49th ANNUAL REPORT

2013-14

INDIA TOURISM DEVELOPMENT CORPORATION LIMITED

Board of Directors
(As on14th August, 2014)

Managing Director
Dr. Sameer Sharma

Functional Directors
Cmde (Retd.) Ratan Kumar Okhandiar
Director (Commercial & Marketing)
Shri Trinath Behera
Director (Finance)

Govt. Nominee Director
Dr. (Ms.) T. Kumar
Shri Girish Shankar

Company Secretary
Shri V. K. Jain

Registered Office
Scope Complex
Core 8, 6th Floor
7, Lodhi Road
New Delhi – 110003

Statutory Auditors
M/s V. K. Verma & Company
C-37, Connaught Place,
New Delhi – 110 001

Branch Auditors
M/s A. K. Patel & Associates
M/s Vinod Singhal & Co.
M/s Jain & Jain
M/s J.P. Goyal & co.
M/s Guru & Ram
M/s M N S & Co.
M/s Narendra & Co.
M/s Pachnanda & Associates
M/s Salarpuria Jajodia & Co.
M/s Suru Kotni & Associates
M/s Hingorani M & Co.

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

Directors' Report

2013-14

Dear Shareholders,

Your Directors have pleasure in presenting the 49th Annual Report together with the audited accounts of the Corporation for the year ended 31st March 2014.

Your Corporation has achieved a total turnover of Rs. 469.58 crore during the financial year 2013-14 as against Rs. 440.64 crore in the previous year 2012-13 indicating an overall increase by 6.57%. The increase in overall turnover has been achieved in all the commercial divisions except Hotel LMPH, Janpath, Jammu, Patna & AITD and Ashok Events Division. During the financial year 2013-14, the Corporation has recorded a Net Profit (before tax) of Rs. 11.93 crore as against net profit before tax of Rs. 5.48 crore in previous year 2012-13.

Performance Highlights

The highlights of the financial results of the corporation (Stand alone) are given below :-

(Rs. in crore)

Particulars	2013-14	2012-13
Turnover	469.58	440.64
Operating Profit/(Loss)	21.73	13.73
Less: Depreciation	5.96	5.89
Add/(Less) Prior period adjustments & Extra ordinary items	(-) 3.84	(-)2.36
Profit before Tax	11.93	5.48
Add/(less): Deferred Tax	1.00	(-)0.59
Less: Provision for Income Tax	-3.50	2.20
Less:- Provision for Wealth Tax	-0.01	0.01
Add/(Less): Provision for Income Tax for earlier years written back	-	0.32
Profit after Tax	9.42	3.00
Amount available for appropriation	9.42	3.00
Proposed Dividend	4.29	0.00
Dividend Tax	0.73	0.00
Equity Capital	85.77	85.77
Capital Employed	278.98	277.25
Rate of Return on Capital :-		
Before Tax	13.91%	6.38%
After Tax	10.98%	3.5%
Rate of Return on Capital Employed		
Before Tax	4.28%	1.98%
After Tax	3.38%	1.08%

Operating Ratio

The Operating Ratio has decreased by 1.51% in the current year with the overall operating ratio of 95.37% as against 96.88% in the previous year 2012-13.

Division wise financial performance

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

Hotel Division has achieved turnover of Rs.262.88 crore during the year 2013-14 as against Rs. 250.59 crore in the previous year 2012-13 indicating increase by 4.90% and incurred the net loss of Rs.4.58 crore as against the net loss of Rs. 4.81 crore in the previous year .

(ii) The turnover of Ashok International Trade Division (A.I.T.Division) has decreased to Rs. 9.40 crore from Rs. 11.35 Crore in the previous year. During the year 2013-14, there are 7 duty free shops in operation i.e. at Goa, Goa Seaport, Coimbatore, Haldia Port, Kolkata Port, Chennai Port and Mangalore Port. During the year 2013-14, the AIT Division has incurred a Net Loss of Rs. 1.58 crore as compared to net loss Rs. 3.96 crore in the previous year.

(iii) Further, the turnover of Ashok Travels & Tours (ATT) Division has increased to Rs. 123.08 crore from Rs. 106.61 crore in the previous year registering an increase by 15.44%. The ATT Division has incurred a net loss of Rs. 1.78 crore as against the net loss of Rs. 1.99 crore in the previous year.

(iv) The turnover of Ashok Tourist Service Station (ATSS) has increased to Rs.12.96 crore from Rs. 10.45 crore in the previous year registering a increase by 24.02%. The ATSS has suffered a net loss of Rs. 0.49 crore as against the net loss of Rs. 0.17 crore in the previous year.

(v) The turnover of the Ashok Creative Division (including SEL Red Fort) has been recorded at Rs.7.89 crore (previous year Rs. 6.92 crore) and has incurred a loss of Rs. 1.57 crore as against net loss of Rs. 1.51 crore in the previous year 2012-13.

(vi) The Engineering Division has achieved a turnover of Rs. 6.91 crore during the year 2013-14 (previous year Rs. 4.57 crore) with net loss of Rs. 6.83 crore as against net loss of Rs.11.06 crore in the previous financial year 2012-13.

(vii) The turnover of Ashok Events division has decreased to Rs. 10.98 crore (previous year Rs. 17.06 crore) with net profit of Rs. 0.66 crore as against net profit of Rs. 2.94 crore in the previous year.

(viii) The Ashok Institute of Hospitality and Tourism Management (AIH&TM) has achieved turnover of Rs. 8.71 crore as against Rs. 7.76 crore in the Previous year with net profit of Rs. 1.35 crore (previous year net profit of Rs. 0.72 crore) .

(ix) The Corporate HQ. being the administrative office has earned an income of Rs. 26.76 crore (previous year Rs. 25.34 crore) mainly consisting of income from Interest on short term deposits with banks from the surplus funds available with it.

2 CAPITAL STRUCTURE

There is no change in authorized and paid up capital of the Corporation. The Authorized Capital of the Corporation is Rs.150 crore and the paid up Share Capital of the Company is Rs.85.77 crore as on 31st March, 2014.

3 Dividend

The Board of Directors recommended a dividend of 5% on the equity share capital of the company.

4 Rating of ITDC vis-à-vis MOU targets

Performance of the Company for the year 2012-13 has been notified as 'Fair' with Composite Score 3.844 by Department of Public Enterprises (DPE) in terms of the MOU signed with the Government of India.

5 Management Discussion and Analysis

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

6 Plan Schemes

The Revised Capital Budget Estimates towards capital expenditure for 2013-14 was Rs.26.37 crore which included Rs.25.17 crore for renovation/improvement on existing hotels, catering units and other divisions. The capital expenditure during 2013-14 was Rs.1.47 crore out of which Rs. 0.75 crore was capitalized and Rs.0.72 crore was charged to revenue.

The Plan outlay for the year 2014-15 is Rs.71.12 crore out of which Rs.69.17 crore relates to renovation/improvement in existing hotels, catering units, other divisions.

7. Procurement from MSME

As per reports received from the different Hotel Units, Procurement from MSME is Rs.13.56 lac during the financial year 2013-14.

8 Implementation of official language policy

During the year 2013-14, the Company continued its efforts to give impetus to the use of Hindi in official work through motivation and training. Cash incentives were granted to them on doing prescribed quantum of work in Hindi. Hindi workshops were organized to provide practical training of noting-drafting and other works in Hindi. Various Hindi competitions were also organized during Hindi Fortnight celebrations for giving impetus to the use of official language in day to day work. Hindi Kavigoshthi, Hindi Natya Manchan and Hindi Prize Distribution Event were also organized to encourage official language in the Corporation.

9 Particulars of Employees

None of the employees of the Company is drawing remuneration in excess of the limits prescribed under Section 217(2A) of the Companies Act 1956 read with Companies (Particulars of Employees) Rules 1975.

10 Conservation of Energy & Technology Absorption

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

ii. Since your Company's operations do not involve technology absorption, the particulars as per the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 regarding technology absorption, are not applicable.

11 Foreign Exchange Earnings & Outgo

i. The Direct Foreign Exchange Earnings during the year 2013-14 has decreased to Rs.15.87 crore as against Rs.19.72 crore in the previous year.

12 Subsidiary Companies

The Corporation has seven subsidiary companies viz. (i) Donyi Polo Ashok Hotel Corporation Ltd (ii) Assam Ashok Hotel Corporation Ltd (iii) MP Ashok Hotel Corporation Ltd (iv) Pondicherry Ashok Hotel Corporation Ltd v) Ranchi Ashok Bihar Hotel Corporation Limited. (vi) Utkal Ashok Hotel Corporation Ltd, (vii) Punjab Ashok Hotel Company Ltd. The Hotel Units were set up under the aforesaid subsidiary companies at Itanagar, Guwuhati, Bhopal, Puducherry and Ranchi respectively. The operation of Hotel unit at Puri is closed since March, 2004 and the Hotel has been planned to be leased out. The Hotel project at Anandpur Sahib is incomplete. The Annual Accounts of all the subsidiary companies have been audited and finalized and the Consolidated Annual Accounts pursuant to clause 32 of the Listing Agreement has been prepared and presented in this Annual Report.

13 Exemption under section 212(8) of the Companies Act, 1956

The Ministry of Corporate Affairs vide its General Circular No: 2/2011 has granted exemption for attaching the Balance Sheet of Subsidiary Companies with the Parent/Holding Company under Section 212(8) of the Companies Act, 1956 provided certain conditions are fulfilled. In terms of the said circular, a statement containing brief financial details of the Company's subsidiaries for the year ended March 31, 2014 is enclosed as **Annexure VI** of this report. In terms of aforesaid circular it is affirmed that annual report of the subsidiary companies and the related detailed information shall be made available to shareholders of the ITDC and subsidiary companies as and when required. It is further affirmed that annual accounts of the subsidiary companies shall also be made available for inspection by any shareholders in the head office of the ITDC and of the subsidiary companies concerned. The shareholders, if they desire, may write to the company to obtain a copy of financials of the subsidiary companies.

14 Board of Directors

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

ii. During the year under review, Shri Trinath Behera (w.e.f. 26.04.2013) was appointed as Director (Finance) , Dr. (Ms.) T. Kumar, AS&FA-Tourism (w.e.f. 4.9.2013) was appointed as Govt. Nominee Director , Shri Anagolu Venkata Ratnam (w.e.f. 7.10.2013) and Prof. Usha Kiran Rai (w.e.f. 10.12.2013) were appointed as independent directors pursuant to Article 61 of the Articles of Association of the Corporation. Further Shri Girish Shankar, Govt. Nominee Director & Additional Secretary (Tourism) was given the additional charge of the Managing Director w.e.f. 23.04.2013.

iii. During the year under review, Dr. Lalit K. Panwar (w.e.f. 23.04.2013) and Shri J. S. Mathur (w.e.f. 4.9.2013) ceased to be on the Board of Directors. The Board appreciated the valuable services rendered by them during their tenure. The present composition of the Board is as under:

i) Dr. Sameer Sharma, Managing Director w.e.f. 12.05.2014

ii) Cmde (Retd.) R. K. Okhandiar, Director (C&M) w.e.f. 10.07.2012

iii) Shri Trinath Behera, Director (Finance) w.e.f. 26.04.2013

iv) Dr. (Ms.) T. Kumar, Govt. Nominee Director w.e.f. 4.9.2013

v) Shri Girish Shankar, Govt. Nominee Director w.e.f. 06.09.2012

vi) Shri Anagolu Venkata Ratnam, Independent Director w.e.f. 07.10.2013

vii) Prof. Usha Kiran Rai, Independent Director w.e.f. 10.12.2013

iv. Pursuant to Article 61 of the Article of Association, Cmde (Retd.) Shri Trinath Behera, Director (Finance) and Dr. (Ms.) T. Kumar retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment. Details of profile etc. as required under clause 49 of the Listing Agreement in respect of Directors liable to retire by rotation and seeking re-appointment has given along with the Notice of AGM.

15 Corporate Governance

As per the requirement of clause 49 of the Listing Agreement, 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 clause 49(v)]; and
(ii) Certificate from the Company's Auditors [as per clause 49 (vii)] along with the management reply to qualifications .

16 Directors' Responsibility Statement

Pursuant to the requirement under Section 217(2AA) of the Companies Act 1956, it is hereby confirmed: -

- that in the preparation of the accounts for the financial year ended 31st March 2014, 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 1956 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 2014 on a 'going concern' basis.

17 Auditors and Auditor's Report

The Comptroller & Auditor General of India have appointed M/s V. K. Verma & Company, Chartered Accountants as Statutory Auditors of the Company and also various Branch Auditors for the year 2013-14 under Section 619(2) of the Companies Act, 1956. The Management's replies to the comments and observations of the Statutory Auditors on the accounts (Standalone and the Consolidated) for the year 2013-14 are given in ***Annexure- III, IV & V***.

18 Comments of the Comptroller and Auditor General of India

The Accounts for the financial year ended 31st March, 2014 were sent for review by the Comptroller and Auditor General (CAG) of India. Their comments and reply of the Management are awaited and shall be sent as soon as these are received.

19 Acknowledgement

i. The Board places on records its sincere appreciation towards the Company's customers/clients for the support and confidence reposed by them in the organization and look forward to the continuance of this relationship in future.

ii. The Board also gratefully acknowledges the support and guidance received from various Ministries of the Government of India particularly the Ministry of Tourism, in Company's operations and developmental plans. The Board also wishes to record its deep gratitude to all the members of ITDC family whose enthusiasm, dedication and co-operation, put the Company on the path of progress.

For and on behalf of Board of Directors

	Sd/-	Sd/-
Date : 03.09.2014	Trinath Behera	(Dr. Sameer Sharma)
Place : New Delhi	Director (Finance)	Managing Director

Annexure-I

MANAGEMENT DISCUSSION & ANALYSIS REPORT

1. Global and Indian Scenario

Global Economy is slowly recovering and is projected to expand by 2.8% this year. Indian Economy hovering below 5% is suffering from lower growth due to high inflation, weak currency and slow down in the manufacturing sector.

ii. Despite slowing economy, Tourism in India registered a growth. Foreign Tourist Arrivals (FTAs) in India during 2013 were 697 million with a growth of 5.9% as compared to the FTAs of 6.58 million during 2012 registering a growth of 4.3% over 2011.

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

2 SEGMENT WISE PERFORMANCE

A. Hotel Division

Keeping in view the need to improve upon the existing check & monitoring system and endeavour of the Corporation to provide excellent services to our valued guests Smart Hotel Initiatives like Analytics in Operational departments and Customer focused Innovations like AV Check Out Interview recording have been introduced.
The hotel teams have been relentlessly pursuing the major strategic operational points to put the best foot forward so as to meet the commitment to enhance the guest experience by improving the product and service standards.

ii. As a part of a dual pronged strategy to promote the culinary strengths of ITDC hotels abroad as well as promote Indian cuisine abroad, ITDC successfully participated in over fourteen Culinary Festivals during the year with emphasis on Latin American Countries.

iii. ITDC hotels continued to host important events, conventions as well as special short term festivals. VVIP venues like Hyderabad House, Vigyan Bhawan and The Ashok hosted various important conferences/ prestigious events for various Ministries, Government bodies and corporates successfully. Hyderabad House is the key venue for VVIP events and state Banquets extended to State dignitaries visiting India.

iv. The Amphitheater at The Ashok hosted 'Feel India Campaign', An initiative of Incredible India and ITDC which showcased the myriad shades of Indian Culture through the months of February, march and April 2014 .

v. To celebrate various important events and exhibit the fineries of gastronomy, various festivals and promotions were organized at Restaurants. Some of these are FIFA related food Festivals, Frontier Express Lunch, Easter Special Promotion, Christmas carnival, New Year celebrations, Valentine's Day, Navratra Food festival .

vi. Some of the measures taken for improving the performance are :

- Smart Hotel Initiatives – Guest Check out Audio-Visual Interviews for feedback.
- Customer Relationship Management to increase guest engagement and enhance guest services
- Service monitoring through Analytics at Major departments like Housekeeping, Room Service and Security.
- ISO certification of kitchen at Jammu Ashok, Kalinga Ashok- Bhubaneshwar and Lalitha Mahal Palace Hotel-Mysore has been completed.
- Upgrading of products through utilization of idle capacities like new restaurants on lease base.
- New Convention Centre is being added at Brahmaputra Ashok.

vii. The Ashok, New Delhi won 'National Tourism Award and Today's Traveller Award 2013 for Best Convention Centre. Executive Chef Shri Rajan Loomba has been awarded the Best Chef (4 to 5 Star Deluxe, Heritage Grand and Classic Hotels Category) in the National Tourism Awards 2012-13.

viii. Three new outlets named 'S Pangaea', 'S Nom Nom' and 'Zerroco' have been opened at The Ashok, New Delhi

ix. Lease of some of the properties are going to expire. ITDC is pursuing with the State Governments to renew these leases.

B. Ashok Creatives Division

During the year 2013-14, the Division focused on sourcing more work from its existing clients like Ministry of Tourism, TRIFED and new business from Kendriya Vidyalaya Sangthan and conference business through Ashok Events Division.

ii. Advertisements for inhouse requirements of ITDC Units and Divisions and print production work for ITDC Hotels and Divisions has been undertaken by Ashok Creatives Division.

iii. The Division initiated designing of 'The Ashok Coffee Table Book'- Capital Icon, tracing the glorious six decades of the flagship Hotel's existence. The text writing of the book was assigned to the renowned Travel Writers Huge & Collen Gantzer.

iv. The Ashok Creatives Division is making aggressive marketing efforts to source works from PSUs and Government bodies for new publicity and print production works.

iv. The main constraint is that technical manpower is considerably inadequate and staff needs more exposure to the latest developments in their respective fields through workshops, seminars etc. held in India and abroad.

C. Ashok International Trade Division

AITD business is focused mainly on seaports. The Division has presence in 6 seaports, the DFS at Kakinada seaport is awaiting Custom Licence while at Paradip Seaport, we have got space, DFS will be commenced after complying with necessary formalities during the financial year 2014-15. Mumbai Port Trust issued us provisional letter for allotment of space at Mumbai Port International Cruise Building subject to the final decision of the Board of Trustees. The ports in Kandla & Tuticorin are the next targets and talks with these ports are progressing well.

ii. With all the major airport retail operations in India having been bagged by major international players, ITDC is aiming for aiports in the tier II cities in the country, as the international passenger flow has increased at these airports also.

iii. There are big opportunities emerging in allied areas such as seaports and Border shops, AIT Division is tapping the opportunties at the seaport in a big way and intend to foray into Border shop area also in the near future.

D. Ashok Travel and Tours Division

During the year 2013-14, ATT has achieved an all time high turnover of Rs.123.08 crore. During the current fiscal, ATT launched its online travel portal – www.itdctravels.com. ATT plans to start cargo business during the next financial year to improve its margins.

E. Ashok Institute of Hospitality & Tourism Management

The activities of AIH&TM are:

- 04 years bachelors degree in International Hospitality Business Management (bihbm) in association with Kurukshetra University since the year 2004.
- one year diploma courses in hospitality trades in association with National Institute of Open Schooling in 2011.
- Skill Development Training Programmes sponsored by Ministry of Tourism e.g hunar se rozgar since 2011
- on-the-job training to trainees/students.
- apprenticeship training
- training of ITDC executives and non executives as per yearly calendar.
- 1 year residential training programme in airline, hospitality & travel management sponsored by department of North Eastern Region. (DONER), since 2007.

- diploma and degree programmes in hospitality and tourism management in association with Mewar university,

<u>VISION FOR AIH&TM</u>

1. Expansion of infrastructure by setting up a skill training centre at Kosi Kalan, Mathura in association with other empanelled partners.
2. Affiliation with NCHMCT to offer B.Sc course in order to increase student strength.
3. Designing craftsman course of 03 to 06 months duration Expansion of NIOS courses by having partnership on sharing basis with private institutes.
4. Implementing other schemes of MOT under CBSP scheme like Skill Certification Course etc.
5. Participation in more inter college competition to give more exposure to our students.
6. Arranging for campus placements with other hotel chains.

F. Ashok Consultancy & Engineering Division

Ashok Consultancy & Engineering Division consists of engineers from Civil, Electrical & Mechanical, Architect and Horticulture disciplines. The expertise lies in preparing techno-economic feasibility reports (DPR's) engineering technical services, management consultancy and advisory services and consultancy for adventure tourism. Sound & Light Show(SEL) is the unique expertise of ITDC and have implemented several SEL Shows in India. Ministry of Tourism, Ministry of Culture and State Governments approach ITDC for utilizing these services.

ii. The completed projects are Renovation of 17 Guest Rooms of Hotel Kalinga Ashok, Bhubaneswar and SEL show at Cellular Jail, Port Blair at Andaman & Nicobar Island. Further, Division is working on many SEL projects sanctioned by the Ministry of Tourism / State Tourisms.

iii. Future strategy is to focus on ITDC's properties for making them complaint free, to take up the renovation/ upgradation of ITDC's hotels, to Liaise with State Govt. for preparing DPR for their Mega Projects and to focus on various infrastructure and renovation projects with various Ministries and State Governments.

G. Ashok Events Division

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

ii. The Ashok Events Division handled more than 85events during the year 2013-14.

iii. Through its Event Management activity, the Division also acts as a catalyst in the generation of business for other divisions of the Company like Ashok Group of Hotels, Ashok Travels & Tours, Ashok Creatives etc.

3. ITDC – SWOT Analysis

Strengths

- Well Established Brand for 47 years
- Properties at Prime Location
- Large accommodation, F&B and Convention facilities
- Well recognised expertise in State Banquets, VVIP catering, Gala dinners, Domestic and global event management, Sound & Light shows and media planning-branding
- Patronage of Ministry of Tourism and other Govt. Agencies

Weakness

- Properties requiring significant upgradation and extensive renovation
- Ageing manpower
- High operating costs due to high wage bill
- Long and tedious procedures hamper the competitive effectiveness.

Opportunities

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

Threats

- New hotels with ultra modern facilities are coming up.
- Overall decrease in demand due to excess rooms supply in Delhi and other cities.
- Wage & Productivity imbalance
- Lease period of some of the properties expiring

5. Environment Management Initiatives

ITDC being a responsible CPSE has adopted various eco-friendly measures like Effluent Treatment Plant (ETP), Rainwater Harvesting System and energy & water conservation measures in its Hotels.

ii. All Delhi based Hotels have Effluent Treatment Plant (ETP) and Rainwater Harvesting System. Hotel Janpath has Solar Heating Plant. As regards outside Delhi Hotels, Hotel Jammu Ashok and Hotel Jaipur Ashok have ETPs. The kitchen of all Delhi based units and Hotel Jaipur Ashok are ISO certified. ITDC is committed to energy conservation at every stage of its operations during the year. ITDC continues to maintain its thrust on energy conservation.

6. <u>Outlook</u>

India is the 12th largest travel & tourism economy in the world and has the possibility to become one of the biggest economies over. India has a vast untapped potential for tourism which can play a special role in our socio-economic progress.

ii. Introduction of Visa on arrival and E-visa are expected give a boost to this sector. The industry has been applauded by the government's initiatives to set up Tourists Circuits with the investment of Rs.500 crore.

iii. ITDC is working hard under the new management to achieve the occupancy target. Initiatives taken by the Corporate Marketing & Sales Division to market and promote ITDC properties :

- Formulation of tariff for all the ITDC Hotels for the year 2013-14.

