)	(413.58)	(432.49)	(413.58)	(432.49)
E	Headquarter & Others(Event Management, Hospitality & Tourism Management Institute)	1,870.73	(143.83)	43.01	2,415.79	2,346.98	2,459.38	2,346.98
	TOTAL	2,862.58	1,077.32	(1,099.50)	5,844.98	2,173.12	5,664.67	1,843.19
	Less: i) Interest	53.41	-	-	53.41	48.33	65.68	56.21
	ii) Other Un-allocable Expenditure net off	-	-	-	-	-	-	-
	iii) Un-allocable Income	-	-	-	-	-	-	-
	Total Profit Before Tax	2,809.17	1,077.32	(1,099.50)	5,791.57	2,124.79	5,598.99	1,786.98
		2,809.17	1,077.32	(1,099.50)	5,791.57	2,124.79	5,598.99	1,786.98
3	Segment Assets							
A	Hotel Division	14,185.64	21,771.99	15,531.34	14,185.64	15,531.34	15,784.18	15,887.26
B	International Trade Division	783.73	765.17	624.97	783.73	624.97	783.73	624.97
C	Travels & Tours	7,267.07	2,849.29	5,316.40	7,267.07	5,316.40	7,267.07	5,316.40
D	Engg.Consultancy Projects	424.91	7,061.68	502.30	424.91	502.30	424.91	502.30
E	Headquarter & Others (Event Management,Hospitality & Tourism Management Institute)	44,436.32	34,779.98	39,048.02	44,436.32	39,048.02	44,436.32	39,048.02
	Total Segment Assets	67,097.67	67,228.11	61,023.03	67,097.67	61,023.03	68,696.21	61,358.95
4	Segment Liabilities							
A	Hotel Division	18,198.93	18,053.35	17,689.31	18,198.93	17,689.31	22,212.92	19,711.52
B	International Trade Division	489.76	479.40	699.83	489.76	699.83	489.76	699.83
C	Travels & Tours	3,685.62	2,392.32	2,869.86	3,685.62	2,869.86	3,685.62	2,869.86
D	Engg.Consultancy Projects	7,110.54	7,318.54	8,130.78	7,110.54	8,130.78	7,110.54	8,130.78
E	Headquarter & Others (Event Management,Hospitality & Tourism Management Institute)	2,054.69	2,361.32	3,494.92	2,054.69	3,494.92	2,054.69	3,494.92
	Total Segment Liabilities	31,539.54	30,604.93	32,884.70	31,539.54	32,884.70	35,553.53	34,906.91



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Notes:

1. The Standalone Financial Results for the Quarter and Year ended March 31, 2019 and Consolidated Financial Results for the year ended March 31, 2019 are as per the notified Indian Accounting Standards (Ind AS) under the Companies (Indian Accounting Standards) Rules, 2015.
2. These financial results including report on Operating Segment and Consolidated Financial Results were reviewed by the Audit Committee, and were approved by the Board of Directors, in their respective meetings held on May 30, 2019.
3. The Board recommended a dividend of ₹ 2.10 per equity share for the financial year ended March 31, 2019.
4. 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. According to this decision the process of disinvestment is carried on as under:

a. Hotel Bharatpur Ashok:

As per MoU signed on April 27, 2017 Hotel Bharatpur Ashok (Managed Property since owned by Government of Rajasthan) had been handed over to Government of Rajasthan on April 30, 2017 on "as is where is" basis. As per the terms of transfer, 5 nos. of regular employees of Hotel Bharatpur Ashok as at April 30, 2017 were transferred on deputation on absorption basis to the Government of Rajasthan. The assets and liabilities having net book value of ₹16.23 lakh as on April 30, 2017 was agreed to be transferred without any financial consideration therefore a loss i.e. the net book value of Assets & Liabilities of ₹16.23 lakh had been considered as an exceptional item in the Financial Statement for the year ended March 31, 2018. The same has been considered as a part of discontinued operations in the Financial Statement for the year ended March 31, 2019 and March 31, 2018.

b. Assam Ashok Hotel Corporation Limited and Madhya Pradesh Ashok Hotel Corporation Limited:

The Company had transferred its Non-Current Investments - Equity Shares of Subsidiary Companies - Assam Ashok Hotel Corporation Limited (51% Equity of AAHCL) of ₹51.00 lakh and Madhya Pradesh Ashok Hotel Corporation Limited (51% Equity of MPAHCL) of ₹81.60 lakh on June 29, 2017 to their respective State Government. The Investments had been transferred at a consideration of: AAHCL ₹214.00 lakh and MPAHCL ₹1,259.00 lakh. Also, the other dues recoverable by ITDC Ltd. have been duly settled by the respective subsidiary in full for AAHCL ₹300.63 lakh and for MPAHCL ₹384.43 lakh.

c. Hotel Janpath:

Ministry of Tourism (MoT) communicated vide their letter dtd. June 14, 2017 the in-principle approval of the government for transferring the property of Hotel Janpath to the Ministry of Urban Development (MoUD) and for compensating ITDC for loss of business opportunity with disputed liability to be sorted out.

The ministry had proposed that "a tentative valuation of the business of ITDC has been calculated on the basis of Discounted Cash Flow assuming cash flows for 30 years on the basis of average net profit for 5 years and discount factor of 11% p.a. and a rough estimation was made for ₹5,772.00 Lakh (net profit + depreciation). Value of land is not being considered."

Subsequently it was decided by the government to close the operations of Janpath Hotel, New Delhi and to handover the land & building of Janpath Hotel to L&DO, MoHUA (erstwhile MoUD). Accordingly, the Land & Building was technically handed over to L&DO, MoHUA on October 31, 2017.

The matter was also discussed inter alia in 26th & 27th Inter Ministerial Group (IMG) meetings as under:

- In the 26th meeting of IMG dated 04.12.2017, it was deliberated that earlier the figure of ₹5,772.00 lakh was mentioned on the basis of calculation of NPV at a discounting factor of 11% on average profit before depreciation of last 5 years as per the audited annual accounts of 2011-12 to 2015-16 of Hotel Janpath for a period of 30 years without applying any growth rate. Therefore, IMG decided that compounded



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annual growth rate (CAGR) of last 10 years i.e. from 2006-07 to 2015-16 of profit before depreciation may be applied on above said average profit of last 5 years before depreciation. IMG directed that ITDC may get the valuation done on this basis and obtain approval through circulation for the same.

