



India Tourism Development Corporation Ltd.



ITDC BOARD OF DIRECTORS
(AS ON 06.08.2019)



SHRI PIYUSH TIWARI
Chairman & Managing Director (C&MD), (Additional Charge of C&MD given on 15.07.2019)
&
Director (Commercial & Marketing)



SHRI PRADIP KUMAR DAS
Director (Finance) & CFO

GOVERNMENT NOMINEE DIRECTORS

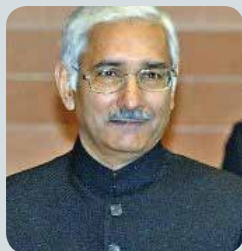


SHRI R. K. CHATURVEDI - IAS
AS&FA, Ministry of Tourism, Government of India



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

INDEPENDENT DIRECTORS



SHRI AJAY SWARUP - Ex-IFS
Former Ambassador



SHRI KARSHANBHAI B. PATEL
Former MLA



DR. PARAGBHAI M. SHETH
MBBS, MD - Radiologist



SHRI K. PADMAKUMAR
Politician & Social Worker

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Board of Directors

(As on 06.08.2019)

Chairman & Managing Director

Shri Piyush Tiwari
(Additional Charge of C&MD
given on 15.07.2019)

Functional Directors

Shri Piyush Tiwari
Director (Commercial & Marketing)
Shri Pradip Kumar Das
Director (Finance) & CFO

Government Nominee Directors

Smt. Meenakshi Sharma, IA&AS
Shri Rajesh Kumar Chaturvedi, IAS

Independent Directors

Shri Ajay Swarup
Shri Patel Karshanbhai Bhikhabhai
Dr. Paragbhai M. Sheth
Shri K. Padmakumar

Company Secretary

Shri V.K. Jain

Registered Office

Scope Complex
Core 8, 6th Floor
7 Lodi Road
New Delhi-110003

Statutory Auditors

M/s Agiwal & Associates
Chartered Accountants
Lal Kothi, 2nd Floor
3830, Pataudi House Road
Above Bank of Baroda
Darya Ganj
New Delhi-110 002

Secretarial Auditors

M/s KJ & Associates

Branch Auditors

M/s Deoki Bijay & Co.
M/s K.G. Acharya & Co.
M/s V.J. Choksi & Co LLP
M/s G.S. & Associates
M/s A. Mitra & Associates
M/s Manas Dash & Co.
M/s S.C.J. Associates
M/s Yoganandh & Co., LLP
M/s P.V.A.R & Associates

Bankers

Canara Bank
Central Bank of India
Corporation Bank
Indian Bank
Indian Overseas Bank
Bank of India
Punjab National Bank
State Bank of India
IDBI Bank Ltd.
HDFC Bank
United Bank of India
Syndicate Bank
Axis Bank
ICICI Bank

INDIA TOURISM DEVELOPMENT CORPORATION LTD.

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

Notice

Notice is hereby given that 54th Annual General Meeting of India Tourism Development Corporation Ltd. will be held on Monday, the 16th September, 2019 at 1100 hours in Ashok Hotel at Convention Hall (Entry from Samrat Hotel through Ashok-Samrat connecting door), New Delhi 110021 to transact the following businesses:-

Ordinary Business

- (1) To receive, consider and adopt the Standalone Financial Statements as at 31st March, 2019 together with the Report of the Auditors, Comptroller and Auditor General of India and the Board's Report thereon.
- (2) To receive, consider and adopt the Consolidated Financial Statements as at 31st March, 2019 and Report of Auditors and Comptroller and Auditor General of India thereon.
- (3) To declare a dividend of 21% (i.e. ₹ 2.10 per share) aggregating ₹ 18,01,15,740/- on the equity share capital of the company as recommended by the Board of Directors.
- (4) To appoint a Director in place of Shri Piyush Tiwari (DIN 07194427), Director who retires by rotation pursuant to Article 61 of the Article of Association and being eligible offers himself for re-appointment.
- (5) To appoint a Director in place of Shri Pradip Kumar Das (DIN 07448576), Director who retires by rotation pursuant to Article 61 of the Article of Association and being eligible offers himself for re-appointment.