- Introduction of Summer Gateway Packages/Promotions.

- Sales Blitzs were undertaken in different source markets.

- ITDC participated in trade fairs and travel marts (including SATTE (New Delhi); Great India Travel Bazaar 2014 (Delhi); World Travel Mart 2013(London); ITB 2013(Berlin); Arabian Travel Mart 2014 (Dubai); MICE Travel Mart (Mumbai).

- Product familiarization visits were organized to our properties to travel agents, opinion makers etc.

7. <u>Risk and Concerns</u>

Tourism Industry is facing immense negative publicity from the international media on reoccurring incidents of rape/molestations against women foreign tourists. Government therefore needs to pay attention towards the safety and security of the tourists in the country.

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

Economic Risk : Dependence on one client
Industrial Risk : Threat to market share

Personnel Risk : Non-availability of adequate skillsets
Political Risk : Threat to property safety
Legal Risk : Contractual Risk & tax risk

8.Vision and Mission

As per MoU 2014-15 signed between ITDC and the Ministry of Tourism, the vision and mission of the Corporation are as under:

CORPORATE VISION

ITDC aspires to acquire a leading position in hospitality and tourism sector and achieve higher return on investment for our shareholders while fulfilling the core objective of development, promotion and expansion of domestic as well as international tourism in the country for al sector of the society.

CORPORATE MISSION

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

9.Internal Control

The Corporation has adequate internal checks and control system commensurate with its needs. Internal Auditors have been selected from the list of firms having experience of conducting audit of hotels and/or related operations of the units. Further no major internal control weakness has been reported by the Branch/Statutory Auditors.

ii. The Corporation has comprehensive manuals such as Purchase Manual, Engineering Manual and Licensing Procedures etc. for Internal Checks & Control system. Further the Corporation introduced a Internal Audit Manual prepared by the Institute of Public Auditors of India. The Internal Auditors have been advised to follow the Internal Audit Manual.

10.Human Resource Management and Industrial Relations

The total number of employees in the Corporation as on 31.3.2013, were 1874 which have come down to 1733 as on 31.03.2014 (excluding 100 employees engaged on Direct contract basis). Out of 1733 employees, 510 employees belongs to Scheduled Caste (SCs), 40 belongs to Scheduled Tribes (STs) and 88 to Other Backward Classes (OBCs). 89 employees were promoted to the next higher posts, out of which 18 employees belong to Scheduled Castes (SCs), 02 employees belong to Scheduled Tribes (STs) and 05 belong to Other Backward Castes (OBCs). There are 249 Women employees working in ITDC as on 31.03.2014 constituting 14.36% of the total workforce of the Corporation. Of these 66 are at Executive level and 183 are at non-executive level. "

ii. The overall industrial relations situation in TDC continued to be cordial and good.

CAUTIONARY STATEMENT

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

Annexure II

Report on Corporate Governance for the year 2013-14 pursuant to Clause 49 of the listing agreement

CORPORATE GOVERNANCE

(1) Philosophy on Code of Governance

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

(2) Board of Directors

ITDC is a Public Sector Enterprise and the appointment of Directors both executive and non-executive is made by the Government of India. During the financial year 2013-14, the Board had following composition:

(A) Executive Directors

- Dr Lalit K Panwar, Chairman & Managing Director from 21.4.2010 to 12.06.2012 and re-designated as Vice Chairman & Managing Director from 13.06.2012 to 23.04.2013
- Shri Girish Shankar, Managing Director w.e.f. 23.04.2013 to 12.05.2014
- Shri Trinath Behera, Director(Finance) from 26.04.2013
- Cmde (Retd.) Ratan Kumar Okhandiar, Director (C&M)from 10.07.2012

(B) Non-Executive Directors

(a) Part-time Government Directors

Shri Girish Shankar (From 06.09.2012 to 23.04.2013)
Shri Jitendra Shankar Mathur from 04.03.2013 to 04.09.2013
Dr. (Ms.) T. Kumar from 04.09.2013

(b) Independent Part-time Directors

Shri Anugolu Venkata Ratnam from 07.10.2013
Prof. Usha Kiran Rai from 10.12.2013

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

(A) Executive Directors

- Dr. Sameer Sharma appointed as Managing Director w.e.f. 12.05.2014
- Shri Trinath Behera, Director (Finance) w.e.f. 26.04.2013
- Cmde. Retd. Ratan Kumar Okhandiar, Director (C&M) we.f. 10.07.2012

(B) Non-Executive Directors

a) Part-time Government Nominee Directors

- Shri Girish Shankar, Additional Secretary-Ministry of Tourism (from 06.09.12 to 23.04.2013 as Govt. Nominee Director) (from 23.04.2013 to 12.05.2014 Additional charge of Managing Director) (from 12.05.2014 as Govt. Nominee Director)
- Dr. (Ms) T. Kumar, AS&FA-Ministry of Tourism w.e.f 04.09.2013

b) Independent part time Directors

- Shri Anugolu Venkata Ratnam from 07.10.2013
- Prof. Usha Kiran Rai from 10.12.2013

Note : Independent Directors are appointed by the Govt. of India for a period of three yeasrs.

3 After the resignation of Shri Shankarsinh Vaghela- part time chairman cum Independent Director, no regular Chairman has been appointed. The matter of appointment of regular part time chairman cum Independent Directors is under consideration of the Administrative Ministry i.e. Ministry of Tourism.

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

2(a) **Board Procedure**

Seven meetings of the Board of Directors were held during the year 2013-14 (i.e. 14th May 2013, 27th May 2013, 2nd August 2013, 4th September 2013, 23rd October 2013, 11th December 2013 and 24th January, 2014), the attendance of Directors thereat was as follows: -

Name of the Director	No. of Board Meetings held during the tenure of a Director	No. of Board Meetings attended	AGM (last) attended (Yes / No)
*Dr Lalit K Panwar	00	00	No
Shri Girish Shankar	07	06	Yes
**Shri J.S. Mathur	03	02	No
***Dr. (Ms.) T. Kumar	04	04	Yes
@Shri Trinath Behera	07	07	Yes
Cmde (Retd.) R. K. Okhandiar	07	07	Yes
@@Shri Anagolu Venkata Ratnam	03	03	No
@@@Prof. Usha Kiran Rai	02	01	No

* Ceased to be on the Board on 23.04.2013
** Ceased to be on the Board on 04.09.2013
*** Appointed w.e.f. 04.09.32013
@ Appointed w.e.f. 26.4.2013
@@Appointed w.e.f. 07.10.2013
@@@Appointed w.e.f. 10.12.2013

2(b) **Other Directorships**

The details of Directorships in other Companies and the Committee Memberships held by the Directors in such companies during 2013-14 was as under:

Name of the Director	No. of other Directorships	Board Committees of other Companies in which he is a Member/Chairman
*Dr Lalit K Panwar	09	Nil
Shri Girish Shankar	09	Nil
**Shri J.S. Mathur	01	Nil
***Dr. (Ms.) T. Kumar	02	Nil
@Shri Trinath Behera	08	Nil
Cmde (Retd.) R. K. Okhandiar	08	Nil
@@Shri Anagolu Venkata Ratnam	Nil	Nil
@@@Prof. Usha Kiran Rai	01	Nil

* Ceased to be on the Board on 23.04.2013
** Ceased to be on the Board on 04.09.2013
*** Appointed w.e.f. 04.09.32013
@ Appointed w.e.f. 26.4.2013
@@Appointed w.e.f. 07.10.2013
@@@Appointed w.e.f. 10.12.2013

2(c) **Pecuniary relationship or transactions of the Directors:**

No remuneration is paid to the Government Nominee Directors. The VC&MD/Managing Director and the functional directors are the whole time employees of the Corporation and are being given salary/perks and other facilities according to the terms of appointment and the rules of the Corporation.

2 During the year under review i.e. 2013-14, the Non-official (Independent) Directors were paid the following in ITDC :

i) Sitting fee of Rs.1000/- for each Meeting of the Board and Committee thereof as determined by ITDC Board in its meeting held on 12th January, 1998.
ii) Providing or reimbursing expenses of Air Tickets, Conveyance, Boarding, Lodging and Meals incurred on attending the meeting of the Board, Committee Meetings and for visits in connection with the affairs of the Corporation as per copy of the letter No. U.11020/19/78-PSU(Tourism) dated 21.12.1979
iii) Concession/Discounts allowed in ITDC Hotels as per ITDC Circular No. 8(4)/96-HO(o)/02 dated 23.09.1996

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

2(d) **Code of Conduct**

The Code of Business Conduct & Ethics for the Board members and the Senior Management Personnel of the Corporation, as revised by the Company in its meeting held on 7th May, 2012, were posted on the web-site of the Corporation. The Corporation has obtained affirmation of compliance of the Code of Conduct by the Board Members and the Senior Management personnel.

2(e) **Management Discussion and Analysis**

Management Discussion and Analysis Report forms part of the Directors' Report.

2(f) **CEO/CFO Certification**

CEO/CFO certification pursuant to clause 49(v) of the Listing Agreement is enclosed at the end of this section.

(3) **Audit Committee**

Composition: During 2013-14, the composition of Audit Committee was as under:-

Sl No	Name of Directors	Status	Remarks
1.	Shri J. S. Mathur*	Chairman	Non-Independent & Non-Executive
2.	Dr. (Ms.) T. Kumar**	Chairman	Non-Independent & Non-Executive
3.	Shri Girish Shankar***	Member	Non-Independent & Non-Executive
4.	Shri Anagolu Ventaka Ratnam@	Chairman	Independent & Non-Executive
5.	Prof. Usha Kiran Rai@@	Member	Independent & Non-Executive
6.	Cmde (Retd.) R. K. Okhandia@@@	Member	Non-Independent & Executive

*Ceased to be on the Board on 04.09.2013
** Appointed on the Board w.e.f. 04.09.32013
*** Ceased to be the non-executive and appointed as MD w.e.f. 23.04.2013
@Appointed on the Board w.e.f. 07.10.2013
@@Appointed on the Board w.e.f. 10.12.2013
@@@ Ceased to be on the Audit Committee w.e.f. 11.12.2013

2 Presently, the Committee is headed by Shri Anagolu Venkata Ratnam, Independent Director. Shri Anagolu Ventaka Ratnam is a Practicing Chartered Accountant. The other member of the Audit Committee are Prof. Usha Kiran Rai, Independent Director and Dr. (Ms.) T. Kumar, Govt. Nominee Director.

3 The Company Secretary is the Secretary to the Committee. The Committee also invites Statutory Auditors, Director (Finance), Managing Director, Chief Internal Audit Officer and the senior executives of the Corporation to attend the meetings of the Committee.

4 During the financial year 2013-14, the Terms of Reference of the Audit Committee, as laid down by the Board of Directors in its meeting held on the 27th July 2001, are as under:-

(1) Overview of the Corporation's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

(2) Reviewing with the management, internal and statutory/branch auditors, the adequacy of internal control systems.

(3) Recommend the fixation of audit fee of the statutory auditors and branch auditors of the Corporation to be appointed by the Comptroller and Auditor General of India.

(4) Approval of payment to statutory/branch auditors for any other services.

(5) Discussions with internal auditors on any significant findings and follow-up action.

(6) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the Board.

(7) Discussion with statutory auditors before the audit commences about nature, scope of audit and time schedule as well as post audit discussions to ascertain any area of concern.

(8) Review with management the annual financial statements before submission to the Board, focusing primarily on:-

(a) Any change in accounting policies and practices.
(b) Major accounting entries based on exercise of judgment by management.
(c) Qualifications in draft audit report of statutory auditors
(d) Significant adjustments arising out of audit.
(e) The going concern assumptions
(f) Compliance with accounting standards
(g) Compliance with stock exchange and legal requirements concerning financial statements.
(h) Any related party transactions i.e. transaction of the Corporation of material nature, with the management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of the Corporation at large.

Note: Any recommendation of the Audit Committee on any matter relating to financial management including the Audit Report, shall be binding on the Board. If any, recommendation is not accepted by the Board it shall record the reasons and communicate the same to the Members.

(9) Reviewing the Corporation's Financial and Risk Management Policies.

(10) To look into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of non-payment of declared dividends) and creditors.

5 In view of the amendment in the listing agreement and the new Companies Act, 2013 effective w.e.f. 01.04.2014, the Board of Directors in their meeting held on 28th April, 2014 have

revised the terms of reference of the Audit Committee in accordance with the revised listing agreement and the requirement of section 177 of the Companies Act, 2013.

6 Meetings: During the year 2013-14, four meetings of the Audit Committee were held on 14.05.2013, 04.09.2013, 23.10.2013 and 24.01.2014. One meeting of the Audit Committee to be held on 02.08.2013 was called but could not be heldas quorum was not present. The attendance of the members in the meetings was as under:-

Name of Member	No. of Audit Committee Meetings held during tenure	No. of Audit Committee Meetings attended during tenure
Shri J.S. Mathur	01	01
Dr. (Ms.) T. Kumar	03	03
Shri Girish Shankar	00	00
Shri Anagolu Venkata Ratnam	02	02
Prof. Usha Kiran Rai	01	01
Cmde (Retd.) R. K. Okhandiar	03	03

Note: The minutes of the Audit Committee meeting(s) are placed in the respective Board meetings for approval and wherever required, deliberated upon further.

7 The chairperson of the Audit Committee was present in the Annual General Meeting held on 30.09.2013 for the financial year 2012-13.

(4) **Nomination & Remuneration Committee**

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

a) Payment of Performance Related Pay (PRP),
b) The level of executives, who will be provided company leased accommodation

c) The other allowances and perks admissible to the different categories of the executives subject to a maximum ceiling of 50% of the Basic Pay

d) Development of a robust and transparent Performance Management System (PMS) by 31.3.2009. For the period 01.01.2007 and till a PMS is in place not later than 31.3.2009, the payment of PRP on the existing guidelines of DPE, which is limited to 5% of distributable profit in an enterprise and

e) Introduction of CTC concept in ITDC.

2 During the year 2013-14, the composition of the Committee was as under :

Sl No	Name of Directors	Status	Remarks
1.	Shri Anagolu Venkata Ratnam	Chairman	Independent & Non-Executive
2.	Dr. (Ms.) T. Kumar**	Member	Non-Independent & Non-Executive
3	Shri Trinath Behera	Member	Non-Independent & Executive
4.	Cmde (Retd.) R. K. Okhandiar@@@	Member	Non-Independent & Executive

3 During the financial year 2013-14, no meeting ofthe Remuneration Committee was held. The Committee has been reconstituted on 28th April, 2014 as per the requirements of the Companies Act, 2013. Presently, Shri Anagolu Ventaka Ratnam, Independent Director is the Chairman of the Committee. The other members of the Committee are Prof. Usha Kiran Rai, Independent Director and Dr. (Ms.) T. Kumar, Govt. Nominee Director.

4 The terms of reference of the Committee is to comply the mandate given under sub-section (2), (3) and (4) of Section 178 of the Companies Act, 2013. In addition, the Committee will decide the annual bonus/variable pay pool andpolicy for its distribution within the prescribed limits for the Board level, below Board level employees and Non-unionised supervisors following IDA pattern of pay scales as per requirement of the DPE Guidelines.

5 The details of remuneration paid to the Directors during financial year 2013-14 were as under:-

Payment made to key management personnel and their relatives:

Remuneration	:	₹ 43.14 lakh
Sitting fees	:	0.14 lakh
	Total	₹ 43.18 lakh

(5) **Share Transfer Committee**

The Board of Directors in their meeting held on 07/12/2010 has empowered M/s Karvy Computershare (Pvt) Ltd, the Registrar and Transfer Agent (RTA) to process, approve and dispatch the share transfer request and transmission request based on succession certificate and hence Share Transfer Committee was no longer in use till January, 2014.

2 The Board of Directors through agenda by circulation in February, 2014 reconstituted the Share Transfer Committee and revised the scope to include approval of the issue of share certificate on receipt of Rematerialization Request from the applicant shareholders. The Composition of the Committee was as under :

i) Shri Trinath Behera, Director (Finance)
ii) Cmde (Retd.) R. K. Okhandiar, Director (C&M)

3 In accordance with the requirements of the new Companies Act, 2013 read with sub-rule 3 of Rule 5 of Companies (Share Capital & Debentures) Rules, 2014, the Share Transfer Committee was further reconstituted and is now comprised of Director (Finance), Director (C&M), Govt. Nominee Director other than FA and Govt. Nominee Director being FA.

4 During the financial year 2013-14, one meeting of the Share Transfer Committee was held on 17th February, 2014. All the members of the Share Transfer Committee were present in the meeting.

(6) Redressal of Shareholders / Investors Grievances Committee

The Committee on Redressal of Shareholders/ Investors Grievances was constituted to look into redressal of shareholders' and Investors' complaint like delay in transfer of shares, non-receipt of Annual Report, non-receipt of declared dividend etc. During the financial year 2013-14, the composition of the Committee was as under :

i) Dr. Lalit K. Panwar*
ii) Shri Pradeep Kumar Kumar Agarwal**

*Ceased to be on the Board w.e.f. 23.04.2013
**Ceased to be on the Board w.e.f. 28.09.2012

2 During the financial year 2013-14, no meeting of the committee was held.

3 There was one complaint of the shareholder regarding transmission of shares forwarded to the Corporation by SEBI during 2013-14. Shareholders/Investors queries/grievances are normally attended within a period of 7-10 days from the date of receipt thereof, except in cases involving external agencies or compliance with longer procedural requirements specified by the authorities concerned. Shareholders/Investors grievances during the year 2013-14, are as under:-

Particulars	Received + outstanding at the beginning of the year	Redressed	Pending with Investors for completing procedural formalities
Non-receipt of Shares	1	1	Nil
Transmission of shares	2	2	Nil

4 In view of Section 178(5) of the Companies Act, 2013, the Board in its meeting held on 28th April, 2014 has re-designated and re-constituted the committee as 'Stakeholders Relationship Committee' as under :

i)	Prof. Usha Kiran Rai, Independent Director	: Chairperson
ii)	Shri A.V. Ratnam, Independent Director	: Member

5 Name and address of the Compliance Officer is as under :

Mr. V K Jain, Company Secretary,
India Tourism Development Corporation Ltd.
SCOPE Complex, Core 8, 6th Floor,
7 Lodi Road, New Delhi - 110 003.
Email : vkjain@theashokgroup.com;
cs_itdc@theashokgroup.com
Tel No 011-24360249, Fax No 011-24360249

(7) Corporate Social Responsibility (CSR) & Sustainable Development (SD) Committee : In accordance with the DPE Guidelines, ITDC has formed a Sr. Management

Committee/Below Board Level Committee on CSR & SD headed by the Vice President (F&A) being the Nodal Officer for CSR & SD activities in the Company. Further Board in its meeting held on 4th September, 2013 constituted a Board level Committee on CSR & SD. During the financial year 2013-14, the composition of the Committee was as under :

i) Shri Anagolu Venkata Ratnam, Independent Director	: Chairman
ii) Managing Director	: Member
iii) Director (C&M)	: Member

2 During the financial year 2013-14, four meeting of the Committee were held i.e. 23.10.2013, 11.12.2013, 24.01.2014 and 28.03.2014. The attendance of the Directors in the meeting was as under :

Name of Member	No. of CSR Committee Meetings held during tenure	No. of CSR Committee Meetings attended during tenure
Shri A. V. Ratnam	4	4
Managing Director	4	3
Director (C&M)	4	4

3 Presently, the CSR & SD Committee comprises of Shri A.V. Ratnam, Independent Director being the Chairman, Managing Director and Director(C&M).

(8) **Separate Meeting of Independent Directors** : DPE vide its OM No. 16(4)/2012-GM dated 28th December, 2012 amended vide O.M. No. 16(4)/2012-GM dated 20th June, 2013 requires :

a) The non-official directors of the company shall hold at least one meeting in a years, without the attendance of Functional and Government Directors and members of management;
b) All the non-official directors of the company shall strive to be present at such meeting;
c) The meeting shall assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

2 Accordingly, a separate meeting of independent directors was held on 28th day of March, 2014 to assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

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(9) **General Body Meetings**

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

Financial Year ended	Day & Date	Time	Venue
31.3.2011	30.09.2011 (Friday)	1600 hrs	Ashok Hotel New Delhi-110021
31.3.2012	26.09.2012 (Wednesday)	1400 hrs	Ashok Hotel New Delhi-110021
31.03.2013	30.09.2013 (Monday)	1600 hrs	Ashok Hotel New Delhi – 110 021

Note: All the resolutions as set out in the respective AGM Notices were duly passed by the Members. No resolution was passed by Postal Ballot during the year under review.

(10) **Disclosures**

The status is as under:

(A) Disclosures on materially significant related party transactions
The Corporation has not entered into any materially significant related party transactions that may have potential conflict with the interests of the Corporation at large. However the Corporation has given loans to its subsidiaries from time to time.

(B) Legal Compliance
During last three years no penalties or strictures have been imposed on the Corporation by Stock Exchanges or SEBI or any Statutory Authority on any matter related to Capital markets. However, the Stock Exchange sent letters, from to time, on its observation on non-compliance of the Listing Agreement regarding Composition of the Board and Qualified and Independent Audit Committee.

2 ITDC published un-audited financial results for the last quarter ended 31st March, 2014 along with the Limited Review Report in accordance with clause 41(I)(eaa) of the Listing Agreement. The company received a email dated 9.7.2014 from the BSE informing that last quarter/yearly audited financial results are required to be submitted to the Exchange within 60 days of the close of the financial year instead of un-audited financial results for the last quarter of the financial year. We had requested the SEBI for extension of time and condonation of delay in submission and publishing of audited financial results for the year ended 31st March, 2014 which was not accepted. SEBI has asked to announce the reasons of delay. SEBI's directions were complied on 11th August, 2014. The Audited Financial Results were submitted to the Stock Exchange on 14th August, 2014.

(C) Whistle Blower Policy: Employees can raise their concerns relating to fraud, malpractice or any other activity or event which is against the Corporation's interest. No employee has been denied access to the Audit Committee in this regard. Further Public sectors Companies have a Vigilance Department, an independent Govt. Agency. Chief Vigilance Officer, the Head of the Vigilance Division, is under the direct control of the Central Vigilance Commission (CVC). Full transparency is maintained through RTI Act 2005 and the Central Public Grievance Redress and Monitoring System (CPGRMS). The

Audit Committee with an independent head and comprising Govt. Nominees, provide strong whistle blowing against corruption/malpractices.

(D) The Corporation has generally complied with all the mandatory requirements of clause 49 except for provision relating to Independent Directors as stated here-in-above. The Corporation has adopted following non-mandatory requirements of clause 49 of the Listing Agreement :

a) The Corporation maintains a Chairman's office at Corporation's expense and allows reimbursement of expenses incurred in performance of his duties.
b) The Corporation has formed a Remuneration Committee, all of the members of the Remuneration Committee are Non-executive Directors.
c) The Corporation has formulated a training policy for Board Members. As per 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, ICWAI, IIM etc.