-In minutes of the 27th meeting of IMG held on 27-12-2017 it was recorded that "The valuation of loss of business opportunity of Hotel Janpath was decided by the IMG in its meeting held on 04-12-2017. In this regard, DIPAM vide its letter dated 21-12-2017 has submitted that under the DCF methodology for calculation of NPV, Profit After Tax (PAT) is what is normally considered."

The Company requested the Ministry to convey the amount of compensation to be considered by ITDC in its Financial Statement. The working of the amount of compensation based on PBT as well as PAT was also communicated to MoT. The amount of compensation based on PAT was ₹14,981.00 lakh and on PBT was ₹19,303.00 lakh.

In response to the above letter, the Ministry conveyed that the amount of ₹5,772.00 lakh was only an estimated figure and did not take into account the liabilities which are yet to be firmed up. Further, the amount incurred towards VRS of employees due to closure of Janpath Hotel is to be kept under recoverables to be adjusted from the value when the same is finalised. The estimated compensation amount due to ITDC on account of loss of business opportunity in respect of Hotel Janpath, New Delhi, may therefore not be taken into account while finalising accounts of ITDC for the current financial year 2017-18 and may be included in the accounts for the financial year 2018-19.

The compensation for Loss of Business Opportunity was calculated on the basis of the IMG decision taken in its meeting dated 04.12.2017 and placed before the IMG in its meeting held on 4.2.2019.

"The IMG observed that the valuation based upon compounded annual growth rate (CAGR) of last 10 years i.e. from 2006-07 to 2015-16 of average profit (before depreciation) of last five years which comes to Rs. 193.03 crores is also on higher side. It was suggested to also have the option of calculating the valuation based upon compounded annual growth rate (CAGR) of last 30 years' profit before tax and if the financials of last 30 years are not available, information available for maximum period may be taken. Another option may be valuation based upon compounded annual growth rate (CAGR) of last 30 years' profit before tax but excluding depreciation and if the financials of last 30 years are not available, information available for maximum period may be taken. It was also directed by IMG that all options may be considered by the Committee constituted for computing the Loss of Business Opportunity."

Fresh calculations have been undertaken in accordance with the decision of the IMG dated 4.2.2019 on the basis of financial data for 29 years (From FY 2015-16 to FY 1987-88). As per the same, the valuation based upon Profit before Tax excluding Depreciation works out to ₹155.48 crores approx. In case, valuation is undertaken on PBT basis, the compensation for Loss of Business Opportunity works out to ₹123.68 crores approx.

Since, the approval of amount of compensation due on account of loss of business opportunity is still awaited from MoT therefore, the VRS amount of ₹585.74 lakh has been kept under recoverable and nothing towards compensation for loss of business opportunity has been considered in the Financial Statements for the Financial Year 2018-19.

d. Kosi Restaurant:

The operation of Kosi Restaurant, a managed unit of the Company has been closed on October 31, 2017. The Ministry of Tourism has been requested to take possession of the Restaurant building. The same has been considered as a part of discontinued operations in the financial statements for the year ended March 31, 2019 and March 31, 2018.

e. Incomplete Hotel Project of Hotel Gulmarg Ashok:

The property has been handed over to Govt. of J & K on "as is where is" basis on November 16, 2017, as per the directions of MoT at "Nil" consideration. The expenditure/loss incurred by ITDC of ₹270.76 lakh had been finally written off as per the decision of Cabinet Committee of Economic Affairs dated September 26, 2018.



f. **Hotel Jaipur Ashok:**

The Company has transferred to the Govt. of Rajasthan its hotel property i.e. Hotel Jaipur Ashok along with the assets on "as is where is" basis at a consideration of ₹1,400 lakh on December 9, 2017. The same had been considered as a part of discontinued operations in the financial statements for the year ended March 31, 2019 and March 31, 2018.

g. **Donyi Polo Ashok Hotel Corporation Limited (DPAHCL):**

The Company has transferred its Non-Current Investments - Equity Shares of Subsidiary Companies - Donyi Polo Ashok Hotel Corporation Limited (51% Equity of DPAHCL) of ₹50.90 lakh on May 17, 2018 to their respective State Government. The Investments had been transferred at a consideration of ₹198.18 Lakh. Also, the other dues recoverable by ITDC Ltd. have been duly settled by the respective subsidiary in full for ₹20.90 lakh.

h. **Lalitha Mahal Palace Hotel:**

The company has received a consideration of ₹745.05 lakh against transfer of Hotel LMPH, Mysore (unit of ITDC) to its State Government on May 24, 2018. Agreement relating to transfer of Hotel Property signed on May 25, 2018 and after completing the handing over formalities, the physical possession was given on May 30, 2018. The same has been considered as a part of discontinued operations in the financial statements for the year ended March 31, 2019 and March 31, 2018.

i. **Hotel Patliputra Ashok, Patna:**

In the IMG meeting held on January 29, 2018, a Tripartite MoU amongst ITDC, Govt. of Bihar and Ministry of Tourism, GoI was signed for transfer of Hotel Patliputra Ashok, Patna to the Government of Bihar at a negotiated value of ₹1,300.50 lakh free from all liabilities and encumbrances.

Based on MoU signed amongst ITDC, Govt. of Bihar and Ministry of Tourism on 29.11.2018, hotel has been handed over to the Govt. of Bihar on 03.04.2019. Transfer documents are under finalisation for signature.

As per MoU, an amount of ₹1,300.50 Lakhs has been received on March 31, 2019.

The same had been considered as a part of discontinued operations in the financial statements for the year ended March 31, 2019 and March 31, 2018.

j. **Hotel Kalinga Ashok, Bhubaneswar; Pondicherry Ashok Hotel Corporation Limited:**

The process of disinvestment/ divestment of ITDC's Hotel Properties as well as of Subsidiary Companies is going on, RFP has been floated for giving Hotel Kalinga Ashok, Bhubaneswar on O&M contract and evaluation is under process. Transaction Advisors for Pondicherry Ashok Hotel Corporation Limited has already been appointed. The Transaction Advisors are engaged for doing the entire exercise of valuation of the properties, devising framework for transfer/ exit of ITDC, documentation, etc. as applicable.

k. **Punjab Ashok Hotel Company Limited, Punjab:**

In the IMG meeting held on 29.11.2018, it was decided that the incomplete project may be handed over to the State Government with transfer of 51% of equity of ITDC in the JV Company to the State Government, on cost basis.