By Order of the Board of Directors

Place: New Delhi
Dated: 06.08.2019

Sd/-
(V. K. JAIN)
COMPANY SECRETARY
ACS 11270

Notes:

1. Additional information in respect of the Directors seeking re-appointment at the AGM forms part of the Notice.
2. **A member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company. Proxies, in order to be effective, must be lodged at the Registered office of the Company not less than 48 hours before the Meeting. Proxy form is enclosed. Proxies submitted on behalf of the companies, societies etc. must be supported by an appropriate resolution/authority as applicable.**

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can be appointed as proxy on behalf of members not exceeding fifty and holding in aggregate not more than 10% of the total share capital carrying voting rights.
3. The Members/Proxies should bring the Attendance Slip, duly filled in and signed, for attending the Meeting.
4. In compliance with provisions of Regulation 44 of SEBI (LODR) Regulations, 2015 and Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering Remote e-voting facility as well as voting through ballot paper at the meeting to all the Shareholders of the Company whose names are registered as on the Cut-off date i.e. 9th September, 2019 in respect of all items to be transacted at this Annual General Meeting. User ID and Password for electronic voting are being provided by M/s Karvy Fintech Pvt. Ltd., the Registrar & Transfer Agent. The instructions for e-voting are given on the back of the Attendance Slip which is placed separately in the Annual Report.

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

A person who becomes a member of the Company after dispatch of the Notice of the meeting and holding shares on the cut-off date i.e. 9th September, 2019 will also be entitled to cast his vote and may obtain the User ID and password. The manner of obtaining User ID and Password is available on <http://www.theashokgroup.com/Aboutus/InvestorCorner> under newspaper notice.
5. The Register of Directors and KMP and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

6. Members are requested to:-
 - a) bring their copies of Annual Report, Notice and Attendance Slip duly completed and signed at the Meeting.
 - b) deliver duly completed and signed Attendance Slip at the entrance of the meeting venue.
 - c) note that the attendance slip/proxy form should be signed as per the specimen signature registered with the Company/Karvy Fintech Private Limited, Registrar & Transfer Agent (RTA)/Depository Participant (DP).
 - d) note that in case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
 - e) quote their folio/Client ID & DP ID Nos. in all correspondence.
 - f) note that no gifts/coupons will be distributed at the Annual General Meeting.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 9th September, 2019 to Monday, the 16th September, 2019 (both days inclusive) for the purpose of AGM and Dividend payment.
8. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the meeting, will be paid to those members whose names appear on the Register of Members as on the closing hours of 8th September, 2019.
9. Members holding shares in multiple folios in physical mode are requested to apply for consolidation to the RTA along with relevant share certificate.
10. Unclaimed dividend for the financial year 2011-12 will be due for transfer to the Investor Education and Protection Fund of the Central Government (IEPF) on 07.11.2019 pursuant to the provisions of Section 124 of the Companies Act, 2013.

Members are advised that details of unclaimed dividend in respect of the financial year 2011-12 and up to and including the financial year 2017-18 are available on the Company's website i.e. www.theashokgroup.com under the icon **About us-Investor Corner**.

Members should write to the company if their dividend warrants in respect of the aforesaid financial year(s) have not been encashed.
11. SEBI has mandated the submission of PAN by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the RTA/Company.
12. Members who are yet to register their e-mail addresses with the Company or with the Depository Participants are once again requested to register the same. Further, Members whose shareholding(s) are in electronic mode are requested to direct changes relating to address, bank mandate and Electronic Clearing Service (ECS) details to their respective Depository Participants.
13. Electronic copy of the Annual Report for 2018-19 along with instructions for e-voting and Attendance Slip are being sent to all the members whose email- IDs are registered with the RTA/Depository Participant(s) for communication purposes unless any member has requested for

a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report for 2018-19 are being sent in the permitted mode. Members can also see these documents at the Company's website www.theashokgroup.com under the icon About us - Investor Corner and physical copies of these documents are available at the Company's registered office for inspection during normal business hours on working days. Members who require these documents in physical form in addition to e-communication, may write to us.