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

(11) Risk Management

In compliance with clause 49 of Listing Agreement, Risk Management Policy laying down a sound process for identification and mitigation of risks, as approved by the Board in its meeting held on the 11th May 2010, has been circulated on the 23rd September 2010 and posted on the website of ITDC. In accordance with the policy, the unit head of all strategic division has been nominated as Risk Manager and a committee namely Risk Management Compliance Committee (RMCC) presently headed by Director (C&M) has been constituted to oversee and ensure compliances with the risk management policy of the Corporation.

2 During the financial year 2013-14, four meetings of the RMCC were held on 03.05.2013, 23.08.2013, 23.12.2013 and 20.03.2013.

(12) Subsidiary Companies

The Corporation does not have any materially unlisted subsidiary as per explanation provided in clause 49 (III) of Listing Agreement and hence is not required to have Independent Directors of the Corporation on the Board of such subsidiary. However, all the executive Directors of the holding Company are non-executive part time Directors on the Board of Subsidiary Companies. The Corporation has submitted the minutes of the Board Meetings of the subsidiary companies to the ITDC Board on 02.08.2013.

(13) **Policy on Insider Trading**

ITDC has adopted the Code of Conduct for Prevention of Insider Trading in accordance with the guidelines specified under the SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time. The Model code of Conduct is posted on the website of ITDC.

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

(14) **Means of Communication:**

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

2 The Company also publishes a monthly magazine 'Ashoknama' for sharing information with various stakeholders on the significant development of the activities of the Corporation. Soft copy of the magazine is also available on the company's website.

(15) **General Shareholder Information**

(i) AGM: Monday, 29th September, 2014

(ii) Financial Year: 1st April to 31st March

(iii) Book Closure: 26th September, 2014 to 29th September, 2014 (both days inclusive)

(iv) Listing of Shares: The Corporation's shares are listed on the Stock Exchanges at Delhi & Mumbai. The Corporation has paid annual listing fees for the financial year 2014-15 to these stock exchanges. Their addresses are as under:-

Name of Stock Exchange	Stock Code
The Stock Exchange, Mumbai (BSE) Phiroze Jeejeebhoy Towers, Dalal Street Mumbai – 400001	532189
The Delhi Stock Exchange Association Ltd (DSE) DSE House, 3/1, Asaf Ali Road New Delhi – 110 002	8009

The Delhi Stock Exchange is the Regional Stock Exchange for the Corporation. The Registration Number of the Corporation with the Registrar of Companies, NCT of Delhi and Haryana is 55-4363. With the introduction of e-filing by the Ministry of Corporate

Affairs, the Corporate Identification Number allotted to the Corporation is: L 74899 DL 1965 GOI 004363.

(v) Market Price data: High and Low of ITDC market share price on Bombay Stock Exchange, No. of shares traded, turnover in 2013-14 are summarized as under:-

Year 2013-14	Rupees High	Rupees Low	Number of shares traded	Total Turnover (Rs. In lakh)
April, 2013	903.80	584.30	404	2.87
May, 2013	1366.25	921.85	556	6.24
June, 2013	1490.00	1283.75	314	1.88
July, 2013	1258.10	1050.00	22	0.24
August, 2013	1000.00	524.95	208	1.37
September, 2013	514.55	351.15	159	0.67
October, 2013	344.15	230.30	2107	5.31
November, 2013	225.70	154.20	2912	5.23
December, 2013	151.15	101.35	8949	10.45
January, 2014	99.35	78.85	866606	780.56
February, 2014	77.30	61.80	494758	349.38
March, 2014	107.25	64.20	316927	294.89

The closing price of shares as on last working day of the March, 2014 i.e. 31.03.2014 is Rs.96.25.

(vi) Registrar & Share Transfer Agent:

KARVY CUMPUTERSHARE PVT. LTD.
Plot No 17 to 24, Vithal Rao Nagar,
Madhapur, Hyderabad-500081
Contact person : Mr. V. K. Jayaraman / Srikrishna Pemmaraju
Email : einward.ris@karvy.com
Tel No : 91 40 23420818

(vii) Registered Office: SCOPE Complex, Core 8, 6th floor, 7-Lodi Road, New Delhi - 110003.

(viii) Corporate Office & Address for Correspondence: SCOPE Complex, Core 8, 6th Floor, 7-Lodi Road, New Delhi – 110 003.

(ix) Shareholding pattern and distribution of shareholding: The shareholding pattern of the Corporation's Equity, as on 31.3.2014, is as under:-

Category	No. of shareholders	No. of shares held	% of shareholding
Promoter			
President of India	1	74641681	87.03
Public Shareholding			
Financial Institutions/Banks	3	3779400	4.40
Bodies Corporate	115	6904322	8.05
Individuals & others	1671	443997	0.52
Total	1790	85769400	100.00

The distribution of shareholding as on 31st March, 2014 is as under: -

Nominal Value	No. of Share-holders	% of total shareholders	No of shares held	% of total shares held
Upto 5,000	1584	88.49	171872	0.20
5001 – 10,000	106	5.92	86712	0.10
10001-20,000	47	2.63	69972	0.08
20,001 – 30,000	14	0.78	33708	0.04
30,000 – 40,000	15	0.84	51183	0.06
40,000 – 50,000	5	0.28	23184	0.03
50,000 – 1,00,000	8	0.45	60480	0.07
1,00,001 & above	11	0.61	85272829	99.42
Total	1790	100.00	85769400	100.00

During the financial year 2013-14, the President of India represented by Ministry of Tourism has disinvested shares equal to 5% of the paid up capital under "OFS scheme" i.e. Offer for Sale by the promoter through Stock Exchange Mechanism at a price of Rs.70/- per share. This has been done to comply with the Minimum Public Shareholding of 10% of the paid up capital.

Further during December, 2013 the promoter also disinvested 70,349 equity shares amounting to 0.08% of the paid up capital to the employees of the Corporation at a price of Rs.66.50 per share under the sale of shares to employees scheme.

(x) Dematerialization of Shares: The Corporation's shares are admitted for dematerialization with NSDL and CDSL. As on 31st March, 2014, 85761097 numbers of shares constituting 99.99% are in dematerialized form. The entire promoter's holding are in dematerialized form. The ISIN Number is: INE353K01014.

(xi) Investors' Correspondence:

Investors, for any matter related to share transfer, payment of dividend on shares, etc may contact the following:

Mr. V K Jain, Company Secretary, India Tourism Development Corporation Ltd. SCOPE Complex, Core 8, 6th Floor, 7 Lodi Road, New Delhi - 110 003. Email : vkjain@theashokgroup.com; cs_itdc@theashokgroup.com Tel No 011-24360249, Fax No 011-24360249	KARVY CUMPUTERSHARE PVT. LTD. Plot No 17 to 24, Vithal Rao Nagar, Madhapur, Hayderabad-500081 Contact person : Mr. V K Jayaraman/Mr. Mahindra Singh Email : einward.ris@karvy.com Tel No : 040-44655116, Fax No:040-23420814

(xii) Locations of hotels and others units etc: The list of Corporation's owned and managed hotels and Duty Free Shops, ATT Units etc are given in **Appendix**.

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

(xiv) Financial Calendar

1st Quarterly Results	:	on or before 15th August 2014
2nd Quarterly Results	:	on or before 15th November 2014
3rd Quarterly Results	:	on or before 15th February 2015
4th Quarterly Results	:	on or before 15th May 2015
AGM for the year ending 31st March 2015:		on 30th September, 2015

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

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

(xvii) General Shareholder Information: Registered Office:

India Tourism Development Corporation Ltd
SCOPE Complex, Core 8
6th Floor, 7-Lodi Road
New Delhi – 110 003
Tel No. (011) 2436 0249
Fax No (011) 2436 0249
E-mail: vkjain@theashokgroup.com

(16) **Corporate Social Responsibility (CSR) and Sustainable Development**

During the year 2013-14, ITDC imparted training for skill development to the interested youth between the age group of 18-28 years and who are minimum 8th class pass, under "Hunar Se Rozgar" scheme. ITDC is also paying a scholarship of Rs.1400/- as Ashok Fellowship to each trainee through its own resources on successful completion of the training. Ashok Institute of Hospitality and Tourism Management also assists the students in finding suitable placements. ITDC has spent Rs.4,54,000/- in 2013-14.

2 ITDC has been entrusted with partnership of Clean India Pilot Project at Qutab Minar, New Delhi. The project was launched by Hon'ble Minister of Tourism. The Pilot Project has successfully brought various stakeholders on one platform. Expenditure on this activity for 2013-14 was Rs.8,73,000/-.

3 Rs.1,50,000/- was donated to Chief Minister's Relief Fund, Uttrakhand during 2013-14.

4 Following sustainable development activities were undertaken by ITDC during the financial year 2013-14:

a) 3000 LPD Solar Water Heating System at Hotel Jaipur Ashok

b) Solar Water Heating System (R&D) at Hotel Ashok.

c) Energy Saving Control System in AC plant at Hotel Ashok

d) ISO14001:2004 certification for Hotel Ashok, Samrat & Janpath.

e) Conversion to PNG in Hot Water Boiler at Samrat.

f) Conversion to PNG in Hotel Water Boiler at Janpath.

DECLARATION

As provided under clause 49 of the listing Agreement with the Stock Exchanges, the Board Members and Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March 2014.

For India Tourism Development Corporation Ltd.

Sd/-	Sd/-
Trinath Behera	Dr. Sameer Sharma
Director (Finance)	Managing Director

AnnexureII(i)

INDIA TOURISM DEVELOPMENT CORPORATION LIMITED

CEO/CFO CERTIFICATION

It is certified that:

(a) We have reviewed financial statements and the cash flow statement for the year ended 31st March 2014 and that to the best of our knowledge and belief:

(i) These statements do not contain any materially untrue statement or omit any material fact or statements that might be misleading; and

(ii) These statements together present a true and fair view of the Corporation's affairs and are in compliance with existing accounting standards read along with explanation given relating to departures, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Corporation during the year which are fraudulent, llegal or violative of the Corporation's Code of Conduct.

(c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Corporation and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the AuditCommittee:

(i) There have been no significant changes in intenal control during the year;

(ii) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(i) Instances of significant fraud of which theyhave become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For India Tourism Development Corporation Ltd

Sd/-	Sd/-
(Trinath Behera)	(Dr. Sameer Sharma)
Director(Finance)	Managing Director

Place: New Delhi

Dated: 03.09.2014

Annexure II(ii)

Auditor's Certificate on Compliance with the Conditions of Corporate Governance under clause 49 of the Listing Agreement

To
The Members of
India Tourism Development Corporation Limited
New Delhi

1. We have examined the compliance of Conditions of Corporate Governance by India Tourism Development Corporation Limited, for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Corporation with the Stock Exchange(s) in India (hereinafter referred to as 'the Agreement').

2. We have conducted our examination on the basis of the relevant records and documents maintained by the Corporation for the year ended 31st March, 2014 and furnished to us for the purpose of the review and the information and explanations given to us by the Corporation during the course of such review.

3. The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementations thereof, adopted by the corporation for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of Corporation.

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

(i) As required by Para IA of the Clause 49 of the Listing Agreement, the Corporation does not fulfil the minimum requirement of Independent directors till 10th December, 2013. However, the Corporation fulfilled the requirements of the same during financial year 2013-14. AT present, Corporation requires at least one more Independent Director to fulfil the requirements of the same.

(ii) Audit Committee Meeting held on 14th May, 2013, 4th September, 2013, 23rd October, 2013 does not fulfil the requirement of minimum two Independent Director as per Para II B of Clause 49 of Listing Agreement.

(iii) As per Para IV (G) (iii) of Clause 49 of the Listing Agreement, Investor Grievance Committee of the Organization shall be formed under the chairmanship of the non-executive director. But Corporation does not have any member in this Committee during the financial year 2013-14 and at present, Corporation is fulfilling the requirement of the same.

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

For V.K. Verma & Co.
Chartered Accountants (FRN 000386N)

Sd/-
(Vivek Kumar)
Partner
M.No. 503826

Place : New Delhi
Dated : 03.09.2014

Annexure-II(iii)

Management's Replies to the Observations of Auditors on Corporate Governance for 2013-14

Audit Observations	Management's Reply
As required by Para IA of the Clause 49 of the Listing Agreement, the Corporation does not fulfil the minimum requirement of Independent directors till 10th December, 2013. However, the Corporation fulfilled the requirements of the same during financial year 2013-14. AT present, Corporation requires at least one more Independent Director to fulfil the requirements of the same.	In the case of Central Public Sector Undertaking (CPSEs), the Directors are appointed by the Administrative Ministry through a procedure prescribed by the Department of Public Enterprises. The Administrative Ministry has appointed one Independent Director on 7th October, 2013 and another Independent Director on 10th December, 2013. The process of appointing more independent directors as required under the Listing Agreement is under consideration of the Administrative Ministry i.e. Ministry of Tourism.
Audit Committee Meeting held on 14th May, 2013, 4th September, 2013, 23rd October, 2013 does not fulfil the requirement of minimum two Independent Director as per Para II B of Clause 49 of Listing Agreement.	-do-
As per Para IV (G) (iii) of Clause 49 of the Listing Agreement, Investor Grievance Committee of the Organization shall be formed under the chairmanship of the non-executive director. But Corporation does not have any member in this Committee during the financial year 2013-14 and at present, Corporation is fulfilling the requirement of the same.	Out of four quarters during financial year 2013-14, quarter ended September, 2013 and December, 2013 had no grievances either pending or received. During quarter ended June, 2013, ITDC had two grievances and during quarter ended March, 2014 only one grievance and these grievances were redressed in time after their receipt. A meeting of the Grievance Committee was held on 14th August, 2014 where complaint status was Nil.

Appendix

NETWORK OF ITDC SERVICES

(as on 31.03.2014)

A -- ASHOK GROUP OF HOTELS

01 Ashok Hotel, New Delhi

02 Hotel Janpath, New Delhi

03 Hotel Samrat, New Delhi

04 Lalitha Mahal Palace Hotel, Mysore

05 Hotel Jaipur Ashok, Jaipur

06 Hotel Jammu Ashok, Jammu

07 Hotel Pataliputra Ashok, Patna

08 Hotel Kalinga Ashok, Bhubaneshwar

B -- RESTAURANTS

01 Taj Restaurant, Agra

C -- TRAVEL/TRANSPORT UNITS

01 Varanasi `

02 Bangalore

03 Chennai

04 Aurangabad

05 Patna

06 Delhi

07 Kolkata

08 Mumbai

09 Hyderabad

10 Guwahati

11 Ranchi

ASHOK TOURIST SERVICE STATION
Chanakyapuri, New Delhi

D – DUTY FREE SHOPS

		No. of Shops
01	Coimbatore Airport Arrival Lounge	1
02	Chennai Seaport	1
03	Kolkatta Seaport	1
04	Haldia Seaport	1
05	Vishakhapatnam Seaport	1
06	Goa Seaport	1
07	New Mangalore Seaport	1
	Total	**7**

E -- SOUND & LIGHT SHOW

1 Red Fort, Delhi

2 Purana Quila, Delhi

F – JOINT VENTURE HOTELS

01 Hotel Brahmaputra Ashok, Guwahati

02 Hotel Ranchi Ashok,Ranchi

03 Hotel Nilachal Ashok Puri (Closed since March 2004)

04 Hotel Pondicherry Ashok, Puducherry

05 Hotel Lake View Ashok,Bhopal

06 Hotel Donyi Polo Ashok, Itanagar

G – MANAGED UNITS

01 Hotel Bharatpur Ashok, Bharatpur

02 Kosi Restaurant Kosi

H -- CATERING ESTABLISHMENTS

01 State Guest House & Hospitality
Centre at Hyderabad House, Delhi

02 Western Court Catering Service, New Delhi

03 Ashok Mayur Restaurant at
Vigyan Bhawan, New Delhi

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Annexure-_III__

REPLIES TO THE COMMENTS CONTAINED IN STATUTORY AUDITORS REPORT TO THE SHAREHOLDERS ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

Para on Basis for Qualified Opinion	Management Reply
	Refer note no. 1 in Note No. 17 and 14A to Accounts. The investments in su bsidiary companies are long term investments and as per Accounting policy of the Company these investments are stated at cost in the accounts and provision for diminution in value of each investment, if any, is made to recognise the decline, other t han of temporary nature. The financial performance of some of the subsidiary companies except hotel at Puri (which is operationall y closed), have now shown improving trend and are making payment towards management fee and repayment of loans. As the repa yment of loans/interest due thereon and management fees is not commensurate with the amount charged to them every ye ar, the Corporation has decided to postpone the accounting for such income from these companies (viz management fees and interest on loan given) to actual realisation from 2008-09 onwards, which is in accordnace with the provision s of Accounting Standard-9 on Revenue Recognition. However, in view of the improved performance and intrinsic val ue of properties/assets of these subsidiary companies, the amount of investments, amount recoverable from these companies has been considered as good for recovery.

MANAGEMENT RESPONSE TO THE EMPHASIS OF MATTER CONTAINED IN THE STAUTORY AUDIT REPORT TO THE SHAREHOLDERS FOR THE YEAR ENDED 31ST MARCH 2014

Sl no.	Management Response
1	The stock details of the inventory items is maintained at respective Duty Free Shop operating from Goa Airport and Seaport Goa. However the accounts of the units are being maintained at Mumbai Office. The physical verification of inventory has been conducted at the unit level to which internal auditors have reported in their report to be found correct as per book balance. The information available in this regard was made available to the branch auditors also. On the basis of the information, the accounts for the year 2013-14 have been prepared.
2	As per the Agreement with the Directorate of Estate, unit Vigyan Bhavan is providing catering services to Govt. of India. Under the terms and conditions, inter alia, unit has to pay the electricity & water charges on actual consumption basis. Since neither any meter for electricity/water has been installed, nor there has been any demand since inception, the amount payable is not determinable. However, the estimated/adhoc amount has been provided in the books of accounts as a prudent accounting practice.
3	The disclosure of transactions with related parties as per Accounting Standard-18 has been made in Note no. 9 of General Note No. 32 and the observation of the audit is noted for compliance in the next financial year.
4	The disclosure in pursuance of Accounting Standard-19 on Leases, has been made in note no. 10 in General Note No. 32 to Accounts.

Annexure IV

Replies to Observation of Statutory Auditors contained in Annexure to the Report

Para No.	Management Replies
1(a) & (b)	Noted for compliance
2 (a),(b) & (c)	Noted for compliance
3	No Comments
4	Noted for compliance
5(a)	No Comments
6	No Comments
7	Noted for compliance
8	No Comments
9(a)	Noted for compliance
9(b)	Since the matters of Sales Tax, Income Tax, Luxury Tax , Custom Duty etc. are under appeals with the appropriate authorities, therefore, pending decision, the same have been included in the Contingent Liabilities in the Notes to Accounts (Refer Note No. 31).
10	No comments
11 to 21	No comments

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

Annexure V

REPLIES TO THE COMMENTS CONTAINED IN STATUTORY AUDITORS' REPORT TO THE BOARD OF DIRECTORS ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Para on Basis for Qualified Opinion	Management Reply
	Refer note no. 1 in Note No. 17 and 14A to Accounts. The investments in subsidiary companies are long term investments and as per Accounting policy of the Company these investments are stated at cost in the accounts and provision for diminution in value of each investment, if any, is made to recognise the decline, other than of temporary nature. The financial performance of some of the subsidiary companies except hotel at Puri (which is operationally closed), have now shown improving trend and are making payment towards management fee and repayment of loans. As the repayment of loans/interest due thereon and management fees is not commensurate with the amount charged to them every year, the Corporation has decided to postpone the accounting for such income from these companies (viz management fees and interest on loan given) to actual realisation from 2008-09 onwards, which is in accordnace with the provisions of Accounting Standard-9 on Revenue Recognition. However, in view of the improved performance and intrinsic value of properties/assets of these subsidiary companies, the amount of investments, amount recoverable from these companies has been considered as good for recovery. As regards two non operational companies, the action for revival of the incomplete project at Anandpur Sahib through PPP mode is in progress and in case of closed unit Hotel Nilachal Ashok, Puri, the Joint Venture Company would explore further investment in the property to revive the company.

MANAGEMENT RESPONSE TO THE EMPHASIS OF MATTER CONTAINED IN THE STAUTORY AUDIT REPORT TO THE BOARD OF DIRECTORS ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Sl no.	Management Reply
1	The stock details of the inventory items is maintained at respective Duty Free Shop operating from Goa Airport and Seaport Goa. However the accounts of the units are being maintained at Mumbai Office. The physical verification of inventory has been conducted at the unit level to which internal auditors have reported in their report to be found correct as per book balance. The information available in this regard was made available to the branch auditors also. On the basis of the information, the accounts for the year 2013-14 have been prepared.
2	As per the Agreement with the Directorate of Estate, unit Vigyan Bhavan is providing catering services to Govt. of India. Under the terms and conditions, inter alia, unit has to pay the electricity & water charges on actual consumption basis. Since neither any meter for electricity/water has been installed, nor there has been any demand since inception, the amount payable is not determinable. However, the estimated/adhoc amount has been provided in the books of accounts as a prudent accounting practice.
3	The disclosure of transactions with related parties as per Accounting Standard-18 has been made in Note no. 9 of General Note No. 32 and the observation of the audit is noted for compliance in the next financial year.
4	The disclosure in pursuance of Accounting Standard-19 on Leases, has been made in note no. 10 in General Note No. 32 to Accounts.