A letter dated 28.03.2019 has been sent from Secretary (Tourism), MoT to the Chief Secretary, Govt. of Punjab for exploring options other than tourism for utilization of land & building. The matter is under process.

l. **Ranchi Ashok Bihar Hotel Corporation Limited (RABHCL):**

In case of Ranchi Ashok Bihar Hotel Corporation Limited, operations of the Hotel have been closed w.e.f. 29.03.2018 with the approval of Inter-Ministerial Group of Ministry of Tourism. It has been decided by MOT that the ITDC's Non-Current Investments (51% Equity of RABHCL) will be transferred to the Jharkhand State Government. The Transaction Advisor was engaged for doing the entire exercise of valuation of the properties, devising framework for transfer/ exit of ITDC, documentation, etc. as applicable. Transaction Advisor made a

detailed presentation on the valuation of Hotel Ranchi Ashok in the IMG meeting held on 13.09.2018. IMG approved the valuation based on Discounted Cash Flow on as is where is basis along with payment of loans and other dues of ITDC and BSITDC. The matter is under process.

m. Utkal Ashok Hotel Corporation Limited (UAHCL):

In case of Utkal Ashok Hotel Corporation Limited (UAHCL) the Letter of Intent (LOI) for long term lease of the hotel property was issued to the bidder M/s Paulmech Infrastructure Pvt. Ltd. (PIPL) on January 19, 2010 and was subsequently cancelled on December 10, 2013 due to non-adherence of terms of LOI by PIPL. The PIPL filed a petition praying inter alia for quashing of ITDC's letter cancelling LOI which was dismissed by the High Court. PIPL further filed a Special Leave Petition before the Hon'ble Supreme Court of India challenging the High Court Judgement. On September 18, 2017, the Supreme Court has stayed the termination of LOI. Hon'ble Supreme Court in its hearing on 15.04.2019 extended the date of FDs deposited by M/s. Paulmech for another 6 months. Letter sent to MoT for obtaining legal opinion on initiation of dialogue with the successful bidder when the LOI has been terminated. MoT has directed to take legal opinion directly from the Ministry of Law. Accordingly, letter to Ministry of Law is being sent.

In the process of disinvestment of various ITDC Subsidiary companies properties which is currently going on, the ITDC shareholding of three of the Subsidiary companies viz. Assam Ashok Hotel Corporation Ltd.; Madhya Pradesh Ashok Hotel Corporation Ltd. and Donyi Polo Ashok Hotel Corporation Limited had been already transferred to the their respective State Governments. and the sales proceeds as worked out by the Transaction Advisor on the basis of valuation of available business opportunity etc. which had been received by ITDC is more than the amount originally invested by ITDC in respective subsidiary companies. Moreover all outstanding trade receivables from these three Subsidiary Companies have also been fully cleared by them.

On the same analogy, the process of disinvestment / divestment of Utkal Ashok Hotel Corporation Limited, Punjab Ashok Hotel Company Limited & Ranchi Ashok Bihar Hotel Corporation Limited is also being carried out and as ITDC's equity / preference shares investment are considered good for recovery, no provision is considered necessary.

5. Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after 1st April, 2018 replaces existing revenue recognition requirements. Under the modified retrospective approach there were no significant adjustments required to the retained earnings as at 1st April, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results.

6. There were some fraudulent transactions amounting ₹ 87.02 lakh in ITDC Unit - Ashok Events between July to October, 2018. Immediate action was taken for investigation of the same and recovery of the amount. The total amount of ₹ 87.02 lakh has been recovered during the F.Y. 2018-19. Management has taken necessary and relevant measures at their end so that the same could not occur again in future.

7. Impact on Hotel Properties by FANI Cyclone

During the month of May 2019, FANI Cyclone has taken place in the State of ODISHA. The details are as mentioned below:

a. Hotel Kalinga Ashok (Unit of ITDC)

Although, the cyclone has affected on the Hotel Kalinga Ashok but there is no material impact on operational activity of the Hotel Unit. The matter has already been taken up with National Insurance Company and a preliminary estimated amount of ₹ 17.82 lakh have been assessed for refurbishing of damages.

b. Hotel Nilachal Ashok (Property of Utkal Ashok Hotel Corporation Ltd. – a subsidiary of ITDC)

The Hotel operations have been closed since March 31, 2004. There is no significant loss to the building and other assets, as the assets are lying in depleted condition since the closure of Hotel operations. The impact will be further reviewed and provision, if any, will be made during the F.Y. 2019-20. As per the management, the entire amount of assets, i.e. written down value, as per the books of accounts is recoverable.

8. The operations of the Units, i.e., ATT Guwahati, ATT Ranchi have been suspended w.e.f. August 11, 2018 and accordingly considered a part of Discontinued Operations during the FY 2018-19. During the F.Y. 2017-18 the operations of Units, i.e., Kosi Restaurant, ATT Aurangabad, ATT Varanasi were suspended.
9. Figures of the last quarter are the balancing figure between the audited figures for the full financial year and the published year to date figures upto the third quarter of the financial year.
10. Figures of the previous reporting periods have been re-grouped / re-classified wherever necessary to correspond with the figures of the current reporting period.

For India Tourism Development Corporation Limited

Date: 30.05.2019
Place: New Delhi



PRADIP KUMAR DAS
DIRECTOR [FINANCE] & CFO
DIN NO: 07448576

Statement of Assets and Liabilities as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirement Regulations, 2015 as under:

(₹ in lakh)