14. Members having any questions on accounts or any other item set out in the Agenda are requested to send their queries at least 10 days in advance to the Company at its registered office address to enable the Company to collect the relevant information and to keep the information ready at the meeting.
15. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company has engaged the services of M/s Karvy Fintech Private Limited to provide the facility of electronic voting ('e-voting') in respect of the Resolutions proposed in this AGM. The Board of Directors of the Company in its meeting held on 22.07.2019 has appointed M/s P.C. Jain & Co (FCS 4103), Practicing Company Secretaries, as the Scrutinizer for this purpose.
16. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered office of the Company during normal business hours (9.30 am to 5.30 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

To

- (i) All Members of India Tourism Development Corporation Ltd.
- (ii) M/s Agiwal & Associates, Chartered Accountants, Lal Kothi, 2nd Floor, 3830, Pataudi House Road, Above Bank of Baroda, Darya Ganj, New Delhi-110 002
- (iii) M/s K.J. & Associates, Company Secretaries, 208, Triveni Complex, E- 10-12, Jawahar Park, Laxmi Nagar, New Delhi- 110 092
- (iv) M/s P.C. Jain & Co., Company Secretaries, C/o Gem Business, 104, First Floor, 86, Nehru Place, Kalkaji, New Delhi - 110 019
- (v) All the Directors on the Board of India Tourism Development Corporation Ltd.
- (vi) All Stock Exchanges

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

Shri Piyush Tiwari: Shri Piyush Tiwari, 54 years, is Director (Commercial & Marketing) [Additional charge of Chairman & Managing Director given on 15.07.2019] of our Company since 28th May 2015 and holds a Bachelor's Degree in Electrical Engineering, Master's Degree in Sociology and Post Graduate Diploma in Management from MIT, Ghaziabad. Earlier, he was Regional Manager (North) and Deputy General Manager of Rashtriya Ispat Nigam Ltd., a Navratna PSU under the Ministry of Steel, Govt. of India. In his career spanned over 29 years, Shri Tiwari is credited for administrating major consumption centres of Iron & Steel in India in all four regions (North, East, West & South) in various capacities. Shri Tiwari has extensive experience in steel industry in managing Profit Centre Operations, Marketing and Business Development (B2B and B2C) and formulating strategies for growth with an overall business perspective.

Shri Tiwari is also acting as Director and Chairman of 2 Joint Venture Companies of ITDC. He is a Director in one more CPSE (M/s Kumarakruppa Frontier Hotels Pvt. Ltd.) under the administrative control of the Ministry of Tourism. He does not hold any shares in ITDC.

Shri Pradip Kumar Das: Shri Pradip Kumar Das, 53 years, is Director (Finance) of our Company since February 25, 2016. He is Member of the Institute of Cost Accountants of India and the Institute of Company Secretaries of India. He also holds post graduate diploma in business management (PGDBM). Prior to joining our Company, he was Deputy General Manager in Rural Electrification Corporation Limited.

Shri Das has also worked with Bharat Heavy Electricals Limited (BHEL), Nuclear Power Corporation Ltd (NPCL), Bharat Heavy Plate and Vessels Ltd (BHPV), Kusum Products Ltd and other organisations. In his career span of 28 years, he has vast experience in various positions in Finance, Banking, Accounts, Audit etc. both in public as well as private sectors.

Shri Das is also acting as Director of 3 Joint Venture Companies of ITDC. He does not hold any shares in ITDC.

By Order of the Board of Directors

Place: New Delhi
Dated: 06.08.2019

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

Board's Report (2018-19)

Dear Shareholders,

Your Directors have pleasure in presenting the 54th Annual Report together with the audited accounts of the Corporation for the year ended 31st March, 2019.