Annexure VI

Statement pursuant to exemption under Section 212(8) of the Companies Act,1956 relating to subsidiary companies as on March 31,2014

Name of the Company	Financial Year	Share Capital	Reserves (Net of Accumulated Losses)	Total Assets	Total Liabilities	Details of Investment (except in case of Investment in subsidiaries	Turnover	Profit/loss before taxation	Provision for taxation	Profit/loss after taxation
Ranchi Ashok Bihar Hotel Corpn. Ltd.	2013-14	48996000	(48,608,990.00)	39,388,485.00	39,001,475.00		23,590,066.00	(9,624,809.00)	(1,435,576.00)	(8,189,233.00)
	2012-13	7160000	(40,419,757.35)	17,938,259.75	51,198,017.10		23,954,974.01	(9,526,342.74)	-	(9,526,342.74)
MP Ashok Hotel Corpn. Ltd.	2013-14	16000000	(9,182,808.53)	79,549,682.88	72,732,491.41		73,586,990.28	7,278,141.25	2,361.00	7,275,780.25
	2012-13	16000000	(16,458,588.78)	74,499,429.09	74,958,017.87		66,594,343.20	10,492,571.39	4,112,817.00	6,379,754.39
Pondicherry Ashok Hotel Corpn.Ltd.	2013-14	16000000	(1,980,827.00)	37,411,169.00	23,391,996.00		20,925,220.00	(2,336,128.00)	981,997.00	(3,318,125.00)
	2012-13	6000000	1,337,299.00	26,358,838.00	19,021,539.00		17,750,639.00	(2,052,460.00)	923,564.00	(2,976,024.00)
Utkal Ashok Hotel Corpn. Ltd.	2013-14	48000000	(206,109,981.95)	24,573,823.25	182,683,805.20		103,431.00	(5,862,436.00)	-	(5,862,436.00)
	2012-13	48000000	(200,247,545.95)	25,281,772.25	177,529,318.20		-	(6,140,169.20)	-	(6,140,169.20)
Punjab Ashok Hotel Co.Ltd.	2013-14	25000000	(1,380,641.29)	27,803,746.39	4,184,387.68		-	(18,205.00)	-	(18,205.00)
	2012-13	25000000	(1,362,436.29)	27,596,867.39	3,959,303.68		750.00	(23,815.30)	-	(23,815.30)
Donyi Polo Ashok Hotel Corp. Ltd.	2013-14	9975000	13,443,561.27	34,925,168.45	11,506,607.18		27,820,138.00	3,284,272.71	1,010,403.00	2,273,869.71
	2012-13	9975000	11,169,691.56	30,162,266.14	9,017,574.58		22,592,859.00	712,796.66	293,272.00	419,524.66
Assam Ashok Hotel Corp. Ltd.	2013-14	10000000	(59,067,994.00)	54,927,674.00	103,995,668.00		83,253,841.00	3,990,256.00	434,830.00	3,555,426.00
	2012-13	10000000	(62,623,419.99)	48,395,803.94	101,019,223.93		73,955,201.35	(3,522,298.33)	(1,290,174.00)	(2,232,124.33)

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS
OF INDIA TOURISM DEVELOPMENT CORPORATION LIMITED

Report on the Financial Statements

We have audited the attached Balance sheet of **India Tourism Development Corporation Limited**, New Delhi as at 31st March, 2014, the Statement of Profit and Loss and also the Cash Flow Statement for the year ended on that date annexed thereto, in which are incorporated the accounts of the Head Office and 4 units/branches audited by us and 35 units/ branches audited by respective branch auditors appointed by the Comptroller and Auditor General of India.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Basis of Qualified Opinion

i. *The corporation is due Rs 1315.92 Lakhs as at 31.03.2014 (Rs 1,413.96 Lakhs upto 31.03.2013) from certain subsidiary Companies (which have significant accumulated losses) on account of services rendered and funds advanced to them (including interest thereon). Besides the corporation holds investments in the said subsidiaries having a book value as at 31.03.2014 of Rs.1060.58 Lakhs (Previous Year Rs 759.70 Lakhs). The management has represented to us that these investments are of long term nature and the shortfall/diminution in their value is not permanent and that the intrinsic value of assets owned by these companies is considerable to recover the dues and cost of investments, though two of the companies are non-operational and the present net worth of most of these companies is in the negative (Refer Note No's. 17(1) & 14A(1)).*

Emphasis of Matter

Without qualifying our opinion, we further report that:

1. As per the auditors of Units having name Duty Free Shop- Goa and Sea Port , Management did not provide to the auditor the details of movement of stock with rate and amount, giving details of item descriptions lying on 31st March, 2014.However, Management explained to the auditor that inventories of the company have been physically verified by the management at the year end and also the inventory lying at the unit has been physically verified by the internal auditor and as reported by him, the inventory was found to be correct as per the book balance, on the day of physical verification.

2. As per the auditor of Vigyan Bhawan The unit has provided an amount of Rs. 4,00,000/- for electricity and water charges on assumption basis. The total liability towards electricity & water charges since the inception of the unit is Rs. 59,34,305/- payable to Directorate of Estate is subject to confirmation. In the absence of requisite details thereof and supporting documents, we cannot comment thereon.

3. Non-disclosure of complete details pertaining to transactions entered into during the year with related parties-Accounting Standard-18-Related Party Disclosure.

4. Non-disclosure of details required in respect of operating leases entered into by the Corporation. [Point No. 11 of General Note 32] - Accounting Standard-19 Leases.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, **Except for the matter described in the basis for Qualified Opinion paragraph**, the financial statement gives the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-

i) in the case of balance sheet, of the state of affairs of the Corporation as at 31st March, 2014,

ii) in the case statement of profit & loss, of the profit for the year ended on that date, and

iii) in the case of cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

We further report that:

i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

ii. In our opinion the Company has kept proper books of account as required by law so far as appears from our examination of those books.

iii. The Balance Sheet, Statement of Profit and Loss dealt with by this Report are in agreement with the books of account,

   a. *Except for the matter described in the Basis of Qualified Opinion paragraph and emphasis of matter*, in our opinion, the Balance Sheet, Statement of Profit and Loss comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;

   b. Provisions of clause (g) of sub section (1) of section 274 of the Companies Act, 1956 are not applicable to the Government Company in terms of GSR 829(E) dated 21st October, 2003 issued by Government of India, Department of Company affairs.

For V.K. Verma & Co.
Chartered Accountants
(FRN.000386N)

Sd/-
Vivek Kumar
(Partner)
M.No.503826

Place: New Delhi
Date:14th August 2014

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE ON THE ACCOUNTS OF INDIA TOURISM DEVELOPMENT CORPORATION LIMITED FOR THE YEAR ENDED 31ST MARCH, 2014.

1. (a) The corporation has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets *except at few branches / units where records were incomplete in respect of quantitative details and situation etc.*

   (b) The fixed assets are reported to have been physically verified by the management generally at the yearend / reasonable intervals. *In most of the branches / units and the head office, the book balance and physical balances have not been reconciled and hence, the discrepancies, if any, have not been ascertained for necessary adjustments in the books of account.*

   (c) The corporation has not disposed off substantial portion of its fixed assets during the year and hence going concern assumption is not affected.

2. (a) The inventory has been physically verified by the management generally once in a year except at few branches / units where verification has been conducted at the end of every half year. *Some of the branch auditors have reported that though the inventory has been physically verified the frequency of verification is inadequate/ not reasonable and needs to be increased in view of the size and nature of the inventory.*

   (b) The procedures of physical verification of inventories followed by the management are generally reasonable and adequate in relation to the size of the corporation and the nature of its business *Some of the branch auditors have reported that the procedures of physical verification of inventories need to be strengthened and provision made for evaporation loss / obsolescence for dead stock of stores / spares / provisions, crockery & cutlery items and stationery items.*

   (c) The corporation is generally maintaining proper records of inventory *except at few units wherein the branch auditors have reported that proper records of inventory were not maintained.* The discrepancies noticed on physical verification between the physical stocks and the book records were not material *except at some branches where such discrepancies could not be ascertained in the absence of proper records of inventory.* However, since the consumption of these stocks, stores, crockery, cutlery etc. had been worked out by taking opening balance, purchases and closing balance based on physical inventories, t*he value of shortages etc. has not been ascertained and shown separately..*

3. The Corporation has neither taken nor granted any loans, secured or unsecured from / to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly provisions of clauses 4(iii) (b), (c), (d), (e), (f) and (g) of the said order are not applicable.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Corporation and the nature of its business with regard to the purchase of inventory, fixed assets and with regard to the sale of goods and rendering of services *except at some branches wherein the branch auditors have reported, that the evaluation of the prevailing internal control structure and its operation disclosed weak internal control systems and which is not adequate and commensurate with the size of the branch and the nature of its business, with regard to purchase of inventory and recording, purchase of fixed assets, sale of*

goods and services, purchase and consumption of raw materials, cost of services rendered, stores, stocks, issuance of material and which need to be improved / strengthened.

5. (a) According to the information and explanations given to us, we are of the opinion that there are no contracts or arrangements that need to be entered into the register maintained under Section 301 of the Companies Act, 1956.

   (b) Not applicable in view of para (a) above.

6. The Corporation has not accepted any deposits from public in terms of Sections 58A and 58AA of the Companies Act, 1956 and the rules made there under.

7. In our opinion, the Corporation has an internal audit system, which is generally commensurate with the size and nature of its business. *However, as reported by some of the branch auditors and in units audited by us, the coverage of internal audit needs to be enlarged to cover all areas of operation including timely submission and follow up of the reports.*

8. As informed to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956.

9. (a) In our opinion the Corporation is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it *except as reported by some of the branch auditors regarding irregularity in deposit / non-deposit of undisputed statutory dues*

   According to the information and explanations given to us and as reported by the branch auditors in their reports, the undisputed amounts payable in respect of outstanding statutory dues that were in arrears, as on 31.03.2014 for a period of more than six months from the date they became payable are given below :

Name of the Statute, Unit	**Nature of dues**	**Amount (in lacs)**	**Period to which the amount relates**
ESI, Vigyan Bhawan ,	ESI	4.79	More than six months
ESI, Hyderabad House	ESI	1.72	More than six months
ESI, Ashok Hotel, New Delhi	ESI	0.445	More than six months
EPF, Ashok Hotel, New Delhi	EPF	1.87	More than six months

(b) According to the information & explanations given to us and as reported by the branch auditors in their reports, dues of Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess that have not been deposited on account of disputes are given below:

Name of the Statute/Unit	Nature of dues	Amount (in lacs)	Period to which the amount relates	-Forum where dispute is Pending
ESI, Ashok Hotel New Delhi	ESI	501.79	Earlier Years	High Court of Delhi
Service Tax, Ashok Hotel New Delhi	Service Tax	330.91	Earlier Years	CESTAT, Delhi
The Delhi Sales tax Act, 1975	Local Sales Tax	150.25	1990 to 2007	Various Authorities
The Central Sales Tax Act, 1956	Central Sales Tax	3.02	1987 to 2002	Various Authorities
Andhra Pradesh VAT Act, 2005	Local Sales Tax	327.15	2005 to 2007	Hyderabad High Court
The Delhi Tax on Luxuries Act, 1996	Luxury Tax	42.58	2001-02 & 2002-03	Assistant Commissioner of Luxury Tax
The Income Tax Act, 1961	Income Tax	337.49 17.59 845.16	1992-93, 1995-96 2006-07 & 2007-08	Income Tax Appellate Tribunal Delhi High Court ITAT of CIT (A)
Finance Act, 2014, Ashok Event	Service Tax	39.65	2006 to 2009	Additional Commissioner of Service Tax
Excise Duty, Kalinga	Excise Duty	13.33	2002-03	High Court,Orissa
ESI, Kalinga	ESI	1.45	Earlier Years	Dist. Court, Khurda
Service Tax	Service Tax	52.91	Earlier Years	Addl. Director General, DGCEI, Kolkatta
ESI, Hotel Samrat	ESI	71.68	01.10.1997 to 31.03.2000	High Court of Delhi
EPF, Hotel Samrat	EPF	17.92	1982 to 1985	Supreme Court of India
Bihar VAT Act, Patliputra Ashok	VAT	3.09	Earlier Years	JCCT, Patna
ESI, Hotel Janpath	ESI	60.08	1998-2003	High Court of Delhi
Custom Act, 1962	Custom Duty	18478.67	2004-05	CESTAT
Custom Act, 1962	Custom Duty	42.17	2003	Committee of Disputes
Maharashtra Sales tax Act	Sales Tax / VAT	2465.62	1995-2008	Commissioner Appeals

10. Even after considering the effects of quantified qualifications, in our opinion, the Corporation does not have accumulated losses. The Corporation has not incurred cash loss during the financial year covered by our audit and has incurred cash loss in the immediately preceding financial year. *However, the effect of resolution and quantification of matters reported / of un-quantified qualifications and others reported in*

-the main Audit Report, which may in some cases be significant, have not been taken into consideration, as the amounts are not ascertainable.

11. Based on our audit procedures and as per the information and explanations given to us by the management, the Corporation has no dues towards banks, financial institutions or debenture holders, and, hence, provisions of clause 4(xi) of the Order are not applicable to the corporation., .

12. According to the information and explanations given to us and based on the documents and records produced to us, the Corporation has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. In our opinion, the Corporation is not a chit fund or a nidhi mutual benefit fund / society.

14. According to the information and explanations given to us, the Corporation is not dealing in shares, securities and other investments. The investments in the shares of subsidiary companies are held by the Corporation in its own name and are not traded.

15. Except for a guarantee of Rs. 331.44 lakhs (including interest) provided against loans obtained by a subsidiary company in the earlier year, and which is continuing, the Corporation has not given guarantees during the year for loans taken by others from banks or financial institutions. Further, the terms and conditions on which the corporation had given guarantees for loans taken by others from bank or financial institutions are not prima facie prejudicial to the interest of the Corporation.

16. Based on information and explanations given to us by the management, no term loans have been raised by the corporation during the year.

17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Corporation, we report that no funds raised on short-term basis have been used for long-term investment.

18. The Corporation has not made any allotment of shares during the year under audit; hence this clause is not applicable to the Corporation.

19. The Corporation has not issued any debentures; hence this clause is not applicable to the Corporation.

20. The Corporation has not raised money by public issues during the year under audit; hence this clause is not applicable to the Corporation.

21. During the course of our examination of the books and records of the corporation, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the corporation, noticed or reported during the year, nor have we been informed of such case by the management.

For V.K. Verma & Co.
Chartered Accountants
(FRN.000386N)

Sd/-
Vivek Kumar
(Partner)
MembershipNo. 503826

Place:New Delhi
Date: 14th August,2014

INDIA TOURISM DEVELOPMENT CORPORATION LIMITED
BALANCE SHEET AS AT 31st MARCH, 2014

(₹ in lakh)

Particular	Note		As At 31.03.2014	As At 31.03.2013
I. EQUITY AND LIABILITIES				
(1) Shareholders' Funds				
Share Capital	2		8,576.94	8,576.94
Reserves and Surplus	3		23,039.61	22,599.13
Money Received against Share Warrants			-	-
Deferred Government Grants			4.73	5.07
(2) Non-Current Liabilities				
Long-Term Borrowings	4	-		-
Other Long-Term Liabilities	6	584.28		880.80
Long-Term Provisions	7	4,277.41	4,861.69	4,560.02
(3) Current Liabilities				
Short-Term Borrowings	8	-		-
Trade Payables	9	4,580.37		5,197.63
Other Current Liabilities	10	16,031.64		14,248.94
Short-Term Provisions	7	1,444.85	22,056.86	710.79
TOTAL			**58,539.83**	**56,779.32**
II. ASSETS				
(1) Non-Current Assets				
Fixed Assets				
Tangible Assets in Active Use	11	5,183.36		5,737.56
Tangible Assets Not in Active Use	11A	11.88		10.97
Intangible Assets	12	26.36		47.43
Capital Work-in-Progress	12A	276.00		133.98
Non-Current Investments	13	1,111.48		810.60
Deferred Tax Assets (Net)	5	2,611.02		2,511.25
Long-Term Loans and Advances	14	358.40		332.51
Other Non-Current Assets	15	95.82	9,674.32	41.46
(2) Current Assets				
Inventories	16	1,301.51		1,032.61
Trade Receivables	17	8,179.05		10,249.96
Cash and Cash Equivalents	18	29,180.38		25,180.04
Short-Term Loans and Advances	14A	8,831.72		8,927.98
Other Current Assets	19	1,372.85	48,865.51	1,762.97
TOTAL			**58,539.83**	**56,779.32**

Notes to accounts and significant accounting Policies 1

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

(V.K. Jain)	(P.K. Aggrawal)	(Trinath Behera)	(Dr Sameer Sharma)
Company Secretary	Vice President (F&A)	Director (Finance)	Managing Director

As per our Report of even date
For V.K. Verma & Co.
Chartered Accountants (FRN 000386N)

Date:
Place: New Delhi

(Vivek Kumar)
Partner
M.No. 503826

INDIA TOURISM DEVELOPMENT CORPORATION LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2014

(₹ in lakh)

	Particular	Note		Year Ended 31.03.2014	Year Ended 31.03.2013
	REVENUE				
I.	**Revenue from Operations**	20			
	Sales of products		10,094.38		9,008.66
	Sales of services		33,612.26		31,833.32
	Other operating revenues		119.76	43,826.40	160.90
II.	**Other Income**	21		3,131.91	3,060.72
III.	**Total Revenue (I+II)**			**46,958.31**	**44,063.60**
	EXPENSES				
	Cost of materials Consumed & Services Rendered	22		4,582.14	4,181.63
	Purchase of stock-in-trade	23		1,853.73	1,565.16
	Changes in inventories of finished goods and stock-in-tr ade	24		(118.69)	54.22
	Employees' Remuneration & Benefits	25		14,185.48	14,391.38
	Finance Costs	26		-	-
	Depreciation and amortization expense	11&12	595.77		589.67
	Less: Attributed to the Projects		(0.19)	595.58	(0.19)
	Operating Expenses & Other Expenses	27		24,593.47	22,682.45
IV.	**Total Expenses**			**45,691.71**	**43,464.32**
V.	**Profit/(Loss) Before Exceptional, Extraordinary Items and Prior Period Adjustments (III-IV)**			**1,266.60**	**599.28**
VI.	**Exeptional Items**	28		313.85	184.62
VII.	**Profit/(Loss) Before Extraordinary Items and Prior Period Adjustments (V-VI)**			1,580.45	783.90
	Prior Period Adjustments	29			
	Prior Period Income		(63.54)		(31.99)
	Prior Period Expenses/Adjustments		323.79	(387.33)	203.86
VIII.	**Profit/(Loss) Before Extraordinary Items**			**1,193.12**	**548.05**
IX.	**Extraordinary Items**			-	-
X.	**Profit/(Loss) Before Tax(PBT) (VIII-IX)**			**1,193.12**	**548.05**
XI.	**Tax Expense of continuing operations :**				
	Current Tax (Income Tax)		(350.00)		(220.00)
	Tax written Back (Previous Year)		-		31.94
	Current Tax (Wealth Tax)		(0.68)		(0.71)
	MAT credit Entitlement		-		-
	Deferred Tax	5	99.77	(250.91)	(59.60)
XII.	**Profit/(loss) for the period from continuing operations (X-XI)**			**942.21**	**299.68**
XIII.	**Profit/(loss) from discontinuing operations**			-	-
XIV.	**Tax expense of discontinuing operations**			-	-
XV.	**Profit/ (loss) from discountinuing oprations (after Tax) (XIII-XIV)**			-	-
XVI.	**Profit/ (loss) for the period [Profit After Tax (PAT)] (XII+XV)**			**942.21**	**299.68**
	Earnings per equity share				
XV.	**(1) Basic**	30			
	(2) Diluted			1.10	0.35

(V.K. Jain)	**(P.K. Aggrawal)**	**(Trinath Behera)**	**(Dr Sameer Sharma)**
Company Secretary	Vice President (F&A)	Director (Finance)	Managing Director

As per our Report of even date
For V.K. Verma & Co.
Chartered Accountants (FRN 000386N)

Date:
Place: New Delhi

(Vivek Kumar)
Partner
M.No. 503826

Note -1

A:- Significant Accounting Policies:

1) Accounting Convention

The Financial Statements are prepared under the historical cost convention and comply in all material aspects with generally accepted accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

2) Use of Estimates

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

3) Disputed Income Tax and Sales Tax Demands

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

4) Fixed Assets and Depreciation

A) Fixed Assets

i) Fixed assets are valued at cost of acquisition, net of 'Grant in aid' where applicable
ii) Fixed Assets retired from active use and held for disposal are stated at the lower of book value and/or net realizable value and are shown separately in the financial statements. Loss determined, if any, is recognized in the profit and loss statement.

iii) In cases where receipts/scrutiny of final bills of the contractors/suppliers, settlement of the rates to be paid for extra items and price escalation etc. are pending, the capitalization is effected provisionally, based on value of work completed as certified by Project Engineers. Difference, if any, is proposed to be accounted for in the year in which the final bills are settled.
iv) Intangible Assets (Software) are stated at their cost of acquisition.

B) Depreciation

Depreciation on fixed assets is provided pro-rata, on Straight Line Method on the following rates:

i) On fixed assets existing as on 31.3.1987, at the rates already adopted in earlier years.*

ii) On addition in the Fixed Assets during the period from 01.04.1987 to 15.12.1993, at the pre-revised rates as per the schedule XIV of the Companies Act, 1956.**

iii) On additions made to fixed assets from 16.12.1993 onwards, as per revised rates prescribed in schedule XIV of the Companies Act, 1956***

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

The rates at which depreciation has been charged are given below:-

S.No	Particular	*Straight Line Method % adopted by Corporation		**Straight Line Method % rates as per Schedule XIV of company Act		***Revised Straight Line Method % rates as per Schedule XIV of company Act	
		Hotels	Other than Hotel	Hotels	Other than Hotel	Hotels	Other than Hotel
1	Building and Roads	1.90	1.90	1.63	1.63	1.63	1.63
2	Plant & Machinery	8.64	5.28	11.31	5.15	10.34	4.75
3	Electrical Installation	8.64	5.28	5.15	5.15	4.75	4.75
4	Lifts	8.64	5.28	11.31	11.31	10.34	10.34
5	Kitchen Equipment	8.64	5.28	11.31	5.15	10.34	4.75
6	Sound system & musical instruments	8.64	5.28	11.31	5.15	10.34	4.75
7	Furniture ,Fixture & Furnishing	9.50 to 31.67	9.50 to 31.67	5.15	3.34	9.50	6.33
8	Office and miscellaneous equipments	8.64	5.28	5.15	5.15	4.75	4.75
9	Computers	-		16.21	16.21	16.21	16.21
10	Coolers & refrigerator	8.64	5.28	11.31	5.15	10.34	4.75
11	Air Conditioners (Both Type)	8.64	5.28	5.15	5.15	4.75	4.75
12	Vehicles (Staff car & Scooters)	10.56	10.56	7.07	7.07	9.50	9.50
13	Transport Vehicles	-	16.21	-	16.21		16.21
14	Sanitary installation	8.64	5.28	11.31	5.15	10.34	4.75
15	Assets costing below Rs.5000	-	-	-	-	100%	100%

**** Assets costing Rs. 5,000/- and below are charged 100% Depreciation except in case of New Project where the Depreciation at respective rates are charged, keeping in view the nature of corporation's activities

5) Investments

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

6) Valuation of Inventories

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

7) Execution of Projects for Clients

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

ii) Indirect costs are treated as "period costs" and are charged to profit and loss account in the year of incurrence.

8) Provision, Contingent Liabilities and Contingent Assets

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

ii) Where as a result of past events, there is a possible obligation that may, but probably will not, require any outflow of resources, no provision is recognized but appropriate disclosure is made in the notes.

iii) Contingent assets are neither recognized nor disclosed in the financial statements.

9) Employees Benefits

A) Provident Fund

Company's contributions to Provident Fund are charged to Profit & Loss Account.

B) Gratuity

i) Provision for Gratuity is made on the basis of Actuarial Valuation.

ii) Contribution towards Gratuity scheme is based on the premium contribution called for by the Life Insurance Corporation of India (LIC) with whom the Company has entered into an agreement. As per the terms of its scheme, LIC settles the claim for the full value of the gratuity paid by the Company to its employees, as and when such a payment is made.

C) Leave Encashment

The provision for leave encashment is made on the basis of actuarialvaluation.