Particulars	Standalone		Consolidated	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
ASSETS				
Non - Current Assets				
Property, Plant and Equipment	4,679.08	4,925.91	5,463.26	5,726.36
Capital Work-in-Progress	295.71	95.80	603.28	400.49
Intangible Assets	42.39	12.60	43.21	13.66
Financial Assets				
(i) Investments	927.98	927.98	-	-
(ii) Other Financial Assets	317.64	314.19	325.20	321.47
Deferred Tax Assets	3,971.86	4,583.76	3,977.02	4,586.54
Other Non - Current Assets	61.15	65.82	61.15	65.82
Total Non - Current Assets	10,295.81	10,926.06	10,473.12	11,114.34
Current Assets				
Inventories	994.51	1,052.98	1,011.31	1,075.49
Financial Assets				
(i) Trade Receivables	9,758.63	10,195.46	9,679.85	10,250.67
(ii) Cash and Cash Equivalents	2,488.98	4,983.86	2,566.55	5,098.81
(iii) Other Bank Balances	26,475.46	26,078.50	26,583.98	26,172.91
(iv) Loans	1,361.77	1,236.36	3.75	2.76
(v) Other Financial Assets	7,201.87	5,471.44	7,236.98	5,482.22
Other Current Assets	8,518.07	6,976.35	8,693.51	7,163.02
Non- Current Assets classified as held for sale	2.56	273.02	2.56	314.51
Total Current Assets	56,801.85	56,267.97	55,778.49	55,560.39
Total Assets	67,097.66	67,194.03	66,251.61	66,674.73
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	8,576.94	8,576.94	8,576.94	8,576.94
Other Equity	26,981.22	24,497.75	24,565.72	22,154.74
Total Equity			(495.99)	(320.57)
Liabilities	35,558.16	33,074.69	32,646.67	30,411.11
Non - Current Liabilities				
Financial Liabilities				
(i) Borrowings				
(ii) Trade Payables				
- total outstanding dues of micro enterprises and small enterprises	-	-	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-
(iii) Other Financial Liabilities	815.17	660.88	815.18	660.89
Provisions	4,438.57	6,919.08	4,669.12	7,118.25
Deferred Tax Liabilities	-	-	-	-
Government Grants	111.15	123.28	539.71	559.23
Other Non - Current Liabilities	-	-	-	-
Total Non-Current Liabilities	5,364.89	7,703.24	6,024.01	8,338.37
Current Liabilities				
Financial Liabilities				
(i) Borrowings	-	-	114.94	104.47
(ii) Trade Payables	-	-	-	-
- total outstanding dues of micro enterprises and small enterprises	-	-	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	6,332.12	6,004.22	6,421.77	6,077.00
(iii) Other Financial Liabilities	9,739.59	9,548.87	10,004.03	9,778.59
Provisions	2,253.69	2,093.98	2,261.26	2,096.15
Government Grants	13.66	17.17	21.05	24.84
Other Current Liabilities	7,835.55	8,751.86	8,757.88	9,769.28
Non- Current Liabilities classified as held for sale	-	-	-	74.92
Total Current Liabilities	26,174.61	26,416.10	27,580.93	27,925.25
Total Liabilities	31,539.50	34,119.34	33,604.94	36,263.62
Total Equity and Liabilities	67,097.66	67,194.03	66,251.61	66,674.73

(Handwritten signature)





Agiwal & Associates

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To,
The Members of,
India Tourism Development Corporation Limited,
New Delhi

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the Standalone Ind AS Financial Statements of **INDIA TOURISM DEVELOPMENT CORPORATION LIMITED, New Delhi ("the Company")** which comprise the Balance Sheet as at **March 31, 2019** and Statement of Profit & Loss (including Other Comprehensive Income), Statement of Change in Equity and Statement of Cash Flow for the year then ended, and Notes to the Standalone Financial Statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ("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 (Financial Position) of the Company as at 31st March, 2019, and Profit (Financial Performance including other Comprehensive Income), changes in the equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our Audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements* section of our Report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind AS Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other Ethical Responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the Other Information. The Other Information comprises the information included in the Company's Annual Report, but does not include the Financial Statements and our Auditor's Report thereon.

The Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the Financial Statements does not cover the Other Information and we will not express any form of assurance conclusion thereon.

In connection with our Audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be Materially Misstated.

Emphasis of Matter

Attention is drawn on the Notes to the Standalone Ind AS Financial Statement

- 1. That on account of non-finalization of issue of compensation payable to the company for Loss of Business Opportunity arising due to the decision of the Government of India for closure of operation of the hotel Janpath New Delhi w.e.f from 30.10.2017 and handing over the property to the Ministry of Urban Development, the sum of Rs. 585.74 lakhs paid to the employees who opted for VRS is being shown as Recoverable from the Government as on 31.03.2019. Our opinion is not qualified in respect of this matter. (Refer foot note no. 1 of note no.13 & point no.12 (c) of note no. 39-General Notes to the Financial Statement)*
- 2. The impact of loss/shortage/wastage due to non-reconciliation of the result of Physical carried out for Fixed Assets with the books of accounts on the Financial Statement of the company remains indeterminate. Our opinion is not qualified in respect of this matter. (Refer foot note no. 8 of notes no. 2 to the Financial Statement.)*
- 3. Balance in Trade Receivables, Loans and Sundry Creditors are subject to independent confirmation. Our opinion is not qualified in respect of this matter. (Refer point no. 1 of note no. 39-General notes to the Financial Statement.)*
- 4. An amount of Rs.346.58lakhs is being shown as 'customer at Credit' under Note-26 "Other Current Liabilities", but in the Financial Statement not adjusted/linked with the corresponding trade receivable under note-08 "Trade Receivable". Our opinion is not qualified in respect of this matter. (Refer foot note to note no. 26 to the Financial Statement.)*
- 5. The company has recognised 'Provision for Amount Recoverable Sales Tax' amounting to Rs. 7.88 lakhs as on 31st March, 2019 and showing the same as 'Recoverable' under the head "Other Non-Current Assets" for sufficiently long period of time instead of writing off from the books of accounts the recovery of which is not evidenced by the records available. Our opinion is not qualified in respect of this matter. (Refer foot note to note no. 6 to the Financial Statement.)*



6. The consumption of stock of stores, crockery, cutlery etc., has been worked out by the Company by adding to the opening balances purchases made during the year and deducting there-from the closing balance at the year-end based on physical inventories valued as per the accounting policy. Accordingly, separate impact of loss/shortage/wastage included in the consumption thereof in the Financial Statements of the Company remains indeterminate. Our opinion is not qualified in respect of this matter. [Refer Point no. 3 of Note No.39 to the Financial Statements]
7. At Ashok International Trade Division the sum of Rs.161 lakhs paid in the year 2006-07 as security deposit in the form of fixed deposit (FD) receipt in favor of Delhi International Airport Pvt.Ltd. (DIAL) is being shown as recoverable. Its FD was encashed during 2007-08 by DIAL on account of service-tax charged by DIAL in billing of service provided to be Company. This is being disputed by the Company on the ground that their service was not liable for service-tax and they are hopeful of its recovery. Our opinion is not qualified in respect of this matter. (Refer foot note to note no.4 to the Financial Statements)
8. The TDS amounting to Rs. 5,392.38 lakhs is appearing to the debit of account which does not appear to be feasible and as such the same needs a detailed scrutiny and subject to verification/reconciliation.

Further, the amount of "Sundry Debtors" in the unit's Financials Statement includes amount of TDS deducted by the customers, but no Financial Entries are being passed for TDS in the books of account. Thereafter, on receipt of the TDS Certificate the amount is credited to the account of the Customer and TDS Account is Debited. Our opinion is not qualified in respect of this matter.