Your Corporation has achieved a total turnover of ₹ 371.72 crore during the financial year 2018-19 as against ₹ 366.42 crore in the previous year 2017-18. During the financial year 2018-19, the Corporation has recorded a Total Comprehensive Income (TCI) of ₹ 43.93 crore as against TCI of ₹ 13.22 crore in previous year 2017-18, a jump of 232.29%.

Performance Highlights

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

(₹ in crore)		
Particulars	Audited 2018-19	Audited 2017-18
Income from Operations	349.96	339.71
Operating Expenses	323.90	349.80
Operating Profit/Loss	26.06	(10.09)
Other Income	21.77	26.71
Profit/Loss before Depreciation, Finance Cost, Exceptional Item	47.83	16.62
Depreciation	7.12	6.87
Finance Cost	0.53	0.48
Profit / Loss before Exceptional Items	40.18	9.27

Exceptional Items	(22.05)	(30.85)
Profit / Loss before Tax	62.23	40.12
Provision for Income Tax	13.91	15.98
Deferred Tax	5.16	(7.28)
Provision for Income Tax for earlier years written back	(1.21)	0.05
Profit/Loss from continuing operations after tax	44.37	31.37
Net Profit/(Loss) from Discontinuing Operations	(4.31)	(18.87)
Tax expense of Discontinued operations	(2.10)	(5.21)
Net Profit/ (Loss) from Discontinued Operations after tax	(2.21)	(13.66)
Net Profit/ (Loss) for the period	42.16	17.71
Other Comprehensive Income -		
(i) Items that will not be reclassified to Profit or Loss	2.73	(6.28)
(ii) Income tax relating to items that will not be Reclassified to Profit or Loss	(0.95)	1.79
Other Comprehensive Income for the Period (i+ ii)	1.78	(4.49)
Total Comprehensive Income for the Period	43.93	13.22

Note : Financials for the year 2017-18 has been re-casted during the year 2018-19 due to impact of prior period items for making the financial Ind AS compliant.

Operating Ratio

The Operating Ratio has decreased to 92.55% from 102.97% in the previous financial year.

Division wise Financial Performance

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

- Hotels Division has achieved a turnover of ₹ 251.65 crore during the year as against ₹ 269.84 crore in the previous year and earned the profit before tax (PBT) of ₹ 33.01 crore as against the PBT of ₹ (0.55) crore in the previous year.
- The turnover of A.I.T. Division was ₹ 18.47 crore against ₹ 15.03 crore in the previous year. During the year 2018-19, 13 duty free shops were in operation at seaports i.e. Goa, Haldia, Kolkata, Chennai, Mangalore, Visakhapatnam, Mumbai, Paradip, Kakinada, Cochin, Krishnapatnam, Tuticorin and Kamarajar. The AIT division has earned Profit before Tax (PBT) of ₹ 3.27 crore as compared to PBT of ₹ 0.52 crore in the previous year.
- The turnover of ATT Division has increased to ₹ 34.50 crore during 2018-19 from ₹ 29.65 crore in the previous year 2017-18. The ATT Division has earned a PBT of ₹ 1.62 crore as against the PBT of ₹ 2.13 crore in the previous year.
- The turnover of the Ashok Events Division increased to ₹ 43.41 crore during 2018-19 from ₹ 37.12 crore during previous year 2017-18 and has earned a Profit before Tax (PBT) of ₹ 4.93 crore as against PBT of ₹ 4.91 crore in the previous year.
- The Engineering Division including SEL Projects achieved a turnover of ₹ 5.73 crore during the year 2018-19 (previous

year ₹ 8.72 crore) with net loss of ₹ 4.14 crore as against net loss of ₹ 4.32 crore in the previous financial year.