10) Deferred Taxation

i) Deferred Tax is provided during the year, using the liability method on all temporary differences at the Balance Sheet date between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes in accordance with the Accounting Standard (AS-22).

ii) Deferred Tax Asset is recognized, subject to consideration of prudence, only to the extent that there is reasonable certainty that sufficient taxable profits will be available against which such Deferred Tax Assets can be realized. In situations where the company has any unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

iii) Deferred Tax Assets and Liabilities are measured at the rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the Balance Sheet date.

11) Government Grant

i) The Government grant received for upgradation of properties is recognized as income from the year in which respective properties are upgraded and to the extent grant related costs incurred i.e. written off as depreciation,revenue expenditure each year.

ii) The balance of Government Grant to the extent not adjusted as at the close of the year, is carried in the financial statements as 'Deferred Government Grant' after 'Reserves & Surplus.'

12) Revenue Recognition

i) Income from Projects is recognized on the percentage of completion method including in respect of cost plus/deposit/turnkey/project management work. In terms of this method, revenue is recognized in proportion to the actual costs incurred as against the total estimated cost of project under execution. The determination of revenues under this method involves making estimates, some of which are of technical nature, concerning, where relevant, the percentages of completion, costs of completion (including cost of rejection), expected revenues etc.

ii) Income from services rendered in respect of projects /license fees/Management fee are accounted for (exclusive of service tax) as per terms of the agreement. However, where such service charges/fees are not realised in cash for significant period the accrual thereof is postponed to be accounted for on receipt.

iii) Revenue from sales (net of returns and discounts) is recognized on transfer of substantial risks and rewards to the customers. Sales Tax and Value Added Tax are excluded.

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

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

13) Foreign Currency Transactions

a) Transactions in foreign exchange

i) Initial Recognition
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion
Foreign currency monetary items are reported using the closing rate Non-monetary items that are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) Exchange Differences
Exchange differences arising on the settlement of monetary items or on recording/ reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arises. Exchange differences on liabilities relating to fixed assets acquired from outside India are added to the cost of such assets.

b) Money Changing Business

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

14) Borrowing Costs

i) Borrowing Costs if any, that are directly attributable to the acquisition/construction of qualifying assets are capitalized as part of the cost of the respective assets.

ii) Other borrowing costs are expensed in the year in which they are incurred.

15) Prior Period/Extraordinary Items

i) All prior period items which are material and which arise in the current period as a result of 'errors or omissions' in the preparation of prior period's financial statements are separately disclosed in the current Statement of Profit & Loss. However differences in actual income/expenditure arising out of over or under estimation' in prior period are not treated as prior period income/expenditure

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

16) Claims

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

INDIA TOURISM DEVELOPMENT CORPORATION LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

NOTE- 2 SHARE CAPITAL:

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

(₹ in lakh)

Particular	As At 31.03.2014	As At 31.03.2013
Authorised Share Capital		
15,00,00,000 Equity Shares of ₹ 10/- each		
({Previous year 15,00,00,000 Equity Shares of ₹ 10/- each)	15,000.00	15,000.00
	15,000.00	**15,000**
Issued & Subscribed Share Capital		
8,57,69,400 Equity Shares of ₹ 10/- each		
({Previous year 8,57,69,400 Equity shares of ₹ 10/- each)	8,576.94	8,576.94
	8,576.94	**8,577**
Paid-up Share Capital		
8,57,69,400 Equity Shares of ₹ 10/- each		
({Previous year 8,57,69,400 Equity Shares of ₹ 10/- each)	8,576.94	8,576.94
Total	**8,576.94**	**8,576.94**

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

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

Reconciliation of number of Equity Shares outstanding at the beginning and at end of the year (In Nos.)

Particular	As At 31.03.2014	As At 31.03.2013
Number of Shares outstanding as at beginning of the year	85,769,400	85,769,400
Add:		
Number of shares allotted as fully paid-up-bonus shares during the year	-	-
Number of shares allotted during the year as fully paid-up pursuant to a contract without payment being received in cash	-	-
Number of shares alloted to employees pursuant to ESOPs/ESPs	-	-
Number of shares allotted for cash pursuant to public issue	-	-
	85,769,400	**85,769,400**
Less:		
Number of shares bought back during the year	-	-
Number of Shares outstanding as at end of the year	**85,769,400**	**85,769,400**

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

Particular	As At 31.03.2014	As At 31.03.2013
	Classes of shares	**Classes of shares**
The Company has one class of Equity shares having a par value of ₹ 10/- per share. Each Shareholder is eligible for one vote per share held. The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.	Equity Shares	Equity Shares

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

Particular	As At 31.03.2014		As At 31.03.2013	
Name of the Shareholder	**Number of Shares Held**	**Percentage of Shares Held**	**Number of Shares Held**	**Percentage of shares held**
i). President of India	74,641,681	87.030	79,000,500	92.108
ii).The Indian Hotels Company. Ltd.	6,750,275	7.870	6,750,275	7.870

NOTE:- 3, RESERVE AND SURPLUS (₹ in lakh)

Particular		As At 31.03.2014	As At 31.03.2013
Capital Reserve			
As per Last Balance Sheet		23.54	23.54
Securities Premium Reserve			
As per Last Balance Sheet	5,475.00		5,475.00
Addition During The Year	-		-
		5,475.00	
General Reserve			
As per Last Balance Sheet	17,095.42		16,795.42
Add/Less: Current year Adjustments	400.00		300.00
Closing Balance		17,495.42	17,095.42
Surplus in the Statement of Profit & Loss			
As per Last Balance Sheet	5.17		5.49
Transfer From Profit & Loss Accounts	942.21		299.68
Surplus For The Year	947.38		305.17
Appropriations/Adjustments:			
Proposed Dividend	428.85		-
Dividend Tax	72.88		-
Transfer to General Reserve	400.00		300.00
		45.65	
Grand Total		**23,039.61**	**22,599.13**

NOTE 4. LONG-TERM BORROWINGS

(₹ in lakh)

Particular	As At 31.03.2014	As At 31.03.2013
(A) BONDS/DEBENTURES		
Secured	-	-
Unsecured	-	-
(B) TERM LOANS FROM BANKS	-	-
(C) TERM LOANS FROM OTHERS	-	-
(D) LOANS AND ADVANCES FROM RELATED PARTIES		
Secured	-	-
Unsecured	-	-
(E) PUBLIC DEPOSITS (UNSECURED)	-	-
(F) LONG-TERM MATURITIES OF FINANCE LEASE OBLIGATIONS	-	-
Total	**-**	**-**

NOTE 5. DEFERRED TAX ASSETS (NET)

(₹ in lakh)

Particular	As At 31.03.2014	As At 31.03.2013
DEFERRED TAX LIABILITIES	-	-
DEFERRED TAX ASSETS	2,611.02	2,511.25
DEFERRED TAX ASSETS (Net)	**2,611.02**	**2,511.25**

Notes:-

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

The major components of deferred tax asset (net) as on 31.3.2014 are given below:-

DEFFERED TAX LIABILITIES (₹ in lakh)

	31.03.2014		31.03.2013	
Depreciation		471.63		577.58
DEFFERED TAX ASSETS				
Carried forward Business Loss	-		119.18	
Provision for Leave Encashment	1240.00		-	
Provision for Gratuity	271.22		410.30	
Provision for Doubtful Debts & Advances & Inventory write down	1329.65		1284.11	
Disallowances under Income Tax Act, 1961	241.78		1275.24	
		3082.65		3088.83
DEFERRED TAX ASSET(NET)		2611.02		2511.25

As required by Accounting Standard -22, the Deferred Tax Assets/Liabilities were reviewed by the management, based on the advice of tax consultants, and in view of sufficient taxable profits in the current year and the expectation that future taxable profits will be available for realisation of the Deferred Tax Asset and accordingly the above deferred tax asset(Net) up to 31.3.2014 has been recognised in the financial statements.

NOTE 6. OTHER LONG-TERM LIABILITIES

(₹ in lakh)

Particular	As At 31.03.2014	As At 31.03.2013
Security Deposit & Retention Money	584.28	880.80
Total	**584.28**	**880.80**

NOTE-7. PROVISIONS

Particulars	As at 31st March 2014			A
	LONG TERM	SHORT TERM	TOTAL	LONG TERM
Employee Benefits				
Gratuity	6,484.59	1,457.26	7,941.85	6,574.61
Less:-Fund size of Investment as per Gratuity Policy	(5,686.64)	(1,457.26)	(7,143.90)	(5,367.50)
Leave Encashment	3,441.17	589.08	4,030.25	3,311.33
Sick Leave	38.29	3.36	41.65	41.58
	4,277.41	592.44	4,869.85	4,560.02
Income Tax				
Provision For Income Tax	-	350.00	350.00	-
	-	350.00	350.00	-
Wealth Tax				
Provision For Wealth Tax	-	0.68	0.68	-
	-	0.68	0.68	-
Proposed Dividends				
Proposed Dividend	-	428.85	428.85	-
Dividend Tax	-	72.88	72.88	-
	-	501.73	501.73	-
Total	**4,277.41**	**1,444.85**	**5,722.26**	**4,560.02**

NOTE 8. SHORT-TERM BORROWINGS

(₹ in lakh)

Particular	As At 31.03.2014	As At 31.03.2013
(A) LOANS REPAYABLE ON DEMAND		
Secured	-	-
Unsecured	-	-
(B) LOANS AND ADVANCES FROM RELATED PARTIES		
Secured	-	-
Unsecured	-	-
(C) PUBLIC DEPOSITS (UNSECURED)	-	-
Total	**-**	**-**

NOTE:- 9 TRADE PAYABLE

(₹ in lakh)

Particular	As At 31.03.2014	As At 31.03.2013
Current		
Trade Payables	4,580.37	5,197.63
Total	4,580.37	5,197.63

NOTE 10. OTHER CURRENT LIABILITIES

(₹ in lakh)

Particular	As At 31.03.2014	As At 31.03.2013
Sundry Creditors (Other Than Trade Payables)	3,803.48	4,421.34
Security Deposit & Retention Money	2,817.73	2,718.09
Advance From Customers	6,292.31	5,250.34
Other Liabilities	3,118.12	1,859.17
Total	**16,031.64**	**14,248.94**

Notes:-

Rental agreement with Life Insurance Corporation of India (LIC) expired on 25.07.2005 is pending renewal. Pending finlisation of terms and conditions and execution of new lease deed. The corporation has paid the rent @ 135/- per sq.feet w.e.f 26-07-2010(After the expiry of five years from 25-07-2005) as per MOU with LIC along with service tax w.e.f 01-06-2007 as per decision and as demanded by LIC.However the corporation has not acknowledged the demand of interest by LIC on late payment of the rent @ 12% p.a.

Sundry creditors include unlinked receipts from customers etc.of ₹ 46.49 lakh (Previous year ₹ 55.73 lakh) which could not be linked to respective customer accounts, for want of adequate details.

Note- 11. Tangible Assets in Active Use

(₹ in lakh)

Sl. No.	Description	GROSS BLOCK: Up to 31.03.2013	GROSS BLOCK: Addition during the year	GROSS BLOCK: Add/(Less): Sales, Transfer, Write Offs and Adjustments During The	GROSS BLOCK: Up to 31.03.2014	DEPRECIATION: Up to 31.03.2013	DEPRECIATION: Provided during the year	DEPRECIATION: Add/(Less): Sales, Transfer, Write Offs and Adjustments During The Year	DEPRECIATION: Up to 31.03.2014	IMPAIRMENT: As at 31st March 2013	IMPAIRMENT: Reversed during the year	IMPAIRMENT: Provided during the year	IMPAIRMENT: Up to 31.03.2014	Net Carrying Amount: As At 31.03.2014	Net Carrying Amount: As At 31.03.2013
1	Land														
	Owned (FreeHold)	20.60	-	-	*** 20.60	2.25	-	-	*** 2.25	-	-	-	-	18.35	18.35
	Leased	326.60	-	-	326.60	33.34	3.43	74.88	* 111.65	-	-	-	-	214.95	293.26
2	Buildings - Owned	2,611.08	0.87	0.18	** 2,612.13	1,443.54	43.10	10.84	1,497.48	-	-	-	-	1,114.65	1,167.54
3	Plant & Equipment- Owned	6,871.07	167.71	(13.48)	7,025.30	4,092.08	325.76	0.80	4,418.64	-	-	-	-	2,606.66	2,778.99
4	Furniture & Fixtures- Owned	2,802.55	23.52	(1.77)	2,824.30	1,927.58	111.73	111.52	2,150.83	-	-	-	-	673.47	874.97
5	Vehicles- Owned	189.42	-	(41.68)	147.74	133.19	14.55	(35.24)	112.50	-	-	-	-	35.24	56.23
6	Office Equipments- Owned	1,436.41	60.11	(5.61)	1,490.91	888.19	74.22	8.46	970.87	-	-	-	-	520.04	548.22
	Total	**14,257.73**	**252.21**	**(62.36)**	**14,447.58**	**8,520.17**	**572.79**	**171.26**	**9,264.22**	**-**	**-**	**-**	**-**	**5,183.36**	**5,737.56**
	Previous Year's total	**14,181.07**	**289.09**	**(212.43)**	**14,257.73**	**8,079.57**	**565.45**	**(124.85)**	**8,520.17**	**-**	**-**	**-**	**-**	**5,737.56**	**-**

* This represents amortization of leasehold land .

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

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

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

Notes:-

(a) Terms of purchase/lease of land having not been finalised and registration of title deeds/execution of lease deeds having not been effected, liability towards cost/lease rent, ground rent and registration fee, etc, has not been created in respect of Hotel Patliputra Ashok at Patna, Ashok Institute of Hospitality and Tourism Management(AIH&TM) and Tennis Court at New Delhi.

(b) Lease deeds/title deeds have not yet been executed in favour of the corporation in respect of land at Hotel Samrat and Office Premises in Scope at New Delhi .

(c) Lease deed in respect of land of Ashok Hotel, New Delhi is registered in the name of erstwhile Ashoka Hotels Limited, which was merged with the corporation on 28th March, 1970

(d) Registration of title deeds in favour of the corporation have not been effected in respect of:-

i) Land and building of Taj Restaurant at Agra.

ii) Land at Gulmarg.

(e) Lease deed in respect of Hotel Jammu Ashok was expired on 11.01.2010,pending renewal of the same liability towards lease rent etc. has not been provided.

(f) Pending finalisation of cost and adjustment thereof, capitalisation of Land, Building, Furniture & Fixtures and Equipment of retained Travellers Lodges, Restaurants and Hotel taken over from Ministry of Tourism, has been effected based on the payments made.

(g) Pending receipt/ scrutiny of final bills of the contractors/suppliers, settlement of the rates for extra items and escalation etc., the capitalisation and/ or charge to expenditure to the extent of ₹ 1745.63 lakh has been accounted for based on certificates issued by Project Engineers for the work carried out at various projects (previous year ₹ 1624.52 lakhs). Adjustments, if any, to cost is proposed to be carried out upon final settlement of the bills.

NOTE-11A -TANGIBLE ASSETS NOT IN ACTIVE USE

(₹ in lakh)

Description	GROSS BLOCK: Up to 31.03.2013	GROSS BLOCK: Addition during the year	GROSS BLOCK: Add/(Less): Sales, Transfer, Write Offs and Adjustments During The Year	GROSS BLOCK: Cost as on 31.03.2014	DEPRECIATION: Up to 31.03.2013	DEPRECIATION: Addition during the year	DEPRECIATION: Add/(Less): Sales, Transfer, Write Offs and Adjustments During The Year	DEPRECIATION: Accumulated Depreciation up to 31.3.2014	Net Carrying Amount: Depreciated value as on 31.3.2014	Net Carrying Amount: Net Realisable value as on 31.3.2014	Net Carrying Amount: Balance Provided for
A. Net Realisable value is more than Depreciated value:-											
Plant & Equipment- Owned	92.69	8.88	(5.80)	95.77	86.13	8.21	(5.16)	89.18	6.59	6.59	-
Furniture & Fixtures- Owned	22.55	0.06	(15.50)	7.11	21.43	0.06	(14.75)	6.74	0.37	0.37	-
Vehicles- Owned	3.93	9.71	-	13.64	3.74	8.13	-	11.87	1.77	1.77	-
Office Equipments- Owned	11.25	1.32	(9.19)	3.38	9.82	1.08	(8.32)	2.58	0.80	0.80	-
Total-A	**130.42**	19.97	(30.49)	**119.90**	121.12	17.48	(28.23)	**110.38**	**9.53**	**9.53**	**-**
B. Net Realisable value is less than depreciated value:-											
Plant & Equipment- Owned	26.16	0.19	-	26.35	16.96	0.13	-	17.09	9.26	1.72	7.54
Furniture & Fixtures- Owned	0.76	-	15.50	16.26	0.72	-	14.75	15.47	0.79	0.25	0.54
Vehicles- Owned	-	-	-	-	-	-	-	-	-	-	-
Office Equipments- Owned	1.57	-	9.19	10.76	1.01	-	8.32	9.33	1.43	0.38	1.05
Total-B	**28.49**	0.19	24.69	**53.37**	18.69	0.13	23.07	**41.89**	**11.48**	**2.35**	**9.13**
Total (A+B)	**158.91**	20.16	(5.80)	**173.27**	139.81	17.61	(5.16)	**152.26**	**21.01**	**11.88**	**9.13**
Previous Year's total	**149.93**	8.98	-	**158.91**	132.35	7.46	-	**139.81**	**19.10**	**9.45**	**9.65**

Note- 12. Intangible Assets

(₹ in lakh)

Sl. No.	Description	<---- GROSS BLOCK ---- As at 31.03.2013	Additional adjustment during the	Deduction during the year	As at 31.03.2014 ---->	<---- ACCUMULATED DEPRECIATION ---- As at 31.03.2013	Provided during the year	Add/(Less): Adjustments During The Year	As at 31.03.2014 ---->	<---- ACCUMULATED IMPAIRMENT ---- As at 31.03.2013	Reversed during the year	Provided during the year	As at 31.03.2014 ---->	<-- Net Carrying Amount --> As at 31.03.2014	As at 31.03.2013
1	Goodwill														
2	Brands/Trade Marks														
3	Computer Software														
	- Acquired	94.67	1.91	-	96.58	47.24	22.98	-	70.22	-	-	-	-	26.36	47.43
	- Internally Generated														
4	Mastheads														
5	Mining Rights														
6	Copyrights														
	- Acquired														
	- Internally Generated														
7	Patents														
	- Acquired														
	- Internally Generated														
	Total	**94.67**	**1.91**	**-**	**96.58**	**47.24**	**22.98**	**-**	**70.22**	**-**	**-**	**-**	**-**	**26.36**	**47.43**
	Previous Year's total	**50.88**	**43.09**	**0.70**	**94.67**	**22.41**	**24.22**	**0.61**	**47.24**	**-**	**-**	**-**	**-**	**47.43**	**-**

NOTE 12A. CAPITAL WORK IN PROGRESS

(₹ in lakh)

Particular	As At 31.03.2014	As At 31.03.2013
I) Work-in-Progress (at cost) including Construction material lying at site and Fixed assets not put to use, Value of work done and material supplied by the Contractor/suppliers	348.53	230.85
II) Expenses Attributable On Projects Pending Allocation	119.06	114.60
III) Capital Goods in Hand & in Transit	30.14	7.38
	497.73	352.83
Less:- Provision for Impairment	(221.73)	(218.85)
TOTAL	**276.00**	**133.98**

Notes:-

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

(₹ in lakh)

Particulars	Current Year	Previous Year
Opening balance	114.60	113.86
Add:-		
Other Project Overheads	23.33	19.22
Depreciation/Amortisation of Lease	0.19	0.19
Less: Capitalised during the year	(19.06)	(18.67)
Closing balance	119.06	114.60

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

NOTE 13. NON-CURRENT INVESTMENTS

(₹ in lakh)

Particular		As At 31.03.2014	As At 31.03.2013
Non-Trade Investments			
A. Trade(Unquoted) in Subsidiary Companies *			
(i) Investments in Equity Instruments			
Utkal Ashok Hotel Corporation Ltd. 11,90,000 (P.Y. 11,90,000)Equity Shares of ₹ 10 Each		119.00	119.00
Ranchi Ashok Bihar Hotel Corporation Ltd. 24,988 (P.Y 3652 fully paid up Equity Shares of ₹1,000 each		249.88	36.52
Madhya Pradesh Ashok Hotel Corporation Ltd. 8,160 (P.Y.8,160) fully paid up Equity Shares of ₹ 1,000 each		81.60	81.60
Assam Ashok Hotel Corporation Ltd. 5,100 (P.Y 5,100) fully paid up Equity Shares of ₹ 1,000 each		51.00	51.00
Pondicherry Ashok Hotel Corporation Ltd. 8,160 (P.Y. 3060) fully paid up Equity Shares of ₹ 1,000 each		81.60	30.60
Donyi Polo Ashok Hotel Corporation Ltd. 50,896 (P.Y. 50896) fully paid up Equity Shares of ₹ 100 each		50.90	50.90
Punjab Ashok Hotel Company Ltd. 12,75,000 (P.Y. 12,75,000) fully paid up Equity Shares of ₹ 10 each		127.50	127.50
		761.48	497.12
Less:- Provision for diminution in value of Investment in Ranchi Ashok Bihar Hotel Corporation Ltd.		-	(36.52)
		761.48	460.60
(ii) Investments in Preference Shares *			
Utkal Ashok Hotel Corporation Limited. 35,00,000 14% Non-cumulative Preference Share ₹ 10 Each Redeemable on 30-03-2017		350.00	350.00
B. Share in Joint Venture Company(Trade Unquoted)			
ITDC Aldeasa India Private Limited **			
5,000 (P.Y. 5000) fully paid Equity Shares of ₹ 10/- each	0.50		0.50
Less: Provision for diminution in value of investment	0.50	-	0.50
		-	-
C. Others (Trade Unquoted)			
1. Delhi Maida Consumers Co-operative Society Limited, Delhi one Equity share of ₹ 25/- Each *****			
2. Investment in Partnership Firms ITDC Showtime			
Opening Balance	-	-	3.14
Less:- Share of Profit	-	-	-
Less Amount Received during the year	-	-	**(3.14)**
TOTAL		**1,111.48**	**810.60**

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

** The Corporation had, for the purpose of running of the Duty Free Trade in India, established on 18/09/2007 a Joint Venture Company (JV) in collaboration with M/s Aldeasa of Spain vide agreement dated 10/07/2007. In terms of the JV agreement, the corporation and Aldeasa were to equally contribute funds to the JV towards capital and accordingly the corporation has, being a promoter subscriber, recorded an investment to the extent of ₹ 50,000 (5,000 equity shares of ₹ 10 each) in the joint venture, though the share certificates remained to be received from the JV company. The share of profit from the partnership amounting to ₹ 1.85 lakh (Pre.Year (0.21) Lakh) has been recognised during the year.

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

Investments in the Ranchi Bihar Ashok Hotel Corporation as indicated above include 21336 Equity Shares of Rs.1000/- each acquired during the year against the amount of Rs. 208.00 lakh paid by the corporation in the earlier years(included in the loans and advances) against the bid for the property of Ranchi Ashok Bihar Hotel Corporation Limited which was attempted to be taken over by the Financial Institution due to non repayment of loan and interest by the subsidiary corporation and Rs.5.36 lakh paid during the year.