9. There has been a fraud for Rs. 87.02 lakhs in ITDC Unit - Ashok Events during the year ending 31st March, 2019. Immediate action was taken for investigation of the same and recovery of the amount. The total amount of Rs. 87.02 lakhs has been recovered during the F.Y. 2018-19. Management has taken necessary and relevant measures at their end so that the same could not occur again in future. (Refer point no. 9 of note 39 of general notes to the Financial Statements)
10. In Ashok Consultancy and Engineering Services (ACES - A Unit of ITDC) out of 70 Projects, 49 Projects have been completed long back but have not been closed in the Books of Accounts as final bills are not received/settled. Reconciliation exercise is expected to be completed by October 2019. Thereafter balances will be squared up / adjusted after approval from higher Authorities. Our opinion is not qualified in respect of this matter.

Further, it has also been informed that the Fund Received / Receivable from different parties have been accounted for in the Books of accounts. The present status of individual projects states in the aforesaid table has been provided and as such we cannot comment on the matter.

Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of affairs (Financial Position), Profit/ Loss (Financial Performance including other comprehensive



income), changes in the equity and cash flows of the Company in accordance with the Accounting Principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued under Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are responsible 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS Financial Statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's Financial Reporting Process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

A circular stamp with a blue border and text inside, partially obscured by a handwritten signature in blue ink. The text in the stamp includes "New Delhi" at the top, "15th Dec 2014" at the bottom, and "15th Dec 2014" on the right side. The signature is written across the center of the stamp.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal Financial controls with reference to FinancialStatements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS FinancialStatements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS FinancialStatements, including the disclosures, and whether the Standalone Ind AS FinancialStatements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the StandaloneFinancialStatements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the FinancialStatements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the FinancialStatements.

We communicate with Those Charged with Governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Those Charged with Governance with a Statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with Those Charged with Governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS FinancialStatements of the



current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the Financial Statements/information of 30 branches included in the Standalone Ind AS Financial Statements of the company whose Financial Statements reflected total assets of Rs. 16,964.23 lakhs as at 31st March, 2019 and total revenue of Rs.19,794.67 lakhs for the year ended on that date, as considered in the Standalone Ind AS 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 amounts and disclosure included in respect of these branches, is based solely on the report of such branch Auditors and accompanying Financial Statements.

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 Companies Act 2013, We give in "**Annexure A**" a Statement on the matters specified in paragraphs 3 & 4 of the Order, to the extent applicable.
2. As required by the 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 "**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 purpose 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 and proper returns adequate for the purpose of our audit have been received from the branches not visited by us;
 - c) The reports on the accounts of branch offices / units of the Company audited under Section 143(8) of the Act by the branch Auditor have been sent to us and have been properly dealt with by us in preparing this report;



- d) The Balance Sheet, the Statement of Profit & Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts and with the returns received from the branches not visited by us;
- e) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
- f) Being a Government Company, pursuant to Notification No. GSR 463(E) dated 05th June 2015 issued by the Ministry of Corporate Affairs, the provisions of Section 164(2) of the Companies Act 2013 regarding disqualification of directors, are not applicable to the Company;
- g) With respect to the adequacy of the internal Financial controls over Financial reporting of the Company and the operating effectiveness of such controls, 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 38 to Standalone Ind AS Financial Statements;
 - ii. There are no long-term contracts including derivative contracts existing as on the date of balance sheet for which provision is required to be made under the applicable law for any material foreseeable losses and
 - iii. No amount required to be transferred to the 'Investor Education and Protection Fund' was outstanding at the year.

For Agiwal & Associates

Chartered Accountants

Firm Registration Number: 000181N

R K Agrawal

Partner

Membership Number: 017020

New Delhi

30th May, 2019

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal & Regulatory Requirements' section of our report of even date on the accounts of **India Tourism Development Corporation Limited** for the year ended 31st March 2019):

I. Fixed Asset:

- 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.

S. No.	Name of the Unit/Branch
1.	DFS Paradip
2.	DFS Kolkata
3.	Hotel Samrat
4.	AIH&TM
5.	DFS Haldia
6.	Ashok Event
7.	Hotel The Ashok, New Delhi
8.	Hotel Kalinga Ashok
9.	Western Court

- 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 deeds of immovable properties in the 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 in respect of land of Ashok Hotels Ltd. is registered in the name of Ashok Hotel Limited erstwhile, which was merged with the Company on 28.03.1970 and not being transferred in the name of the Company. The total area of leasehold land is 21.155 acres
2.	Hotel Jammu Ashok, Jammu	Lease deed expired on 11.01.2010. The total area of lease hold is 60 Kannals & 4 marals.
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 of the unit is not executed. Area involved is 4.01 acre.
6.	Taj Restaurant	Title Deed in favour of the Corporation has not been effected.



2. As per the information and explanation provided to us, the inventories have been physically verified by the management generally once in a year. In case of following units/branch Auditors have reported that physical verification report was not available for verification.

S. No.	Name of the Unit/Branch
1.	Ashok Events
2.	ACES
3.	Hotel Samrat
4	AIHTM

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.

3. As per the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Act, therefore, clauses 3(iii) (a), (b) and (c) of the Companies (Auditor's Report) Order, 2016 are not applicable.
4. As per information and explanations given to us, the Company complied with the provision of Section 185 and 186 of the Act.
5. As per the information and explanation given to us, the Company has not accepted any deposits from the public in term 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 provision of clauses 3(v) of the Companies (Auditor's Report) Order, 2016 are not applicable.
6. 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.
7. In respect of statutory dues:
- 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 (Rs. in lakh)	Period to which the amount Relates
Hotel Samrat	TDS demand	4.60	2007-2018
Hotel Kalinga	Works Contract Tax	0.80	2016-2017
Ashok	Works Contract Tax	0.03	2015-2016
	Works Contract Tax	0.02	2017-2018
AIHTM	TDS	1.53	2007-2018
Hyderabad House	ESI	1.72	More than 6 months
Vigyan Bhawan	ESI	4.78	More than 6 months