- The Ashok Institute of Hospitality and Tourism Management (AIH&TM) achieved a turnover of ₹ 4.85 crore during 2018-19 as against a turnover of ₹ 3.61 crore in the previous year 2017-18 and earned a profit before tax of ₹ 0.56 crore against Net loss of ₹ 0.81 crore in previous year 2017-18.
- The Corporate HQ being the administrative office has earned an income of ₹ 21.60 crore (previous year ₹ 26.68 crore) mainly constituting income from interest on short term deposits with banks from the surplus funds available with it. During the year 2018-19, apart from interest income, HQ has also earned profit from disinvestment of hotel units/subsidiary companies of ₹ 16.36 crore.

Note : Division-wise Turnover and Profit comprises of Turnover and Profit of both Continuing as well as Discontinued Operations.

Capital Structure

There is no change in authorized and paid-up share capital of the Corporation. The Authorized Share Capital of the Corporation is ₹ 150 crore and the paid-up Share Capital is ₹ 85.77 crore as on 31st March, 2019.

Compliance of Clause 38 of SEBI (LODR) Regulations:

ITDC is a Central Public Sector Enterprise (CPSE). Process of dilution of Government equity in CPSEs is undertaken by Department of Investment and Public Assets Management

(DIPAM). DIPAM has already appointed SBI Capital Ltd. and IDBI Capital Ltd. jointly as the Merchant Banker and M/s Cyril Amarchand Mangaldas as the legal advisor for dilution of equity of Government of India in ITDC. ITDC is following with the Ministry of Tourism to pursue the matter with DIPAM for compliance of Minimum Public Shareholding norms in ITDC.

Dividend

The Board of Directors recommended a dividend of 21% for the financial year 2018-19 on the equity share capital of the Company.

Corporation's Dividend Distribution Policy is available at the website link https://www.theashokgroup.com/images/investors/2018120_170913.pdf

Transfer to Reserve

No amount has been transferred to the General Reserves.

Rating of ITDC vis-à-vis MoU targets

Performance of the Company for the year 2017-18 has been notified as 'FAIR' with Composite Score 39.66 by Department of Public Enterprises (DPE) in terms of the MoU signed with the Government of India.

Management Discussion and Analysis

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

Procurement from MSEs

During the financial year 2018-19, the Corporation has procured 24.85% of total procurement of goods and services from Micro and Small Enterprises (MSEs) against the prescribed target of 20% as per the then procurement

policy of Govt. of India. The procurement from MSEs owned by SC/ST entrepreneurs was 0.025% against the target of 4%. Further all tenders contained a clause for exemption of tender fee and EMD for MSEs. Tender also contained the clause for due preference to MSEs as per Gol guidelines.

Implementation of Official Language Policy

During the year 2018-19, the Company continued its efforts to give impetus to the use of Hindi in day-to-day official work through motivation and training. Cash incentives were granted to employees on doing prescribed quantum of work in Hindi. Hindi workshops were organized to provide practical training of noting-drafting, Unicode, Google voice type and other works in Hindi. Various Hindi competitions were also organized during Hindi Parv (Fortnight) celebrations. A cultural program and Hindi Kavi Gosthi were organized at Hotel - The Ashok on 26th September, 2018 to celebrate "Hindi Parv" which included performances by prominent Hindi poets as well as various performances like songs, drama etc. by ITDC's own employees besides Rajbhasha Prize Distribution Function to encourage Official Language in the Corporation.

Conservation of Energy & Technology Absorption

Commitment towards energy conservation remains in the units at various stages of operations. Commercial considerations, energy conservation policies and practices play a vital role in the endeavours made in this direction.

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

Foreign Exchange Earnings & Outgo

The Direct Foreign Exchange Earnings during the year 2018-19 has increased to ₹ 18.65 crore as against ₹ 15.27 crore in the previous financial year.

Subsidiary Companies

As on 31.03.2019, the Corporation has four subsidiary companies viz.

- (i) Pondicherry Ashok Hotel Corporation Ltd
- (ii) Ranchi Ashok Bihar Hotel Corporation Limited.
- (iii) Utkal Ashok Hotel Corporation Ltd
- (iv) Punjab Ashok Hotel Company Ltd.