Notes:-

Investment of ₹ 1060.58 lakh (Previous Year ₹ 729.10 lakh) in some of the above subsidiary companies, have been evaluated at cost despite significant accumulated losses. The corporation is accounting for income from these companies since 2008-09 (viz.management fees & interest on loans given) to actual realisation / to the extent of deposit of taxes deducted at source in view of the repayment not being commensurate with the amount charged to them.The accounts recoverables as listed above have, however, been considered good of recovery keeping in view of the long term relationship with those companies and the intrinsic value of the assets held by the companies.

NOTE 14. LONG-TERM LOANS AND ADVANCES

(₹ in lakh)

Particular	As At 31.03.2014	As At 31.03.2013
(A) Security Deposits		
Secured, considered good	1.89	1.89
Unsecured, considered good	195.54	169.65
Doubtful	26.06	25.76
Less: Allowance for bad and doubtful advances	(26.06)	(25.76)
Total (A)	**197.43**	**171.54**
(B) Others		
Secured, considered good	-	-
Unsecured, considered good	160.97	160.97
Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
Total (B)	**160.97**	**160.97**
TOTAL [(A)+(B)]	358.40	332.51

NOTE:- 14 A , SHORT TERM LOANS & ADVANCES

(₹ in lakh)

Particular	As At 31.03.2014	As At 31.03.2013
(A) Loans and Advances to Related Parties		
Secured, considered good	-	-
Unsecured, considered good	979.00	1,153.50
Doubtful	-	41.80
Less: Allowance for bad and doubtful advances	-	(41.80)
Total (A)	979.00	1,153.50
(B) Loans and Advances Due by Directors or Officers of the Company or any of them either severally or jointly with others or by Firms or Private Companies respectively in which any Director is a Partner or a Director or Member		
Secured, considered good	-	-
Unsecured, considered good	3.72	8.81
Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
Total (B)	3.72	8.81
(c) Others		
Secured, considered good	0.51	0.99
Unsecured, considered good	1,759.67	1,895.35
Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
Total (C)	1,760.18	1,896.34
(D) Advance Income Tax and Tax deducted at source	6,021.10	5,866.06
Total (D)	6,021.10	5,866.06
(E) Sales Tax paid in Advance	67.72	3.27
Total (E)	67.72	3.27
TOTAL [(A)+(B)+(C)+(D)+ (E)]	**8,831.72**	**8,927.98**

Notes:-

1. Loans and Advances includes ₹979.00 lakh (net) (Previous year ₹1153.51 lakh- net) in respect of following subsidiary companies.

(₹ in lakh)

Names of the Companies	Current Year	Previous Year
i).Assam Ashok Hotel Corporation Limited.	74.96	70.29
ii).Donyi Polo Ashok Hotel Corporation Ltd.	(1.22)	(1.34)
iii).MP Ashok Hotel Corporation Ltd.	229.90	260.23
iv).Pondicherry Ashok Hotel Corporation Ltd.	22.77	23.47
v).Ranchi Ashok Bihar Hotel Corporation Ltd	40.12	249.79
vi).Utkal Ashok Hotel Corporation Ltd *	584.32	565.23
vii).Punjab Ashok Hotel Company Ltd.	28.15	27.62
Total	979.00	1,195.29
Less : Provision made	-	(41.79)
Net	979.00	1,153.50

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

2. Loans and Advances include the following:-

Particulars	Current Year	Previous Year
Advances due from Directors and officers of the Corporation	3.72	8.81
Maximum amount due from Directors and officers of the Corporation during the year	11.42	33.90

NOTE 15. OTHER NON-CURRENT ASSETS

(₹ in lakh)

Particular	As At 31.03.2014	As At 31.03.2013
(A) Long-Term Trade Receivables Other Than Current (including trade receivables on deferred credit terms)		
Secured, considered good	9.51	9.41
Unsecured, considered good	86.31	31.63
Doubtful	3,279.24	3,188.44
Less: Allowance for bad and doubtful advances	(3,279.24)	(3,188.44)
Total (A)	95.82	41.04
(B) Others		
Secured, considered good	-	`
Unsecured, considered good	-	0.42
Doubtful	445.18	445.72
Less: Allowance for bad and doubtful advances	(445.18)	(445.72)
Total (B)	-	0.42
TOTAL [(A)+(B)]	**95.82**	**41.46**

NOTE 16.INVENTORIES

(₹ in lakh)

Particular	As At 31.03.2014	As At 31.03.2013
(As per inventories prepared , valued and certified by the Management at lower of the cost or net realisable value)		
Stores and Spares	266.18	262.10
Tools	0.49	0.38
Crockey, Cutlery, Glassware and Linen etc (in hand and in use)	242.76	263.08
Other Stocks and Stores (Others)	713.24	539.66
Goods - in- Transit	120.50	-
Less:- Provision for Inventory Write Down	(41.66)	(32.61)
Total	**1,301.51**	**1,032.61**

NOTE 17:- TRADE RECEIVABLES

(₹ in lakh)

Particular	As At 31.03.2014	As At 31.03.2013
1. Current Trade Receivables		
(A) Trade Receivables outstanding for more than six months from the date they became due for payment:		
(i) Secured ,considered good	45.74	58.35
(ii) Unsecured ,considered good	2,466.03	4,970.20
(iii) Doubtful	49.02	16.80
Less: Allowance for bad and doubtful debts	(49.02)	(16.80)
TOTAL (A)	2,511.77	5,028.55
(B) Trade Receivables (others)		
(i) Secured ,considered good	75.12	396.53
(ii) Unsecured ,considered good	5,592.16	4,824.88
(iii) Doubtful	176.36	26.75
Less: Allowance for bad and doubtful debts	(176.36)	(26.75)
TOTAL (B)	**5,667.28**	**5,221.41**
TOTAL { A+ B}	**8,179.05**	**10,249.96**

Notes:-

1.Trade Receivables include ₹ 335.70 (net) (Previous year ₹ 259.12 lakh-net) in respect of following Subsidiary companies :

(₹ in lakh)

Names of the Companies	Current Year	Previous Year
i).Assam Ashok Hotel Corporation Limited.	106.43	106.43
ii).Donyi Polo Ashok Hotel Corporation Ltd.	-	-
iii).MP Ashok Hotel Corporation Ltd.	77.84	77.84
iv).Pondicherry Ashok Hotel Corporation Ltd.	50.30	50.30
v).Ranchi Ashok Bihar Hotel Corporation Ltd	76.58	76.58
vi).Utkal Ashok Hotel Corporation Ltd *	24.55	24.55
vii).Punjab Ashok Hotel Company Ltd.	-	-
Total	335.70	335.70
Less : Provision made	-	76.58
Net	335.70	259.12

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

2.Trade receivables include the following:-

(₹ in lakh)

Particulars	Current Year	Previous Year
Debts due from Directors and officers of the Corporation.	0.17	0.16
Maximum amount due from Directors and officers of the Corporation during the year	0.23	0.16

NOTES 18:- CASH AND CASH EQUIVALENTS

(₹ in lakh)

Particular	As At 31.03.2014	As At 31.03.2013
(A) Cash on hand		
Cash on hand	32.87	27.32
(B) Balances with Banks		
In Current Account	2,250.78	2,921.48
In Savings Account	0.70	-
Provision for Doubtful Recovery	-	-
(C) Cheques, Drafts in hand		
Cheques on hand	309.33	356.51
Drafts in hand	-	-
(D) Other Bank Balances		
Term deposits with Banks For Less than 12 months*	26,581.69	21,832.38
Term deposits with Banks For more than 12 months	5.01	42.35
TOTAL	**29,180.38**	**25,180.04**

* Include FDR's of ₹ 35.95 lakh (Previous year ₹ 35.95 lakh) lodged as security.

NOTE 19- OTHER CURRENT ASSETS

(₹ in lakh)

Particular	As At 31.03.2014	As At 31.03.2013
Interest Accrued but not Due on Term Deposits	1,103.74	980.70
Others	269.11	782.27
Less: Allowance for bad and doubtful advances	-	-
TOTAL	1,372.85	1,762.97

Notes:-

Others include FDRs ₹ 1.58 Lakhs deposited with RPFC Jaipur.

INDIA TOURISM DEVELOPMENT CORPORATION LIMITED

Note 20:- . Revenue from Operations

(₹ in lakh)

Particular	Year Ended 31.03.2014	Year Ended 31.03.2013
Sales of products (A)		
Food	6,331.19	5,640.96
Beer,Wine & Spirits	2,148.12	1,807.69
Cigars and Cigarettes	9.94	135.17
Soft Drinks	276.40	255.55
Petrol, oil & Lubricant	1,287.61	1,030.15
Tourist Literature and Other Publications	31.40	68.09
Miscellaneous Sales	9.72	71.05
Total(A)	**10,094.38**	**9,008.66**
Sales of services (B)		
Room Rent	10,761.91	11,354.55
Licence Fees	5,272.62	4,669.59
Banquet Hall/Lawn Rental	904.21	927.79
Traffic Earnings & package tours	1,202.51	1,465.26
Travel Services	11,067.05	9,150.09
Management/Consultancy/Event Management/Traning Fees	2,154.48	2,578.44
Revenue From execution of Project	1,219.75	626.95
Son-et-Lumiere & Cultural Shows	81.52	87.29
Commission Received	30.19	37.75
Electricity Charges	458.12	394.53
Telephone Services	5.95	15.59
Advertisement income	94.38	154.84
Service Charges	359.57	370.65
Total(B)	**33,612.26**	**31,833.32**
Other operating revenues (C)		
Miscellaneous Income	119.76	160.90
Total(C)	**119.76**	**160.90**
TOTAL (A)+(B)+ (C)	**43,826.40**	**41,002.88**

Notes:-

Pending execution of fresh license Agreements, income from Licence fees (from continuing licencees) has been accounted for on provisional basis and/or based on the earlier licence agreements.

NOTE 21:- OTHER INCOME

(₹ in lakh)

Particular	Year Ended 31.03.2014	Year Ended 31.03.2013
Other Income		
Interest (Gross) From- Banks/ Financial Institutions	2,376.82	2,359.94
Loan to Employees	0.63	0.67
On Income Tax Refund	-	10.78
Others	139.82	24.61
Profit on sale of Assets	4.36	1.84
Gain on Foreign Exchange Variation	13.69	33.23
Grant from Ministry of Tourism	0.34	0.34
Others	596.25	629.31
TOTAL	3,131.91	3,060.72

Notes:-

Out of the balance amount of ₹ 5.07 lakh (Previous year ₹ 9.91 lakh) of Deferred Government Grants from the Ministry of Tourism for the renovation/upgradation of properties, a sum of ₹ 0.34 lakh incurred during the year (Previous year 0.34 lakh) has been charged to the respective head of expenditure. The amount equivalent to the grant related cost incurred during the year has accordingly been recognised as income. The balance of ₹ 4.73 lakh(previous year ₹ 5.07 lakh) at the close of the year has been presented in the accounts as Deferred Government grant below Reserve and Surplus.

Note 22. COST OF MATERIAL CONSUMED AND SERVICES RENDERED

(₹ in lakh)

Particular	Year Ended 31.03.2014	Year Ended 31.03.2013
(A) Cost of Consumption of Raw Materials, Other Materials sold and Service Rendered		
i) Provisions , Beverages & Smokes		
Opening Stock	95.96	70.11
Add:- Purchases & Adjustments	2,083.44	2,033.36
Less:- Transfer & Adjustments	(269.48)	(328.95)
Closing Stock	82.78	95.96
TOTAL (i)	1,827.14	1,678.56
ii) Wine & Liquors		
Opening Stock	148.91	219.02
Add:- Purchases & Adjustments	630.55	181.21
Less:- Transfer & Adjustments	(113.66)	(34.21)
Closing Stock	337.99	148.91
TOTAL (ii)	327.81	217.11
iii) Other Materials		
Opening Stock	-	-
Add:- Purchases & Adjustments	24.55	50.64
Less:- Transfer & Adjustments	-	-
Closing Stock	-	-
TOTAL (iii)	24.55	50.64
TOTAL (i+ii+iii) (A)	2,179.50	1,946.32
(B) Cost of Service Rendered/Purchased:-		
-Execution of Project	1,139.30	524.82
-Other Services	1,278.57	1,724.07
TOTAL (B)	2,417.87	2,248.89
TOTAL (A+B)	4,597.37	4,195.20
Less: Charged to the Ministry of External Affairs	(15.23)	(13.57)
GRAND TOTAL	4,582.14	4,181.63

Notes:-

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

Note:- 23 Purchases of Traded Goods

(₹ in lakh)

Particular	Year Ended 31.03.2014	Year Ended 31.03.2013
i) Provisions , Beverages & Smokes	8.66	35.84
ii) Wine & Liquors	583.62	498.26
iii) Other Material	1,261.45	1,031.06
TOTAL	1,853.73	1,565.16

Note:- 24 - Change in Inventory of Traded Goods

(₹ in lakh)

	Particular	Year Ended 31.03.2014	Year Ended 31.03.2013
(A)	**OPENING STOCK**		
	i) Provisions , Beverages & Smokes	2.33	36.94
	ii) Wine & Liquors	260.20	240.40
	iii) Other Material	31.74	71.15
	TOTAL	294.27	348.49
(B)	**CLOSING STOCK**		
	i) Provisions , Beverages & Smokes	-	2.33
	ii) Wine & Liquors	375.12	260.20
	iii) Other Material	37.84	31.74
	TOTAL	412.96	294.27
(C)	**CHANGE IN INVENTORY**	(118.69)	54.22
		(118.69)	54.22

Note:- 25, Employee Remuneration & Benefits

(₹ in lakh)

Particular	Year Ended 31.03.2014	Year Ended 31.03.2013
Salaries & Wages, Bonus	11,764.70	11,703.90
Employer's Contribution to Provident & Other Funds	990.60	942.20
Staff Welfare Expenses (Including contribution to Staff Welfare Fund)	849.59	818.45
Uniform	52.27	50.39
Provision/Contribution to Employee's Gratuity Scheme (net)	769.84	1,106.77
	14,427.00	14,621.71
Less:-		
Charged to the Projects of Ministry of Tourism	56.01	61.91
Charged to the Ministry of External Affairs	185.51	168.42
Total	14,185.48	14,391.38

Notes:-

1. The disclosure relating to AS-15 (Revised) - Employees Benefits:-

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

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

(₹ in lakh)

Particulars	Gratuity	Leave Encashment	Half Pay Leave
Fair value of Defined Obligation			
Present value of projected benefit obligation as at 1.04.2013	7,741.50	3,795.29	47.70
Current service cost	301.90	189.71	5.51
Interest cost	696.74	341.58	4.29
Acturial gain(-) / losses(+)	241.65	(296.33)	(15.85)
Past service cost	-	-	-
Benefits paid	(1,039.94)	-	-
Present value of projected benefit obligation as on 31.03.2014	7,941.85	4,030.25	41.65
Reconciliation of fair value of Assets and obligations			-
Fair value of plan assets as on 1.04.2013	6,534.39	-	-
Acquisition adjustment	-	-	-
Expected return on plan assets	615.51	-	-
Actual Company's contribution	1,190.98	-	-
Acturial gain(-) / losses(+)	(145.06)	-	-
Benefits paid/ adjustments	(1,051.92)	-	-
Fair value of plan assets as on 31.03.2014	7,143.90	-	-
Present value of defined obligation	7,941.85	4,030.25	41.65
Net liability recognised in the Balance Sheet (Note-7)	797.95	4,030.25	41.65
Expenses recognised in the Statement of Profit & Loss Account for the year ended 31.03.2014			
Current service cost	301.90	189.71	5.51
Interest cost	696.74	341.58	4.29
Acturial gain(-) / losses(+)	386.71	(296.33)	(15.85)
Past service cost	-	-	-
Expected return on plan assets	(615.51)	-	-
Employees remuneration & benefit charged to profit & loss A/c	-	-	-
a)Gratuity	769.84		
b)Others		234.96	(6.05)
Gratuity Fund Investment details(Fund manager wise,to the extent funded)			
Life Insurance Corporation of India	1,525.63	-	-
Life Insurance Corporation of India	2,092.32	-	-
Metlife Traditional Fund	532.84	-	-
Metlife Unit Linked	264.60	-	-
AVIVA Life Insurance Company India Ltd.	559.48	-	-
HDFC Standard Life Insurance	284.79	-	-
Birla Sun-life Insurance Fund	603.17		
Future Generali India Fund	1,281.07		
Total	7,143.90	-	-
Acturial assumption			
Discount rate	9.00% per	9.00% per annum	8.00% per annum
Mortality rate	IALM(2006-08)ULTIMATE	IALM(2006-08)ULTIMATE	LIC 94-96 Ultimate
Withdrawal rate(18-30 years)	0.00% p.a.	0.00% p.a.	0.00% p.a.
Withdrawal rate(31-44 years)	1.00% p.a.	1.00% p.a.	1.00% p.a.
Withdrawal rate(44-58 years)	3.00% p.a.	3.00% p.a.	3.00% p.a.
Expected rate of return	9.00% p.a.	9.00% p.a.	8.00% p.a.
Future salary increase	5.00% p.a.	5.00 % p.a.	5.00 % p.a.
Retirement age	58 years	58 years	58 years

Note:- 26, Finance Cost

(₹ in lakh)

Particular	Year Ended 31.03.2014	Year Ended 31.03.2013
Interest paid on Advances	-	-
Other Borrowing Cost	-	-
TOTAL	-	-

NOTE:- 27, Operating & Other Expenses

(₹ in lakh)

Particular		Year Ended 31.03.2014	Year Ended 31.03.2013
Travelling and Conveyance			
-Directors	28.28		18.07
-Officers & Staff	145.65		138.33
-Staff Car Expenses	82.67		84.92
		256.60	
RENT,RATES,TAXES AND INSURANCE			
- Rent	699.14		970.23
- Rates & Taxes	302.84		1,218.65
- Insurance	104.08		97.59
		1,106.06	
REPAIRS & MAINTENANCE			
-Plant and Machinery	611.51		360.35
-Buildings	427.13		503.49
-Vehicles	5.82		9.43
-Others	1,333.09		1,144.31
		2,377.55	
Auditors' Remuneration(Including Branch Auditors)			
-Audit fees	19.47		26.06
-Tax audit fees	5.84		7.76
-Certification	0.51		0.51
-Taxation Matters	-		-
-Company Law Matters	-		-
-Out of Pocket Expenses	0.45		0.27
		26.27	
Directors' Sitting Fees		0.05	-
Legal and Professional Charges		147.08	178.21
Printing, Stationery and Periodicals		131.88	98.81
Communication Expenses		109.95	98.24
Power & Fuel		2,897.18	2,906.82
Advertisement, Publicity & Sales Promotion		406.21	606.33
Entertainment		13.62	20.39
Band and Music		59.94	43.71
Expenses on Cultural Shows		8.28	-
Commission to Travel Agents & Credit Card Companies		75.17	62.80
Licencees' Share of Profit		3.09	205.03
Miscellaneous Expenses		71.05	67.80
Upkeep, Service Cost and Other Operating Expenses		14,931.53	12,708.89
Loss on Sale of Fixed Assets/Write off of Assets		0.36	0.25
Loss on Collaboration Ventures		-	0.21
Depletion/Consumption & Breakage in Crockery, Cutlery & Utensils etc.		34.91	41.07
Reimbursement of Sale Proceeds		659.62	-
Interest paid on Advances		-	-
Bad Debts		2.11	16.07
Loss on Foreign Exchange Variations		1.47	4.75
Advances Written Off		0.10	3.49
Provision for Doubtful Debts & Advances		449.81	570.85
Provision for Impairments		3.89	3.25
Provision for Diminution of Fixed Assets		-	-
Provision for Inventory Write Down/Write Off of Inventories		9.05	1.23
Corporate Social Responsibility		8.99	-
Litigation Loss*		930.26	573.78
		24,722.08	**22,791.95**
Less:-			
Charged to the Projects of Ministry of Tourism		14.70	12.67
Charged to the Ministry of External Affairs		113.91	96.83
Departmental Expenses Charged to ITDC Unit		-	-
		128.61	109.50
		24,593.47	22,682.45

* Includes Rs. 880.09 lakh being compensation awarded by double bench of Hon'ble Delhi Court vide order dated 30.05.2014 including interest and cost of Rs. 696.75 lakh to Ms. S.L. Beer, an Australian lady relating to a matter pertaining to erstwhile Akbar Hotel.

Notes:-

1. Expenses on generation of power:-

(₹ in lakh)

Particulars	**Year Ended 31.03.2014**	**Year Ended 31.03.2013**
Salaries and Wages	5.46	5.37
Fuel	25.30	52.38
Depreciation	16.06	15.86
Repairs	68.93	32.60
Others	-	-
Total	115.75	106.21

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

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

3.₹ 147.06 lakh (Previous Year ₹ 349.62 lakh) spent on renovation during the year at various hotels has been segregated as relating to capital ₹ 75.35 lakh (Previous Year ₹ 80.78 lakh) and revenue expenditure ₹ 71.71 Lakh (Previous Year ₹ 268.84 lakh) based on certificate issued by the Project engineer and which have been relied upon by the auditors.