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

Name of the Unit	Nature of Dues	Amount (Rs. in lakh)	Period to which the Amount Relates	Forum where Dispute is Pending
Hotel Kalinga Ashok	Excise Duty (MGQ)	13.33	2002-03	Odisha High Court
	ESI	1.45	1994-95	District Court, Khurda
	Service Tax	105.92	2008-09 to 2012-13	Commissioner Appeals, GST, Bhubaneswar.
	Sales Tax	0.28	2004-05	Odisha High Court
AITD	Custom Duty (Demand in respect of DFS, Mumbai)	18,300.00	2004-05	Custom Assistant commissioner
	Custom Duty (Demand in respect of DFS, Mumbai)	146.00	2004-05	Commissioner of customs.
	Custom Duty (Demand in respect of DFS, Mumbai)	29.60	2004-05	Joint commissioner.
	Custom Duty (Demand in respect of DFS, kolkata)	42.17	2002-03	Assistant commissioner.
	TDS	8.15	2007-12	Assistant commissioner
	Custom Duty (Demand in respect of DFS, Mumbai)	4.60	2004-05	Management seeking approval for filing CESTAT Appeal.
	ESI	0.67	Earlier Years	ESI Labour Court
Hotel Samrat	ESI	71.68**	1998-03	Delhi High Court
	Service Tax	17.02	2017-18	Commissioner of Service Tax Appeal
Hotel Ashok	ESI	423.83	Earlier Years	Delhi District Court, Tis Hazari, Delhi
	Service Tax	10.60	Earlier Years	CESTAT, Delhi
Ashok Events	Service-Tax	39.65	2006-09	Commissioner of Service Tax appeals
	TDS	7.59	2007-19	CPC/income tax department.
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	2.54	2010-11 to 2011-12	CESTAT Bangalore.
	Service Tax	3.60	2012-13 and 2013-14	CESTAT Bangalore.
	Service Tax	1.84	2014-15	CESTAT Bangalore.
ACES	TDS	8.20	2014-15 to 2017-18	CPC
Hotel Janpath	TDS	21.56	2007-08 to 2011- 12, 2017-18	CPC

**Unit has provided liability of Rs. 50.79 lakh in the books of accounts.

8. According to the information and explanations given to us, the Company has not taken any loan from any financial institution, Bank or issued any debentures till the end of financial year. Hence the provisions of clause 3(viii) of the Companies (Auditors Report) Order, 2016, regarding reporting on default in repayment of dues to financial institution or bank or debenture is not applicable.
9. According to the information provided and explanations given to us, no moneys have been raised by way of initial public offer or further public offer (including debt instruments) nor any term loan from any bank or financial institutions. Thus provisions of clause 3 (ix) of the Companies (Auditors Report) Order, 2016, are not applicable to the Company.
10. 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 except in case of Ashok Events A Unit of ITDC where a fraud for Rs. 87.02 lakhs has taken place Immediate action was taken for investigation of the same and recovery of the amount. The total amount of Rs. 87.02 lakhs has been recovered during the F.Y. 2018-19. Management has taken necessary and relevant measures at their end so that the same could not occur again in future.
11. 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 (Auditors Report) Order, 2016, are not applicable to the Company.
12. The Company is not a Nidhi Company, so the provisions of clause 3 (xii) of the Companies (Auditors Report) Order, 2016, are not applicable.
13. 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.
14. 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 (Auditors Report) Order, 2016, are not applicable to the Company.
15. According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him, therefore clause 3 (xv) of the Companies (Auditors Report) Order, 2016, are not applicable to the Company.

16. According to information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, therefore clause 3 (xvi) of the Companies (Auditors Report) Order, 2016, are not applicable to the Company.

*For Agiwal & Associates
Chartered Accountants*

Firm Registration Number: 000181N



R K Agrawal

R K Agrawal

Partner

Membership Number: 017020

New Delhi
30th May, 2019

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the accounts of India Tourism Development Corporation Limited we report on the directions/sub-direction given by the Comptroller and Auditor General of India under section 143(5) of the Companies Act, 2013):

S. No.	Direction/Sub-directions	Comments												
01.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes. As per the information and explanation given to us, the company maintains all accounting related records in computer accounting software. There is no material impact on the integrity of the accounts or financial implication on the processing of these accounting transactions outside IT systems.												
02.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	No Loan has been taken by the Company and as such it is not applicable.												
03.	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	<p>Yes, The fund received/receivable from Central/State Agencies have been accounted for /utilized as per its terms and conditions for the works of the period ended 31st March 2019. Except In the case of followings:</p> <p>1.) ACES.</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Operative Projects</th> <th>Non-operative/closed Project</th> </tr> </thead> <tbody> <tr> <td>No. of Projects</td> <td>14</td> <td>32</td> </tr> <tr> <td>Outstanding/to be utilized (Rs. in Lakhs)</td> <td>3,315.99</td> <td>1,370.24</td> </tr> <tr> <td>No. of Projects</td> <td>07</td> <td>17</td> </tr> </tbody> </table>	Particulars	Operative Projects	Non-operative/closed Project	No. of Projects	14	32	Outstanding/to be utilized (Rs. in Lakhs)	3,315.99	1,370.24	No. of Projects	07	17
Particulars	Operative Projects	Non-operative/closed Project												
No. of Projects	14	32												
Outstanding/to be utilized (Rs. in Lakhs)	3,315.99	1,370.24												
No. of Projects	07	17												



Coated 1002

	Amount receivable (Rs. in Lakhs)	106.65	437.47
	2.) AIH&TM		
	It was observed that amount from Ministry of Tourism in March, 2013 for payment of stipend to students worked as volunteers in Games, but this amount is not claimed by students till now and hence, a credit balance of Rs.15.37 Lakhs is reflecting in the books of accounts.		

For Agiwal & Associates

Chartered Accountants

Firm Registration Number: 000181N



R K Agrawal

R K Agrawal

Partner

Membership Number: 017020

New Delhi

30th May, 2019

"ANNEXURE C" to Independent Auditor's Report

(Referred to in paragraph 3(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the accounts of India Tourism Development Corporation Limited for the year ended 31st March 2019)

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

We have audited the Internal Financial Controls over Financial Reporting of **India Tourism Development Corporation Limited**, New Delhi, as of March 31, 2018, in conjunction with our audit of the standalone Ind AS 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 ("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 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 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 ICAI. 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 has, in all material respects, an adequate Internal Financial Controls system over Financial Reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2019, 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".

Nevertheless, the implementation of the same needs an improvement. Further, in order to strengthen internal financial control, as informed, the management has already initiated the process for engaging an external agency to make it more efficient and meaningful.