The Hotel Units were set up under the aforesaid subsidiary companies at Puducherry and Ranchi respectively. The operation of Hotel at Puri is closed since March, 2004 and the Hotel has been planned to be leased out. The Hotel project at Anandpur Sahib is incomplete. Due to continuous losses, the operations of Hotel Ranchi Ashok have also been closed w.e.f. 29.03.2018. All the subsidiary companies are under disinvestment process, the status of disinvestment is being shown elsewhere in the report.

The Annual Accounts of all the subsidiary companies have been audited and finalized and the Consolidated Annual Accounts have been prepared and presented in this Annual Report. A statement containing the salient features of the Financial Statements of subsidiary companies forms part of the Consolidated Annual Accounts 2018-19.

Vigil Mechanism and Whistle Blower Policy

The Corporation has a Whistle Blower Policy which is posted on the website <http://www.theashokgroup.com/Aboutus/rti>. Being a Central Public Sector Enterprise, the Corporation has a Vigilance Department. Chief Vigilance Officer, the Head of the Vigilance Division, is under the direct control of the Central Vigilance Commission (CVC), an independent Govt. Agency.

Board of Directors

During the year, seven Board meetings were held to transact the business of the Company.

The Board presently comprises of eight Directors i.e., Director (C&M) being given the additional charge of Chairman & Managing Director w.e.f. 15.07.2019 (A/N), Director (Finance), two Government Nominee Directors and four Independent Directors as under:

A) Executive Directors

1. Shri Piyush Tiwari, Director (C&M) from 28.05.2015 (Additional charge of Chairman & Managing Director given w.e.f. 15.07.2019)
2. Shri Pradip Kumar Das, Director (Finance) from 25.02.2016

B) Non-Executive Directors

(a) Part-time Government Nominee Directors:

1. Smt Meenakshi Sharma (IA&AS), from 11.07.2016
2. Shri Rajesh Kumar Chaturvedi, IAS from 20.05.2019

(b) Independent Part time Directors:

1. Shri Ajay Swarup from 08.08.2016
2. Shri Patel Karshanbhai Bhikhabhai from 08.08.2016
3. Dr. Paragbhai M. Sheth from 30.07.2018
4. Shri K. Padmakumar from 30.07.2018

During the financial year 2018-19, following directors were appointed/ceased to be appointed :

Part time Govt. Nominee Directors :

1. Shri Bipin Mallick, IAS, appointed as Government Nominee Director vide order dated 16.04.2018 w.e.f. March 13, 2018 and ceased as Director on 05.07.2018
2. Shri Shambhu Singh, IAS, appointed as Government Nominee Director w.e.f. 10.08.2018 and ceased as a Director on 26.10.2018.
3. Dr. Dharmendra Singh Gangwar ,IAS appointed as Government Nominee Director w.e.f. 26.10.2018 and ceased as a Director on 20.05.2019.

Independent Directors :

1. Shri K. Padmakumar appointed w.e.f. 30.07.2018
2. Dr. Paragbhai M. Sheth appointed w.e.f. 30.07.2018
3. Dr. Kamala Singh was appointed w.e.f. 30.07.2018 but ceased to be on the Board due to her sad demise.

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

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

Training Policy and the training imparted to the Directors

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

During the financial year 2018-19, Dr. Paragbhai M. Sheth and Shri K. Padmakumar participated in training programme organized by DPE at Mysuru from 17.09.2018 and 18.09.2018. Further, Familiarization programme conducted by ITDC for Non-official directors on 14.02.2019 which was attended by the four Non-official directors. Details are given in the website www.theashokgroup.com/aboutus/investorcorner

Declaration by Independent Directors

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

2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015.

Board Evaluation

The evaluation of the Board as a whole and the Independent Directors is conducted on the basis of criteria and framework laid down by the Nomination & Remuneration Committee of the Board. Based on the evaluation criteria laid down by the Committee, the performance evaluation of the Board is measured in six areas. The performance evaluation of the Independent Directors is also measured in six areas based on questionnaire designed on a scale of 1 to 5.