NOTE-28, EXCEPTIONAL ITEMS

(₹ in lakh)

Particular	Year Ended 31.03.2014	Year Ended 31.03.2013
Provisions no Longer required written back	313.85	184.62
TOTAL	313.85	184.62

Notes:-

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

(₹ in lakh)

Particulars	Current Year	Previous Year
1.Provision for Doubtful Debts and Advances	218.92	21.66
2.Depreciation	18.97	1.04
3.Cost of Material Sold and Services rendered	16.97	5.37
4.Salaries wages and benefits	11.63	23.57
5. Rates and taxes		62.01
6.Repairs and Maintenance	6.59	8.07
7.Balance with banks		1.23
8.Upkeep & Service Cost	2.88	-
9.Other Operating and Administrative Expenses	1.37	54.75
10.Provision for diminution in fixed assets	36.52	-
11.Provision for Inventory written down	-	6.92
12.Communication Expenses		-
Total	313.85	184.62

NOTE-29, PRIOR PERIOD ADJUSTMENTS

(₹ in lakh)

Particular	Year Ended 31.03.2014	Year Ended 31.03.2013
Prior period income	(63.54)	(31.99)
Prior period expenses	323.79	203.86
Net Prior Period Income/(Expenditure)	(387.33)	(235.85)

Notes:-

1. Income/expenditure and adjustment relating to earlier years charged to profit & loss account are as follows:-

(₹ in lakh)

Particulars	Current Year	Previous Year
Income:		
1.Beer Wine and Spirit Sales	-	-
2.Income from Services Rendered :		
Room rent/ licence fee	-	1.64
Consultancy	(47.96)	(49.45)
Service Handling Charges	(10.80)	-
3.Others :		
Employees' remuneration and benefits	0.19	0.41
Income from hired vehicles	0.58	-
Cost of sales	(1.61)	1.42
Interest		-
Miscellaneous Income	(10.37)	14.05
Electricity & Water Charges	6.43	(0.06)
Total	(63.54)	(31.99)
Expenditure:		
1.Cost of consumption of raw material, other materials sold and services	(11.68)	5.16
2.Employees remuneration and benefits	19.63	42.20
3.Travelling and Conveyance	0.05	2.25
4.Rent, rates, taxes and insurance	15.60	26.32
5.Repairs and maintenance	11.06	24.80
6.Audit Fees	-	0.01
7.Legal and Professional Charges	4.56	0.21
8.Printing, Stationery and Periodicals	-	(0.06)
9.Communication Expenses	0.32	0.42
10.Power and Fuel	0.07	0.15
11.Advertisement, publicity and sales promotion	(6.10)	1.09
12.Sundry Expenses	21.59	0.25
13.Upkeep and Service Cost and Other Operating Expenses	20.43	23.11
14.Depreciation	247.87	67.01
15. Fees & Subscription	0.39	-
16.Consultancy	-	10.15
17.Freight	-	0.19
18.Commission charges	-	0.60
Total	323.79	203.86

NOTE-30, EARNING PER SHARE

(₹ in lakh)

Particular	Year Ended 31.03.2014	Year Ended 31.03.2013
The calculation of Earning per share as per Accounting Standard - 20 is as under:-		
BASIC & DILUTED		
Net (Loss)/ Profit available for Equity Shareholders	942.21	299.68
Weighted Average number of Equity Share of ₹ 10/- each	85,769,400	85,769,400
Basic earnings per share (₹)	1.10	0.35

NOTE-31, CONTINGENT LIABILITIES

(₹ in lakh)

Particular	Year Ended 31.03.2014	Year Ended 31.03.2013
A. Claims against the corporation not acknowledged asdebts		
(i). Claims against the corporation not acknowledged as debts [includes demands from custom authority ₹ 18,523.84 lakh(Previous Year ₹18,525.97 lakh) and are sub-judice].	77537.03	47081.54
(ii). Guarantees executed in favour of various authorities, banks and financial institution [including guarantees provided again st loans obtained by subsidiary companies, ₹ 331.44 lakh (Previous year ₹ 312.93 lakh).	484.84	409.46
(iii)Income Tax matters in appeal [Includes appeals preferred by Income Tax Department ₹ 17.59 lakh (Previous Year ₹ 17.59 lakh)]	1200.24	475.54
(iv)Sales Tax matters in appeal [includes ₹ 2,465.62 lakh (Previous Year ₹ 2,045.40 lakh) in respect of closed Duty Free Shop, Mumbai, appeals against which are pending before Maharastra Sales Tax Tribunal / High Court].	2529.51	2529.51
(v)(a). Liability towards service tax (including interest the reon) pertaining to banqueting,including catering activities, at hotel s upto 31.03.2007. (b).Liability towards work contract tax (including interest the reon) pertaining to building repair work carried at units.	Amount unascertained	Amount unascertained
B. COMMITMENTS		
Estimated amount of contracts remaining to be executed on capital account (net of advances and excluding escalation in rates, if any) (on completion, part of the work may result as revenue expenditure).	501.98	70.09

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

Note no (2): Amount indicated as Contingent liability/ claims against th e corporation only reflect basic value. Legal and other costs being indeterminable at this stage are not considered.
Note no (3): Contingent liabilities at A(i) above includes ₹ 4821.30 lakh in respect of matters under arbitration with suppliers in respect of works relating to supply of furniture and furnishing of flats on behalf of De lhi Development Authority(DDA). However, the MOU with DDA indicates that the payments of decreed amounts, if any , as decided by arbitrator , court of law will be made by DDA.

C.The Corporation had taken a property on rent from the Custodian of Enemy Property in 1965. Subsequently the said property was released in favour of present owner by the Custodian. The owner had filed a suit for recovery of the possession of the said property. The Hon'ble High Court decided the matter in favour of the owner and the Corporation was directed to vacate the property. The Hon'ble high court also fixed the rent @ `30,000/- for the month of January 1980 only on lumpsum/adhoc basis al ongwith interest and also appointed a Local Commissioner to determine the amount of rent for the period from 1.2.1980 till date of handing ov er the possession of the property. Aggrieved by the decision,a Special Leave Petition before the Hon'ble Supreme Court was filed which was dismi ssed by the court & upheld the earlier judgement of the Hon'ble High Court. Accordingly the premises was vacated & possession handed over to the owner on 28.02.2007. The Local Commissioner has rejected the claim of approx Rs. 300 crore of Shri Anil Kumar Khanna & Ors on account of mesne profits and has calculated the mesne profit by taking the base rent of Rs. 9.37 per sq ft per month with the increase of 15 % every year and interest @ 12 % p.a. as mentioned in the Report. Tl

D.M/s Airports Authority of India(AAI) and other private airport operators had levied service tax on their billings for lic ence fee/royalty for Duty Free Shops at various locations and Ashok Airport Restaurant w. e.f. 10.9.2004. However the Circular dated 17.9.2004 issued by Government of India provides that the activity of renting, leasing out part of airport/civil enclave premises does not amount to rendering of services and the license fee/royalty payable in this regard is not subject to service tax. Similar views on non levying of service tax on such licence fee/royalty have also been opined by tax consultants. The issue is also under consi deration by the Director General of Central Excise Intelligence. Pending clarifications, no provision has been made for the estimated liability, towards service tax for the period from 10.9.2004 to 31.3.2008 for all the ten duty free shops, which works out to ₹ 1779.49 lakh (Previous year ₹1779.49 lakh).

E.The Employees State Insurance Corporation (ESI) authorities had raised de mands (including interest where applicable) totalling ₹ 758.60 lakh (Previous year ₹ 730.06 lakh) towards ESI dues in respect of four hotel/catering units against which the corporation holds a deposit of ₹ 334.85 lakh (Previous year ₹ 327.20 lakh)(included in Loans and Advances) with the said authorities (made up of amounts withdrawn by the authorities after freezing bank accounts-₹ 310.09 lakh and amount deposited ₹24.76 lakh). Against this the corporation holds a liability of ₹ 215.43 lakh (previous year 193.41 lakh) towards ESI dues. No provision has been made for the balance of ₹ 543.17 lakh(Previous year ₹ 536.65 lakh) as the matter is sub-judice and pending finality in the matter, the same has been included under Contingent Liabilities at Sl. No. 1(a)(i) above.

F. The matter relating to determination of property tax was sub-judice in the Hon'ble High Court of Delhi. During proceedings NDMC offered a b asis for determination of property tax for assessing the hotel properties to which ITDC also agreed. Accordingly the Hon'ble High Court vide its or ders dated 19.10.2010 disposed off the said petition by directing NDMC to re assess the property tax due from hotels and hotels to fully cooperate in the matter.Accordingly The NDMC vide its assessment orders dated 31.03.2013 made the fresh assessment up to 31.03.2009 and gave a basis of determination of property tax which was agreed by ITDC.

In compliance to the assessment order, a provisional liability of Rs. 2050.66 lakh towards property tax due for the hotel for the years up to 2008-09 have been worked out and accounted for in the accounts in earlier years. Further, hotel have adopted the same formula for determining the property tax for the years from 2009-10 to 2013-14 whereas NDMC is raising bills as per old basis i.e the basis it was following before the court orders.Since the basis of determination of property pursuant to the court order has already been agreed by NDMC and ITDC, ITDC has not accepted the demands and submitted representations to NDMC Besides, NDMC has not made assessment for the years 2009-10 to 2013-14. Therefore, pending the final resolution in the matter, the difference of Rs. 1282.36 lakh between the property tax demanded by NDMC (Rs. 2041.45 lakh) and property tax admitted by ITDC (Rs. 759.09 lakh) has been disclosed as "Contingent Liabilities" under A(i) above

NOTE: 32- GENERAL NOTES

1. Confirmation of balances have not been received in most of the cases of Trade receivable , Trade payable , Loans and Advances and Deposits. Besides in a few units, balances in customers accounts are under reconciliation with the General Ledger control account balances.Effect on the accounts on due confirmation, reconciliation and adjustments thereof cannot be indicated at this stage.

2. The net accumulated amount of losses - ₹ 2,507.86 lakh (Previous year ₹ 2,434.41 lakh) of subsidiary companies so far as it concerns to the Corporation, not dealt with in the accounts is as under:-

(₹ in lakh)

Names of the subsidiary companies	**For the period upto**	**Share % of Profit/Losses**	**Accumulated Amount of losses/(Profit)**
Assam Ashok Hotel Corporation Ltd. #	2013-14	51	313.00
Donyi Polo Ashok Hotel Corporation Ltd. #	2013-14	51	(68.56)
Madhya Pradesh Ashok Hotel Corporation Ltd. #	2013-14	51	46.83
Pondicherry Ashok Hotel Corporation Ltd. #	2013-14	51	51.43
Punjab Ashok Hotel Company Ltd. #	2013-14	51	7.04
Ranchi Ashok Bihar Hotel Corporation Ltd #	2013-14	51	248.11
Utkal Ashok Hotel Corporation Ltd. # @	2013-14	92	1,910.01
Total Net Losses			**2,507.86**
Previous Year Net Losses			**2,434.41**

There is no change in the % of sharing.

@ Non-operational from 2003-04.

AGM is yet to be convened.

3. Following past practice, consumption of Stocks, stores, crockery, cutlery etc. has been worked out by adding opening balances to purchases and deducting therefrom closing balance based on physical inventories valued as per accounting policy.

4. The Corporation has been managing Hotel Bharatpur Ashok and Kosi Restaurant owned by Ministry of Tourism and the profit/loss in respect of these units is accounted for by the Corporation. in the respective notes of statement of Profit & Loss Account.

5. Company entered into an Agreement dt. 19th February,2002 with M/S Maruti Udyog Ltd.for renewal of Sub-Lease from 1st February 2002 to 31st January,2011 and another period of nine years thereafter subject to enhancement of rent in respect of the property comprising of Workshop cum Depot constructed on Plot No. C-119 Naraina Industrial Area Phase- I, New Delhi. As per terms of agreement the entire rent for a period of 9 years was paid by Maruti Udyog Ltd in advance. During the currency of the lease period, M/S Maruti Udyog Ltd carried out additional construction in the said premises and in the process the Workshop cum Depot that had been let out was demolished and rendered extinct which was neither envisaged nor intended in the Sub-Lease Agreement. Therefore, a legal notice dt. 14th June, 2010 was given to Maruti Udyog Ltd to vacate the premises w.e.f. 1.7.2010. The balance amount of advance rent lying with ITDC amounting to ` 25,01,849/- was accordingly returned to M/S Maruti Udyog Ltd. Applications dt. 1.7.2010 was filed by ITDC for eviction of premises and recovery of damages under Public Premises (Eviction of Unauthorized Occupants) Act, 1971 before H'ble Estate Office

6 The matter relating to determination of property tax was sub-judice in the Hon'ble High Court of Delhi. During proceedings NDMC offered a basis for determination of property tax for assessing the hotel properties to which ITDC also agreed. Accordingly the Hon'ble High Court vide its orders dated 19.10.2010 disposed off the said petition by directing NDMC to reassess the property tax due from hotels and hotels to fully cooperate in the matter.Accordingly The NDMC vide its assessment orders dated 31.03.2013 made the fresh assessment up to 31.03.2009 and gave a basis of determination of property tax which was agreed by ITDC.

In compliance to the assessment order, a provisional liability of Rs. 2050.66 lakh towards property tax due for the hotel for the years up to 2008-09 have been worked out and accounted for in the accounts in earlier years. Further, hotel have adopted the same formula for determining the property tax for the years from 2009-10 to 2013-14 whereas NDMC is raising bills as per old basis i.e the basis it was following before the court orders.Since the basis of determination of property pursuant to the court order has already been agreed by NDMC and ITDC, ITDC has not accepted the demands and submitted representations to NDMC Besides, NDMC has not made assessment for the years 2009-10 to 2013-14. Therefore, pending the final resolution in the matter, the difference of Rs. 1282.36 lakh between the property tax demanded by NDMC (Rs. 2041.45 lakh) and property tax admitted by ITDC (Rs. 759.09 lakh) has been disclosed as "Contingent Liability"

7 Disclosure in accordance with Accounting Standard- 7 - Construction Contracts

	(₹ in lakh)
a). Aggregate amount of Revenue Recognised up to the reporting date	14299.70
b). Aggregate cost incurred up to reporting date	12949.34
c). Revenue Recognised during the current financial year	1219.75
d). Cost incurred during the financial year	1139.30
e). Total amount of funds received up to the Reporting date	15662.63
f). Advance due to customers up to Reporting Date	4489.73
g). Advance due from Customers up to Reporting Date	163.02

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

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

Key Management Personnels: -

1 Dr. Sameer Sharma, Managing Director w.e.f. 12.05.2014

2 Shri Girish Shankar, Managing Director w.e.f. 23.4.2013 to 12.05.2014

3 Dr. Lalit K Panwar,Ex- C&MD w.e.f .21.04.2010 to 13.06.2012
Dr. Lalit K Panwar,Ex- VC&MD w.e.f 13.06.2012 to 23.04.2013

4 Shri Ratan Kumar Okhandiar,Director (C&M) w.e.f. 10.07.2012

5 Sh. Trinath Behera, Director(Finance) w.e.f. 26.4.2013

Payment made to key management personnels and their relatives.

(Amount in ₹)

Particulars	Current Year	Previous Year
Remuneration	4,314,368.00	4,326,577.00

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

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

11. Impairment of Assets

Impairment of Fixed Assets/ Capital work-in-progress at each balance sheet date and impairment loss, if any, ascertained as per Accounting Standard-28-'Impairment of Assets' issued by the Institute of Chartered Accountants of India is recognised. As on 31st March, 2014, in the opinion of the Management except to the extent of loss recognised in respect of assets not in active use, capital work-in-progress including incomplete hotel project at Gulmarg, no such impairment loss warranting recognition/provision was noticed.

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

(₹ in lakh)

Name of the Provision	Balance as on 1.4.2013	Provided during the year relating to 2013-14	Provided during the year relating to 2012-13	Payments/Adjustments during the year	Provision reversed/written back	Closing Balance as on 31.03.2014
Income Tax	220.00	350.00	0.00	220.00	0.00	350.00
Wealth Tax	0.71	0.68	0.00	0.71	0.00	0.68

13. Additional information pursuant to requirements of Part II of Schedule VI of the Companies Act, 1956 :-

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

(₹ in lakh)

Particulars		Current Year	Previous Year
i)	Beer, Wine and Spirits	552.44	453.80
ii)	Cigars and cigarettes	7.22	23.24
iii)	Other items:	-	-
	Total	559.66	477.04

b) Expenditure in Foreign Currency :-

(₹ in lakh)

Particulars		Current Year	Previous Year
i)	Travelling	12.43	8.46
ii)	Fees & Subscription	6.89	1.75
	Total	19.32	10.21

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

(₹ in lakh)

Particulars		Current Year	Previous Year
i)	Boarding,lodging and other facilities	677.87	829.21
ii)	Sale of goods at Duty Free Shops	897.00	1115.00
iii)	Gain in foreign Exchange(net)	12.22	28.48
	Total	1587.09	1,972.69

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

(ii) The Government of India had promulgated "The Micro,Small and Medium Enterprises Development Act, 2006".As per the said Act, the corporation is to identify the parties and pay them interest beyond the specified period if not paid. The corporation is in the process of identifying the suppliers.In view of this, the liability for interest could not be worked out.

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

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

INDIA TOURISM DEVELOPMENT CORPORATION LIMITED

Annexure "A" to Note no.32 { Sl. No. 8)}
SEGMENT REPORTING - AS-17

(₹ in lakh)

		Hotel/Restaurants Operations		Duty Free Shops Operations		Travels & Tour Operations		ARMS & Misc.Operations		Construction, Consultancy & SEL Projects		Others		Total for Company	
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
A	<u>**PRIMARY DISCLOSURE (Operation -wise)**</u>														
1	**Segment Revenue**														
a)	Total Revenue	26,314.34	25,084.71	940.48	1,135.17	13,714.21	11,812.94	2,416.57	3,141.39	1,576.50	1,149.12	2,675.88	2,533.79	47,637.98	44,857.11
b)	Less Inter Segment Revenue	25.88	26.13			110.75	107.47	446.57	659.92	96.50		-		679.70	793.52
c)	External Revenue	26,288.47	25,058.58	940.48	1,135.17	13,603.46	11,705.47	1,970.00	2,481.47	1,480.00	1,149.12	2,675.88	2,533.79	46,958.29	44,063.59
2	**Segment Results : -**														
	Profit/(Loss) before Interest,Tax and overheads	2,879.78	2,327.16	(47.40)	(279.42)	(119.23)	(117.18)	293.22	460.75	(800.07)	(1,195.59)	2,676.20	2,533.81	4,882.50	3,729.52
	Less:- Allocable Corporate Overheads		-		-		-		-		-	3,689.38	3,181.47	3,689.38	3,181.47
	Less: Interest	-	-	-	-	-	-					-	-	-	-
	Less: Provision for Income Tax											350.00	220.00	350.00	220.00
	Less: Provision for Wealth Tax											0.68	0.71	0.68	0.71
	Less: Provision for Deferred Tax											(99.77)	59.60	(99.77)	59.60
	Add: Provision for income tax for earlier year written back											-	(31.94)	-	(31.94)
	Profit/(Loss) available for appropriation	2,879.78	2,327.16	(47.40)	(279.42)	(117.18)	(117.18)	293.22	460.75	(800.07)	(1,195.59)	(1,463.63)	(896.03)	942.21	299.68
3	**Segment Assets** (Current assets plus fixed assets & WIP and Investments)	13,907.78	15,960.94	758.70	662.84	2,392.60	2,518.21	974.64	1,164.57	817.54	924.77	37,077.53	33,036.73	55,928.80	54,268.06
4	**Segment Liabilities**	16,872.45	16,258.42	760.68	661.04	1,815.72	2,191.10	1,563.45	1,298.16	9,253.06	9,167.42	(3,346.83)	(3,977.97)	26,918.53	25,598.18
5	Depreciation & amortisation in respect of Segment Assets for the period	550.96	541.94	2.03	1.79	13.87	14.41	3.66	3.80	1.09	1.55	24.16	26.18	595.77	589.67
6	Cost incurred during the period to acquire Segment Assets(Tangible & intangible fixed assets)	218.69	309.80	1.13	1.94	2.42	2.98	2.12	3.01	0.12	0.47	27.75	13.97	252.21	332.17
7	Non Cash Expenses Other than Depreciation and Amortisation incurred by the Business Segment	1,088.87	1,550.93	(2.04)	3.32	102.43	102.43	55.18	66.28	7.81	119.49	202.74	230.22	1,454.98	2,072.67

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

INDIA TOURISM DEVELOPMENT CORPORATION LIMITED

Cash Flow Statement for the year Ended 31st March, 2014

(₹ in lakh)

	Particulars		Year Ended 31-03-2014		Year Ended 31-03-2013
A	**Cash Flow from Operations**				
	Profit before Taxation		1,193.12		548.05
	Adjustments for:				
	Depreciation	595.58		589.47	
	Diminution in value of Fixed Assets/Investments	-		-	
	Deferred Government Grant	(0.34)		(4.84)	
	Finance Charges	-		-	
	Provision for Inventory Write-down	9.05		1.23	
	Provision for Doubtful Debts & Advances	449.81		570.85	
	Interest Income	(2,517.27)		(2,395.99)	
	Bad Debts/Advances Written Off	2.11		16.07	
	(Profit)/Loss on Sale of Fixed Assets	(4.00)	(1,465.06)	(1.59)	(1,224.81)
	Operating Profit before Working Capital Changes		**(271.94)**		**(676.76)**
	(Increase)/Decrease in Current Assets				
	Inventories	(277.95)		90.77	
	Trade Receivables	1,618.99		634.02	
	Other Current Assets	(118.49)		107.20	
	Other Non-current Assets	(54.36)		(1.49)	
	Long-term Loans and Advances	(25.89)		(33.97)	
	Short-term Loans and Advances	95.95	1,238.25	(688.68)	107.85
	Increase/(Decrease) in Current Liabilities				
	Trade Payables	(617.26)		(897.54)	
	Other Current Liabilities	2,291.30		(94.21)	
	Other Long Term Liabilities	(296.53)		336.64	
	Long Term Provision	(282.61)		192.99	
	Short Term Provision	102.35	1,197.25	(873.36)	(1,335.48)
	Cash Inflow/(Outflow) from Operations		**2,163.56**		**(1,904.39)**
	Direct Taxes Paid	-		-	
	Income Tax Paid	-		600.00	
	Income Tax for Earlier years Written Back	-	-	(31.94)	568.06
	Net Cash Inflow/ (Outflow) from Operation (A)		**2,163.56**		**(2,472.45)**
	Cash Flow from Investing Activities				
	Purchase of Fixed Assets		(252.94)		(332.18)
	Sale of Fixed Asset and Adjustments		16.06		87.76
	Income from Interest/Dividends		2,517.27		2,395.99
	Reduction/(Addition) of Work in Progress		(142.02)		177.21
	(Increase)/Decrease in Investments		(300.88)		3.13
	Net Cash Inflow/ (Outflow) from Investing Activities (B)		**1,837.49**		**2,331.92**
	Cash Flow from Financing Activities				
	Increase in Share Capital		-		-
	Increase/(Decrease) in Borrowings		-		-
	Finance Charges		-		-
	Wealth Tax Paid		(0.71)		(0.58)
	Dividend Paid		-		(428.85)
	Dividend Tax Paid		-		(69.57)
	Deferred Government Grant		-		-
	Net Cash Inflow/(Outflow) from Financing Activities (C)		**(0.71)**		**(499.00)**
	Net Change in Cash or Cash Equivalents during the Year		4,000.34		(639.52)
	Cash and Cash Equivalents at the beginning of the year		25,180.04		25,819.56
	Cash and Cash Equivalents at the end of the year		**29,180.38**		**25,180.04**

* For details refer Note-18

(V.K. Jain)	**(P.K. Aggrawal)**	**(Trinath Behera)**	**(Dr Sameer Sharma)**
Company Secretary	Vice President (F&A)	Director (Finance)	Managing Director

As per our Report of even date
For V.K. Verma & Co.
Chartered Accountants (FRN 000386N)

Date:
Place: New Delhi

(Vivek Kumar)
Partner
M.No. 503826

INDEPENDENT AUDITORS' REPORT

Report of the Auditors to the Board of Directors of India Tourism Development Corporation Limited on the Consolidated Financial Statements of India Tourism Development Corporation Limited, its Subsidiaries and Joint Ventures

Report on the Financial Statements

We have audited the attached Consolidated Balance Sheet of India Tourism Development Corporation Limited ("the company"), and its Subsidiaries and Joint Ventures (hereinafter referred to as "Group"), as at March 31, 2014 and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year ended on that date annexed thereto.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We did not audit the financial statements of the following Subsidiaries and Joint Ventures of the Company, whose financial statements reflect Total Assets of **Rs. 307453511.17/-** as at 31st March 2014, Total Revenue of **Rs. 22,97,10,056.28/-** and Net Cash Flows amounting to **Rs. 3,69,22,240.98/-** for the year ended 31st March 2014. These financial statements have been audited by other Auditors whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of Subsidiaries and Joint Ventures, is based solely on the reports of the other Auditors. The details of Assets, Revenues and Net Cash Flows in respect of these Subsidiaries and Joint Ventures to the extent to which they are reflected in the Consolidated Financial Statements are given below:

(Amount in Rs.)