For Agiwal & Associates
Chartered Accountants
Firm Registration Number: 000181N

New Delhi
30th May, 2019

R K Agrawal
Partner
Membership Number: 017020



Agiwal & Associates

CHARTERED ACCOUNTANTS

Lal Kothi, 2nd Floor, 3830, Pataudi House Road, Above Bank of Baroda, Darya Ganj, New Delhi-110 002 (INDIA)
Phones : (91-011) 23267461, 23283162, 23278579 Website : www.agiwalassociates.in
E-mail : office@agiwalassociates.in, caagiwal68@gmail.com

INDEPENDENT AUDITOR'S REPORT

To,
The Members of,
India Tourism Development Corporation Limited,
New Delhi

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS 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"), comprising of the Consolidated Balance Sheet as at **March 31, 2019**, and Consolidated Statement of Profit & Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow for the year then ended, and Notes to the Consolidated Financial Statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 ("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 as at 31st March, 2019 of its consolidated profit and other comprehensive income, consolidated changes in the equity and consolidated cash flows for the year ended.

Basis for Opinion

We conducted our Audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements* section of our Report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") and we have fulfilled our ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Management and Board of Directors are responsible for the Other Information. The Other Information comprises the information included in the Holding Company's Annual Report, but does not include the Financial Statements and our Auditor's Report thereon.

The Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the Consolidated Financial Statements does not cover the Other Information and we will not express any form of assurance conclusion thereon.

In connection with our Audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be Materially Misstated.

Emphasis of Matter

Attention is drawn to the Notes to the Consolidated Ind AS Financial Statements;

- 1. That on account of non-finalization of issue of compensation payable to the company for Loss of Business Opportunity arising due to the decision of the Government of India for closure of operation of the hotel Janpath New Delhi w.e.f from 30.10.2017 and handing over the property to the Ministry of Urban Development, the sum of Rs. 585.74 lakhs paid to the employees who opted for VRS is being shown as Recoverable from the Government as on 31.03.2019. Our opinion is not qualified in respect of this matter. (Refer foot note no. 1 of note no.13 & point no.14 (c) of note no. 39-General Notes to the Consolidated Ind AS Financial Statements)*
- 2. The impact of loss/shortage/wastage due to non-reconciliation of the result of Physical carried out for Fixed Assets with the books of accounts on the Financial Statement of the company remains indeterminate. Our opinion is not qualified in respect of this matter. (Refer foot note no. 8 of notes no. 2 to the Consolidated Ind AS Financial Statements.)*
- 3. Balance in Trade Receivables, Loans and Sundry Creditors are subject to independent confirmation. Our opinion is not qualified in respect of this matter. (Refer point no. 1 of note no. 39-General notes to the Consolidated Ind AS Financial Statements.)*
- 4. An amount of Rs.349.28lakhs is being shown as 'customer at Credit' under Note-26 "Other Current Liabilities", but in the Financial Statement not adjusted/linked with the corresponding trade receivable under note-08 "Trade Receivable". Our opinion is not qualified in respect of this matter. (Refer foot note to note no. 26 to the Consolidated Ind AS Financial Statements.)*
- 5. The company has recognised 'Provision for Amount Recoverable Sales Tax' amounting to Rs. 7.88 lakhs as on 31st March, 2019 and showing the same as 'Recoverable' under the head "Other Non-Current Assets" for sufficiently long period of time instead of writing off from the books of accounts the recovery of which is not evidenced by the records available. Our opinion is not qualified in respect of this matter. (Refer foot note to note no. 6 to the Consolidated Ind AS Financial Statements.)*



6. *The consumption of stock of stores, crockery, cutlery etc., has been worked out by the Company by adding to the opening balances purchases made during the year and deducting there-from the closing balance at the year-end based on physical inventories valued as per the accounting policy. Accordingly, separate impact of loss/shortage/wastage included in the consumption thereof in the Financial Statements of the Company remains indeterminate. Our opinion is not qualified in respect of this matter. [Refer Point no. 2 of Note No.39 to the Consolidated Ind AS Financial Statements]*
7. *At Ashok International Trade Division the sum of Rs.161 lakhs paid in the year 2006-07 as security deposit in the form of fixed deposit (FD) receipt in favor of Delhi International Airport Pvt.Ltd. (DIAL) is being shown as recoverable. Its FD was encashed during 2007-08 by DIAL on account of service-tax charged by DIAL in billing of service provided to be Company. This is being disputed by the Company on the ground that their service was not liable for service-tax and they are hopeful of its recovery. Our opinion is not qualified in respect of this matter. (Refer foot note to note no.4 to the Consolidated Ind AS Financial Statements)*
8. *The TDS amounting to Rs. 5,392.38 lakhs is appearing to the debit of account which does not appear to be feasible and as such the same needs a detailed scrutiny and subject to verification/reconciliation.*

Further, the amount of "Sundry Debtors" in the unit's Financials Statement includes amount of TDS deducted by the customers, but no Financial Entries are being passed for TDS in the books of account. Thereafter, on receipt of the TDS Certificate the amount is credited to the account of the Customer and TDS Account is Debited. Our opinion is not qualified in respect of this matter.

9. *There has been a fraud for Rs. 87.02 lakhs in ITDC Unit – Ashok Events during the year ending 31st March, 2019. Immediate action was taken for investigation of the same and recovery of the amount. The total amount of Rs. 87.02 lakhs has been recovered during the F.Y. 2018-19. Management has taken necessary and relevant measures at their end so that the same could not occur again in future. (Refer point no. 10 of note 39 of general notes to the Consolidated Ind AS Financial Statements)*
10. *In Ashok Consultancy and Engineering Services (ACES – A Unit of ITDC) out of 70 Projects, 49 Projects have been completed long back but have not been closed in the Books of Accounts as final bills are not received/settled. Reconciliation exercise is expected to be completed by October 2019. Thereafter balances will be squared up / adjusted after approval from higher Authorities. Our opinion is not qualified in respect of this matter.*

Further, it has also been informed that the Fund Received / Receivable from different parties have been accounted for in the Books of accounts. The present status of individual projects states in the aforesaid table has been provided and as such we cannot comment on the matter.

Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements



in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs (Consolidated Financial Position), Profit/ Loss (Financial Performance including other comprehensive income), changes in the equity and cash flows of the Group in accordance with the Accounting Principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued under Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are responsible 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Ind AS Financial Statements, management and Board of Directors are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group is also responsible for overseeing the Company's Financial Reporting Process of each entity.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is



higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal Financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Those Charged with Governance with a Statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with Those Charged with Governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely



rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements of following subsidiaries whose financial statement reflect total assets of Rs. 1,598.54 lakhs as at 31st March, 2019, total revenues of Rs. 624.86 lakhs and net cash flows amounting to Rs. (32.94) lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statement also include the Group's share of net loss of Rs. 306.38 lakhs for the year ended 31st March, 2019, as considered in the Consolidated Ind AS Financial Statements, in respect of subsidiaries, whose financial statements have not been audited by us. These financial statements have been audited by other Auditors whose reports have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries 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. The details of Assets, Revenues and Net Cash Flows in respect of these subsidiaries to the extent to which they are reflected in the Consolidated Ind AS Financial Statements are given below:

Name of the Subsidiary	(Rupees in lakhs)		
	Total Assets	Total Revenue	Net Cash Flow
Utkal Ashok Corporation Ltd	237.26	0.00	-1.72
Ranchi Ashok Bihar Hotel Corporation Ltd	574.99	7.84	-14.42
Pondicherry Ashok Hotel Corporation Ltd	476.77	617.01	-16.52
Punjab Ashok Hotel Corporation Ltd	309.52	0.00	-0.28
Total	1,598.54	624.86	-32.94

Our opinion on the consolidated Ind AS 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

Report on Other Legal and Regulatory Requirements

1. As per the exemption available in proviso to paragraph 2 of 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, the statement on the matters specified in paragraphs 3 and 4 of the said Order have not been dealt with in this report.
2. As required by the 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 according to the information and explanations given to us, we give in "Annexure A" 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 purpose of our audit of the aforesaid consolidated Ind AS financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books;
 - c) 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 the branch Auditor and other Auditors have been sent to us and have been properly dealt with by us in preparing this report;
 - d) The Consolidated Balance Sheet, the Consolidated Statement of Profit & Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of accounts maintained and with the books of accounts maintained and returns received from the branches of the Holding Company and its subsidiaries incorporated in India not visited by us;
 - e) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
 - f) Being a Government Company, pursuant to Notification No. GSR 463(E) dated 05th June 2015 issued by the Ministry of Corporate Affairs, the provisions of Section 164(2) of the Companies Act 2013 regarding disqualification of directors, are not applicable to the Company;
 - g) With respect to the adequacy of the internal Financial controls over Financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**";
 - 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 and based on the consideration of the report of other Auditors on separate financial statements as also the other financial information of the subsidiaries as noted in the 'Other Matter' paragraph;
 - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, Refer Note 38 to Consolidated Ind AS Financial Statements;



- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. No amount required to be transferred to the 'Investor Education and Protection Fund' was outstanding at the year end.

For Agiwal & Associates
Chartered Accountants
Firm Registration Number: 000181N



AK Agrawal

R K Agrawal
Partner

New Delhi
30th May, 2019

Membership Number: 017020

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the accounts of India Tourism Development Corporation Limited, New Delhi and its subsidiaries for the year ended 31st March, 2019, we report on the directions/sub-direction given by the Comptroller and Auditor General of India under section 143(5) of the Companies Act, 2013):

S. No.	Direction/Sub-directions	Comments												
01.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes. As per the information and explanation given to us, the company maintains all accounting related records in computer accounting software. There is no material impact on the integrity of the accounts or financial implication on the processing of these accounting transactions outside IT systems.												
02.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	No Loan has been taken by the Company and as such it is not applicable.												
03.	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	<p>Yes, The fund received/receivable from Central/State Agencies have been accounted for /utilized as per its terms and conditions for the works of the period ended 31st March 2019. Except In the case of followings:</p> <p>1.) ACES.</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Operative Projects</th> <th>Non-operative/closed Project</th> </tr> </thead> <tbody> <tr> <td>No. of Projects</td> <td>14</td> <td>32</td> </tr> <tr> <td>Outstanding/ to be utilized (Rs. in Lakhs)</td> <td>3,315.99</td> <td>1,370.24</td> </tr> <tr> <td>No. of Projects</td> <td>07</td> <td>17</td> </tr> </tbody> </table>	Particulars	Operative Projects	Non-operative/closed Project	No. of Projects	14	32	Outstanding/ to be utilized (Rs. in Lakhs)	3,315.99	1,370.24	No. of Projects	07	17
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No. of Projects	14	32												
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	Amount receivable (Rs. in Lakhs)	106.65	437.47
	2.) AIH&TM		
	It was observed that amount from Ministry of Tourism in March, 2013 for payment of stipend to students worked as volunteers in Games, but this amount is not claimed by students till now and hence, a credit balance of Rs.15.37 Lakhs is reflecting in the books of accounts.		

For Agiwal & Associates

Chartered Accountants

Firm Registration Number: 000181N



R K Agrawal

R K Agrawal

Partner

Membership Number: 017020

New Delhi

30th May, 2019

"ANNEXURE B" to Independent Auditor's Report

(Referred to in paragraph 3(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the accounts of India Tourism Development Corporation Limited for the year ended 31st March 2019)

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

In conjunction with our audit of the Consolidated Financial Statements of **India Tourism Development Corporation Limited**, New Delhi, as of March 31, 2019, we have audited the internal financial controls with reference to the financial statements of the Holding Company and its subsidiaries, which are incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiaries which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding company and its subsidiaries, which are incorporated in India, 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 ("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 the respective entity'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's internal financial controls over financial reporting based on our audit and considering the reports of the branch Auditors and other Auditors of the subsidiaries. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the 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 ICAI. 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 judgement, 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 and the audit evidence obtained by the other Auditors in term of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial control system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Group'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 Group'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 Group; (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 Group are being made only in accordance with authorisations of management and directors of the Group and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Group'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, to the best of our information and according to explanations given to us, the Holding Company and its subsidiaries which are incorporated in India, 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 31 March 2019, based on the internal control over financial reporting criteria established by the Group and its subsidiaries which are incorporated in India, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Nevertheless, the implementation of the same needs an improvement. Further, in order to strengthen internal financial control, as informed, the management has already initiated the process for engaging an external agency to make it more efficient and meaningful.

Other Matters

Our aforesaid report under Section-143(3)(i) of the Companies Act, 2013, on the adequacy and operating effectiveness of the internal financial control over financial reporting in so far as it relates to 4 (four) subsidiaries incorporated in India is based on the corresponding reports of the auditors of such Companies incorporated in India.

For Agiwal & Associates
Chartered Accountants

Firm Registration Number: 000181N



A handwritten signature in green ink that reads "R K Agrawal".

R K Agrawal

Partner

New Delhi

30th May, 2019

Membership Number: 017020

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



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

तारीख
Date

30.05.2019

निर्देश
Reference

Ref: SEC: COORD: 134

Sub: - Declaration pursuant to regulation 33 of the SEBI (LODR), 2015

The report of Auditor is with unmodified opinion with respect to the Audited IND AS financial results (Standalone and Consolidated) of the Company for the year ended March 31, 2019.

S.D. Paul
GM (F&A), ITDC