Particulars of loans, guarantee or investments

During the year under review, ITDC released loan of total ₹ 7,00,000/- on 25.06.2018 at a rate of interest of 12.5% per annum to M/s Utkal Ashok Hotel Corporation Ltd., a joint venture subsidiary of ITDC for meeting expenditure of Security Services, Miscellaneous Expenses and Legal Expenses. In ITDC Board Meeting held on 14.02.2019, a loan of ₹10 lakh was approved to M/s Utkal Ashok Hotel Corporation Ltd. @ rate of interest of 12.5% per annum or such revised rate after reconsideration by ITDC. It was approved that this loan of ₹ 10 lakh would be disbursed in instalments on the request of M/s UAHCL. On 01.03.2019, a loan of ₹ 2,50,000 was released to M/s Utkal Ashok Hotel Corporation Ltd.

Corporate Governance

As per the requirement of Clause C of Schedule V to SEBI (LODR) Regulations, 2015, a detailed report on Corporate Governance

together with the following is given in **Annexure-II** which forms part of this Report.

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

Directors' Responsibility Statement

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

- that in the preparation of the accounts for the financial year ended 31st March, 2019, the applicable accounting standards have been followed read along with proper explanation relating to departures;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Directors have prepared the accounts for the financial year ended

31st March, 2019 on a 'going concern' basis;

- that the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Internal Financial Controls

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

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

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

Related Party Transactions

There are no materially significant related party transactions reportable under Section 188 of the Companies Act, 2013. The Audit Committee and the Board has approved a policy on materiality of the related party transactions, which is posted on the website of the company <http://www.theashokgroup.com/Aboutus/Investorcorner>.

Disclosure as per OM of Ministry of Parliamentary Affairs

In compliance with the OM F.No. 28(1)/2016-Leg.I dated 24.01.2018 of Ministry of Parliamentary Affairs, Government of India on the recommendations made by the Committee on Papers Laid on the Table (Rajya Sabha), details related to vigilances, Audit Objections and RTI matters etc. are required to be included in the Annual Report of the Company. The relevant details are as under :

Vigilance Cases

Number of Vigilance cases disposed off during the financial year 2018-19 are 19 (nineteen) whereas the pending Vigilance/ Disciplinary cases are 13 (thirteen). The gist of the nature of such cases are irregularities in tendering of Sound and Light Show, CBI case of demanding bribe for releasing payment, violation of procedure in refund of tickets of ATT, delay in payment to suppliers, irregularities in engineering cases pertaining to installation of machineries, irregularities in misappropriation of funds in Ashok Events Division and irregularities in purchases etc.

Audit Objections

There are total outstanding 127 para pending for resolution with CAG.

RTI Matters

The Corporation is a Public Authority under clause (h) of Section 2 of Right to Information Act, 2005. The Corporation has taken necessary steps for the implementation of the Right to Information Act, 2005. The Corporation is in compliance with the RTI Act, 2005.

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

During 2018-19, one case was registered. Report submitted on 05.04.2019.

Corporate Social Responsibility and Sustainable Development

ITDC has undertaken the following activities under CSR.

- Sanitation and hygiene for Swachh Bharat Swachh Paryatan Project by undertaking cleanliness and maintenance of Qutub Minar, Red Fort and Purana Quila.
- Procurement and Provision of Advance Life Support Ambulance to District Ferozpur, Punjab. (Aspirational District listed by Niti Aayog).
- ITDC has contributed ₹ 5.00 lakh to Prime Minister's National Relief Fund.

Expenditure on above activities during 2018-19 was approximately ₹ 44.01 lakh.

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

Risk Management Policy and its Implementation

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

As per revised Regulation 21 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, relating to reconstitution of Risk Management Committee applicable to top 500 listed entities w.e.f. 01.04.2019, ITDC has formed a Risk Management Committee in the Board Meeting held on 26.09.2018. As per the requirement of SEBI Regulation, this committee may consist of Board Members as well as non-board members but majority of members shall consist of members of the Board and the chairperson shall be a member of the board. The Board in its meetings held on 26.09.2018, 14.11.2018 and 22.07.2019 has approved the constitution of the Committee as under:

- Shri Piyush Tiwari (Director- C&M) - Chairman
- Shri Pradip Kumar Das, (Director- Finance) - Member
- Dr. Paragbhai M. Sheth - Member
- VP (Hotels) - Member
- GM (F&A), HOD - Member
- Company Secretary - Member

The role and responsibilities of the Risk Management Committee in ITDC as approved by the Board in its meeting held on 14.11.2018 is as under:

- To see that the Risk Management Functions are being taken as per Risk Management Policy approved by the Board.
- To review the Risk Management policy from time to time.
- To review the action taken to mitigate the risks identified by different divisions.

Company's specific risks (Level of Risks : Likely/ Almost Certain) :

Economic Risk:

- More Dependence on one segment of clients i.e. Government
- Loss of Chain/Group advantage

Industrial Risk: Low Margin in Airline Ticketing business, Arrival of new and technologically strong players in the field of Hospitality and Tourism.

Management & Operational Risk: Change in Technology/upgradation.

Personnel Risk: Non-availability of adequate executives and skilled staff.

Political Risk: Uncertainty on the continuation of ITDC due to disinvestment of hotels/ properties of ITDC.

Legal Risk: Contractual Risk and Tax risk.

Auditors and Auditor's Report

The Comptroller & Auditor General of India have appointed M/s Agiwal & Associates,

Chartered Accountants as Statutory Auditors of the Company and also various Branch Auditors for the year 2018-19 under 134(5) of the Companies Act, 2013.

Secretarial Auditor and Secretarial Audit Report

ITDC Board in its meeting held on 29th March, 2019 has appointed M/s K J & Associates, Company Secretaries as the Secretarial Auditors for conducting the Secretarial Audit as required under Section 204 of the Companies Act, 2013. The Secretarial Audit Report is placed at **Annexure-IV** and Certificate of Non-Disqualification of Directors given by the Secretarial Auditor is placed at **Annexure-V**.

Extract of Annual Return

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

Significant and Material Orders

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

Comments of the Comptroller and Auditor General of India

The Comments of the Comptroller & Auditor General of India, under Section 143(6) of the Companies Act, 2013 on the Accounts (Standalone and Consolidated) of the Company for the financial year ended 31st March, 2019 are set out elsewhere in the Annual Report.

Details of dues of Income Tax which have been shown as contingent liability in the financial statements for the year ended 31-03-2019 and not been deposited on account of dispute are given as below:

Period (FY) to which amount relates	Amount (₹ In lakh)	Forum where dispute is pending
2013-14	388.15	ITAT
2014-15	107.65	CIT (A)
2015-16	59.75	CIT (A)
1997-98	250.37	Joint Commissioner
2002-03	239.27	Joint Commissioner
2004-05	119.08	Joint Commissioner
2006-07	20.80	Joint Commissioner
Earlier Years	21.56	CPC/Income Tax Department
Earlier Years	8.15	CPC/Income Tax Department
Total	1,214.77	

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

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

No. of hotels disinvested during 2018-19 (upto the date of Report)

S.No.	Date of Disinvestment	Name of Property	Amount of Revenue received by ITDC
1	Share Transfer Agreement signed on 17.05.2018	51% Equity stake in Donyi Polo Ashok Hotel Corporation Ltd. (Hotel Donyi Polo Ashok, Itanagar)	₹ 1.98 crore
2	Transfer documents signed on 25.05.2018	Lalitha Mahal Palace Hotel, Mysore	₹ 7.45 crore
3	Hotel handed over on 03.04.2019	Hotel Patliputra Ashok, Patna	₹ 13.005 crore