Name of Companies	Total Assets	Total Revenues	Net Cash Flows
Subsidiary Companies			
Madhya Pradesh Ashok Hotel Corporation Ltd.	79549682.88	73586990.28	1637429.67
Utkal Ashok Hotel Corporation Ltd.	24573823.25	103431	-435132
Assam Ashok Hotel Corporation Ltd.	54927674	83253841	4530032
Donyi Polo Ashok Hotel Corporation Ltd.	34925168.45	27820138	1130441.31
Ranchi Ashok Bihar Hotel Corporation Ltd	39388485	23590066	18577670
Pondicherry Ashok Hotel Corporation Ltd	37411169	20925220	11482000
Punjab Ashok Hotel Company Ltd.	27803746.39	-	-200
Joint Ventures			
ITDC Aldeasa India Private Ltd.	4436881.1	215185	-
Total	**307453511.17**	**229710056.28**	**36922240.98**

We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21- 'Consolidated Financial Statements', and Accounting Standard (AS) 27- 'Financial Reporting of Interest in Joint Ventures' of the Companies (Accounting Standards) Rules 2006.

Basis of Qualified Opinion

i) *The corporation is due Rs 1315.92 Lakhs as at 31.03.2014 (Rs 1,413.96 Lakhs upto 31.03.2013) from certain subsidiary Companies (which have significant accumulated losses) on account of services rendered and funds advanced to them (including interest thereon). Besides the corporation holds investments in the said subsidiaries having a book value as at 31.03.2014 of Rs.1060.58 Lakhs (Previous Year Rs 759.70 Lakhs). The management has represented to us that these investments are of long term nature and the shortfall/diminution in their value is not permanent and that the intrinsic value of assets owned by these companies is considerable to recover the dues and cost of investments, though two of the companies are non-operational and the present net worth of most of these companies is in the negative (Refer Note No's. 17(1) & 14A (1) of ITDC Standalone).*

Emphasis of Matter

Without qualifying our opinion, we further report that:

1) As per the auditors of Units having name Duty Free Shop- Goa and Sea Port , Management did not provide to the auditor the details of movement of stock with rate and amount, giving details of item descriptions lying on 31st March, 2014.However, Management explained to the auditor that inventories of the company have been physically verified by the management at the year end and also the inventory lying at the unit has been physically verified by the internal auditor and as reported by him, the inventory was found to be correct as per the book balance, on the day of physical verification.

2) As per the auditor of Vigyan Bhawan The unit has provided an amount of Rs. 4,00,000/- for electricity and water charges on assumption basis. The total liability towards electricity & water charges since the inception of the unit is Rs. 59,34,305/- payable to Directorate of Estate is subject to confirmation. In the absence of requisite details thereof and supporting documents, we cannot comment thereon.

3) Non-disclosure of complete details pertaining to transactions entered into during the year with related parties-Accounting Standard-18-Related Party Disclosure.

4) Non-disclosure of details required in respect of operating leases entered into by the Corporation. [Point No. 11 of General Note 32] - Accounting Standard-19 – Leases.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, **Except for the matter described in the basis for Qualified Opinion paragraph**, the financial statement gives the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-

i) in the case of balance sheet, of the state of affairs of the Corporation as at 31st March, 2014,

ii) in the case statement of profit & loss, of the profit for the year ended on that date, and

iii) in the case of cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

We further report that:

a. We have 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 appears from our examination of those books.

c. The Balance Sheet, Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.

d. *Except for the matter described in the Basis of Qualified Opinion paragraph and emphasis of matter***,** in our opinion, the Balance Sheet, Statement of Profit and Loss comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ;

e. Provisions of clause (g) of sub section (1) of section 274 of the Companies Act, 1956 are not applicable to the Government Company in terms of GSR 829(E) dated 21st October, 2003 issued by Government of India, Department of Company affairs.

For V.K. Verma & Co.
Chartered Accountants
(FRN.000386N)

Sd/-
Vivek Kumar
(Partner)
Membership No.50382

Place: New Delhi
Date:14th August 2014

INDIA TOURISM DEVELOPMENT CORPORATION LIMITED (CONSOLIDATED FINANCIAL STATEMENTS)
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2014

(₹ in Lacs)

Particular	Note		As At 31.03.2014	As At 31.03.2013
I. EQUITY AND LIABILITIES				
(1) Shareholders's Funds				
Share Capital	2		8,576.94	8,576.94
Reserves and Surplus	3		20,769.82	20,295.18
Money Received against Share Warrants			-	-
Deferred Government Grants			8.02	8.91
(2) Minority Interest	3A		334.43	255.34
(3) Non-Current Liabilities				
Long-Term Borrowings	4	331.44		508.98
Other Long-Term Liabilities	6	584.28		880.80
Long-Term Provisions	7	4,688.37	5,604.09	4,943.33
(4) Current Liabilities				
Short-Term Borrowings	8	-		-
Trade Payables	9	4,678.76		5,299.41
Other Current Liabilities	10	17,653.95		15,738.43
Short-Term Provisions	7	1,505.10	23,837.81	765.96
TOTAL			**59,131.11**	**57,273.28**
II. ASSETS				
(1) Non-current Assets				
Fixed Assets				
Tangible Assets in Active Use	11	6,199.98		6,738.93
Tangible Assets Not in Active Use	11A	12.48		11.14
Intangible Assets	12	26.56		47.74
Capital Work-in-Progress	12A	587.73		442.64
Non-Current Investments	13	-		-
Deferred Tax Assets (Net)	5	2,626.75		2,490.92
Long-Term Loans and Advances	14	391.52		365.63
Other Non-Current Assets	15	96.40	9,941.42	41.46
(2) Current Assets				
Inventories	16	1,362.14		1,082.14
Trade Receivables	17	8,194.44		10,282.14
Cash and Cash Equivalents	18	30,081.80		25,712.78
Short-Term Loans and Advances	14A	8,149.76		8,266.17
Other Current Assets	19	1,401.55	49,189.69	1,791.59
TOTAL			**59,131.11**	**57,273.28**

Notes to accounts and significant accounting Policies **1**

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

(V.K. Jain)	(P.K. Aggrawal)	(Trinath Behera)	(Dr Sameer Sharma)	As per our Report of even date
Company Secretary	Vice President (F&A)	Director (Finance)	Managing Director	For V.K. Verma & Co.
				Chartered Accountants (FRN 000386N)

Date:
Place: New Delhi

(Vivek Kumar)
Partner
M.No. 503826

INDIA TOURISM DEVELOPMENT CORPORATION LIMITED (CONSOLIDATED FINANCIAL STATEMENTS)

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2014

(₹ in Lacs)

	Particular	Note		Year Ended 31.03.2014	Year Ended 31.03.2013
	REVENUE				
I.	**Revenue from Operations**	20			
	Sales of products		11,084.85		9,844.85
	Sales of services		34,670.84		32,858.69
	Other operating revenues		160.41	45,916.10	239.05
II.	**Other Income**	21		3,198.66	3,100.86
III.	**TOTAL REVENUE (I+II)**			**49,114.76**	**46,043.45**
	EXPENSES				
	Cost of materials Consumed & Services Rendered	22		4,907.72	4,474.18
	Purchase of stock-in-trade	23		1,853.72	1,565.16
	Changes in inventories of finished goods and stock-in-trade	24		(118.70)	54.22
	Employees' Remuneration & Benefits	25		15,239.20	15,503.55
	Finance Costs	26		28.88	20.72
	Depreciation and amortization expense	11&12	662.02		649.23
	Less: Attributed to the Projects		(0.23)	661.79	(0.27)
	Operating Expenses & Other Expenses	27		25,237.18	23,181.58
				-	
IV.	**TOTAL EXPENSES**			**47,809.79**	**45,448.37**
V.	**Profit/(Loss) Before Exceptional, Extraordinary Items and Prior Period Adjustments (III-IV)**			**1,304.97**	**595.08**
VI	**Exeptional Items**	28		(134.39)	(191.84)
VII.	**Profit/(Loss) Before Extraordinary Items and Prior Period Adjustments (V-VI)**			**1,439.36**	786.92
	Prior Period Adjustments	29			
	Prior Period Income		(55.16)		(16.99)
	Prior Period Expenses/Adjustments		321.33	(376.49)	188.60
VIII.	**Profit/(Loss) Before Extraordinary Items**			**1,062.87**	**581.33**
IX.	Extraordinary Items			-	
X.	**Profit/(Loss) Before Tax(PBT) (VIII-IX)**			**1,062.87**	**581.33**
XI.	**Tax Expense of continuing operations :**				
	Current Tax (Income Tax)		(396.35)		(268.89)
	Tax written Back (Previous Year)		(0.21)		27.71
	Current Tax (Wealth Tax)		(0.68)		(0.71)
	MAT credit Entitlement		-		-
	Deferred Tax	5	135.83	(261.41)	(46.87)
XII.	**Profit/(loss) for the period from continuing operations (X-XI)**			**801.46**	**292.57**
XIII.	**Profit/(loss) from discontinuing operations**			-	
XIV.	**Tax expense of discontinuing operations**			-	
XV.	**Profit/ (loss) from discountinuing oprations (after Tax) (XIII-XIV)**			-	
XVI.	**Profit/ (loss) for the period [Profit After Tax (PAT)] (XII+XV)**			**801.46**	**292.57**
	Less: Profit/(Loss) attributable to Minority Interest			(9.69)	(12.64)
	AMOUNT AVAILABLE FOR APPROPRIATION			**811.15**	**305.21**
XVII.	**Earnings per equity share in ₹ (1) Basic (2) Diluted**	30		**0.95**	**0.36**

Notes to accounts and significant accounting Policies **1**

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

(V.K. Jain)	**(P.K. Aggrawal)**	**(Trinath Behera)**	**(Dr Sameer Sharma)**	**As per our Report of even date**
Company Secretary	Vice President (F&A)	Director (Finance)	Managing Director	**For V.K. Verma & Co.**
				Chartered Accountants (FRN 000386N)

Date:
Place: New Delhi

(Vivek Kumar)
Partner
M.No. 503826

INDIA TOURISM DEVELOPMENT CORPORATION LIMITED (CONSOLIDATED FINANCIAL STATEMENTS)

Notes to Consolidated financial statements

Note :- 1

BASIS OF CONSOLIDATION

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

a) **Basis of Accounting**

i) The financial statements of the subsidiary companies and Joint Ventures in the consolidation are drawn up to the same reportindg date as of the Company.

ii) The consolidated financial statements have been prepared in accordance with Accounting Standard (AS) 21-'Consolidated Financial Statements' and Accounting Standard (AS) 27-'Financial Reporting of Interest in Joint Venture' of Companies (Accounting Standards) Rules, 2006 and generally accepted accounting principles.

b) **Principles of consolidation:**

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

i)The fianancial statements of the company and its subsidiaries are combined on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra group transactions, unrealised profits or losses and minority interest have been separately disclosed.

ii) The consolidated financial statements include the interest of the company in joint ventures, which have been accounted for using the proportionate consolidation method of accounting and reporting whereby the company's share of each asset, liability, income and expense of a jointly controlled entity is considered as a seprate line item.

iii)The consolidated financial statements are prepared using uniform acconting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the company's separate financial statements except as otherwise stated in the notes to the accounts.

1.2 **The list of Subsidiary Companies and Joint Ventures considered in the preparation of the consolidated**

Names of the Subsidiary Companies	Share % of Profit/Losses
Assam Ashok Hotel Corporation Ltd.	51
Donyi Polo Ashok Hotel Corporation Ltd.	51
Madhya Pradesh Ashok Hotel Corporation Ltd.	51
Pondicherry Ashok Hotel Corporation Ltd	51
Punjab Ashok Hotel Company Ltd.	51
Ranchi Ashok Bihar Hotel Corporation Ltd	51
Utkal Ashok Hotel Corporation Ltd.	92

Names of the Joint Ventures	Share % of Profit/Losses
ITDC Aldeasa India Private Ltd.	50

All the above Companies are incorporated in India.

There is no change in the % of sharing.

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

(Amount in ₹)

	Current Year	Previous Year
Fixed Assets	NIL	NIL
Current Assets	4436881/-	4274342/-
Current Liabilities	28963386/-	28928291/-
Provisions- Income Tax	NIL	NIL
Accumulated Losses	24703949/-	24703949/-
Income	215185/-	NIL
Expenses- Operating & others	34751/-	21257/-
Prior Period Expenses	NIL	NIL
Profir/(Loss) before Tax	184434/-	(21,257.00)
Net Profit / (loss) after Tax	127444/-	(21,257.00)

A:- Significant Accounting Policies:

1) Accounting Convention

The Financial Statements are prepared under the historical cost convention and comply in all material aspects with generally accepted accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

2) Use of Estimates

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

3) Disputed Income Tax and Sales Tax Demands

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

4) Fixed Assets and Depreciation
A) Fixed Assets

i) Fixed assets are valued at cost of acquisition, net of 'Grant in aid' where applicable

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

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

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

B) Depreciation

Depreciation on fixed assets is provided pro-rata, on Straight Line Method on the following rates:

i) On fixed assets existing as on 31.3.1987, at the rates already adopted in earlier years.*

ii) On addition in the Fixed Assets during the period from 01.04.1987 to 15.12.1993, at the pre-revised rates as per the schedule XIV of the Companies Act, 1956.**

iii) On additions made to fixed assets from 16.12.1993 onwards,as per revised rates prescribed in schedule XIV of the Companies Act, 1956***

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

The rates at which depreciation has been charged are given below:-

S.No	Particular	*Straight Line Method % adopted by Corporation		**Straight Line Method % rates as per Schedule XIV of company Act		***Revised Straight Line Method % rates as per Schedule XIV of company Act	
		Hotels	Other than Hotel	Hotels	Other than Hotel	Hotels	Other than Hotel
1	Building and Roads	1.90	1.90	1.63	1.63	1.63	1.63
2	Plant & Machinery	8.64	5.28	11.31	5.15	10.34	4.75
3	Electrical Installation	8.64	5.28	5.15	5.15	4.75	4.75
4	Lifts	8.64	5.28	11.31	11.31	10.34	10.34
5	Kitchen Equipment	8.64	5.28	11.31	5.15	10.34	4.75
6	Sound system & musical instruments	8.64	5.28	11.31	5.15	10.34	4.75
7	Furniture ,Fixture & Furnishing	9.50 to 31.67	9.50 to 31.67	5.15	3.34	9.50	6.33
8	Office and miscellaneous equipments	8.64	5.28	5.15	5.15	4.75	4.75
9	Computers	-		16.21	16.21	16.21	16.21
10	Coolers & refrigerator	8.64	5.28	11.31	5.15	10.34	4.75
11	Air Conditioners (Both Type)	8.64	5.28	5.15	5.15	4.75	4.75
12	Vehicles (Staff car & Scooters)	10.56	10.56	7.07	7.07	9.50	9.50
13	Transport Vehicles	-	16.21	-	16.21		16.21
14	Sanitary installation	8.64	5.28	11.31	5.15	10.34	4.75
15	Assets costing below Rs.5000	-	-	-	-	100%	100%

**** Assets costing Rs. 5,000/- and below are charged 100% Depreciation except incase of New Project where the Depreciation at respective rates are charged, keeping in view the nature of corporation's activities

5) Investments

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

6) Valuation of Inventories

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

7) Execution of Projects for Clients

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

ii) Indirect costs are treated as "period costs" and are charged to profit and loss account in the year of incurrence.

8) Provision, Contingent Liabilities and Contingent Assets

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

ii) Where as a result of past events, there is a possible obligation that may, but probably will not, require any outflow of resources, no provision is recognized but appropriate disclosure is made in the notes.

iii) Contingent assets are neither recognized nor disclosed in the financial statements.

9) Employees Benefits

A) Provident Fund

Company's contributions to Provident Fund are charged to Profit & Loss Account.

B) Gratuity

i) Provision for Gratuity is made on the basis of Actuarial Valuation.

ii) Contribution towards Gratuity scheme is based on the premium contribution called for by the Life Insurance Corporation of India (LIC) with whom the Company has entered into an agreement. As per the terms of its scheme, LIC settles the claim for the full value of the gratuity paid by the Company to its employees, as and when such a payment is made.

C) Leave Encashment

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

10) Deferred Taxation

i) Deferred Tax is provided during the year, using the liability method on all temporary differences at the Balance Sheet date between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes in accordance with the Accounting Standard (AS-22).

ii) Deferred Tax Asset is recognized, subject to consideration of prudence, only to the extent that there is reasonable certainty that sufficient taxable profits will be available against which such Deferred Tax Assets can be realized. In situations where the company has any unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

iii) Deferred Tax Assets and Liabilities are measured at the rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the Balance Sheet date.

11) Government Grant

i) The Government grant received for upgradation of properties is recognized as income from the year in which respective properties are upgraded and to the extent grant related costs incurred i.e. written off as depreciation, revenue expenditure each year.

ii) The balance of Government Grant to the extent not adjusted as at the close of the year, is carried in the financial statements as 'Deferred Government Grant' after 'Reserves & Surplus.'

12) Revenue Recognition

i) Income from Projects is recognized on the percentage of completion method including in respect of cost plus/deposit/turnkey/project management work. In terms of this method, revenue is recognized in proportion to the actual costs incurred as against the total estimated cost of project under execution. The determination of revenues under this method involves making estimates, some of which are of technical nature, concerning, where relevant, the percentages of completion, costs of completion (including cost of rejection), expected revenues etc.

ii) Income from services rendered in respect of projects /license fees/Management fee are accounted for (exclusive of service tax) as per terms of the agreement. However, where such service charges/fees are not realised in cash for significant period the accrual thereof is postponed to be accounted for on receipt.

iii) Revenue from sales (net of returns and discounts) is recognized on transfer of substantial risks and rewards to the customers. Sales Tax and Value Added Tax are excluded.

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

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

13) Foreign Currency Transactions

a) Transactions in foreign exchange

i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are reported using the closing rate Non-monetary items that are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) Exchange Differences

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

b) Money Changing Business

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

14) Borrowing Costs

i) Borrowing Costs if any, that are directly attributable to the acquisition/construction of qualifying assets are capitalized as part of the cost of the respective assets.

ii) Other borrowing costs are expensed in the year in which they are incurred.

15) Prior Period/Extraordinary Items

i) All prior period items which are material and which arise in the current period as a result of 'errors or omissions' in the preparation of prior period's financial statements are separately disclosed in the current Statement of Profit & Loss. However differences in actual income/expenditure arising out of over or under estimation' in prior period are not treated as prior period income/expenditure

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

16) Claims

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

INDIA TOURISM DEVELOPMENT CORPORATION LIMITED (CONSOLIDATED FINANCIAL STATEMENTS)
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

NOTE- 2 SHARE CAPITAL:

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

(₹ in Lacs)

Particular	As At 31.03.2014	As At 31.03.2013
Authorised Share Capital		
15,00,00,000 Equity Shares of ₹ 10/- each		
(Previous year 15,00,00,000 Equity Shares of ₹ 10/- each)	15,000.00	15,000.00
	15,000.00	**15,000.00**
Issued & Subscribed Share Capital		
8,57,69,400 Equity Shares of ₹ 10/- each		
(Previous year 8,57,69,400 Equity shares of ₹ 10/- each)	8,576.94	8,576.94
	8,576.94	**8,576.94**
Paid-up Share Capital		
8,57,69,400 Equity Shares of ₹ 10/- each		
(Previous year 8,57,69,400 Equity Shares of ₹ 10/- each)	8,576.94	8,576.94
TOTAL	**8,576.94**	**8,576.94**

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

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

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

Particular	As At 31.03.2014	As At 31.03.2013
Number of Shares outstanding as at beginning of the year	85,769,400	85,769,400
Add:		
Number of shares allotted as fully paid-up-bonus shares during the year		
Number of shares allotted during the year as fully paid-up pursuant to a contract without payment being received in cash		
Number of shares alloted to employees pursuant to ESOPs/ESPs		
Number of shares allotted for cash pursuant to public issue		
	85,769,400	**85,769,400**
Less:		
Number of shares bought back during the year	-	-
Number of Shares outstanding as at end of the year	**85,769,400**	**85,769,400**

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

Particular	As At 31.03.2014	As At 31.03.2013
	Classes of shares	**Classes of shares**
The Company has one class of Equity shares having a par value of ₹ 10/- per share. Each Shareholder is eligible for one vote per share held. The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.	Equity Shares	Equity Shares

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

(₹ in Lacs)

Particular	As At 31.03.2014		As At 31.03.2013	
Name of the Shareholder	**Number of shares held**	**Percentage of shares held**	**Number of shares held**	**Percentage of shares held**
i). President of India	74,641,681	87.030	79,000,500	92.108
ii).The Indian Hotels Company. Ltd.	6,750,275	7.870	6,750,275	7.870

NOTE:- 3, RESERVE AND SURPLUS (₹ in Lacs)

Particular		As At 31.03.2014	As At 31.03.2013
Capital Reserve			
As per Last Balance Sheet		62.98	62.98
Securities Premium Reserve			
As per Last Balance Sheet	5,475.00		5,475.00
Addition During The Year	-	5,475.00	
General Reserve			
As per Last Balance Sheet	14,760.40		14,460.40
Add/Less: Current year Adjustments	565.22	15,325.62	300.00
Closing Balance			14,760.40
Surplus in the Statement of Profit & Loss			
As per Last Balance Sheet	(3.20)		
Transfer From Profit & Loss Accounts	811.15		296.80
Surplus For The Year	807.95		296.80
Appropriations/Adjustments:			
Proposed Dividend	428.85		-
Dividend Tax	72.88		-
Transfer to General Reserve	400.00		300.00
Closing Balance		(93.78)	
GRAND TOTAL		**20,769.82**	**20,295.18**

NOTE:- 3A. MINORITY INTEREST

Particular	As At 31.03.2014	As At 31.03.2013
As per Last Balance Sheet	255.34	267.98
Consolidation Adjustment*	254.00	-
Adjustment of loss earlier born by ITDC	(165.22)	-
Loss attributable to Minority interest for the year	(9.69)	(12.64)
	334.43	**255.34**

*Amount of share capital portion of minority invested during the year

NOTE 4. LONG-TERM BORROWINGS

(₹ in Lacs)

Particular		As At 31.03.2014	As At 31.03.2013
(A) BONDS/DEBENTURES			
Secured		-	-
Unsecured		-	-
(B) TERM LOANS FROM BANKS		-	-
			-
(C) TERM LOANS FROM OTHERS		-	-
Secured Loan from Bihar Industries Credit & Investment Corpn Ltd.			-
Principal Amount	-		83.15
Interest accrued and due	-	-	112.90
(Secured againest first morgaged of present / future immoveable and moveable properties, machineries, tools, accessories and other fixed assets of the Ranchi Ashok Bihar Hotel Corporation Ltd. except book debts. Promoters guarantees shall rank pari passu with the mortgaged and charges created/to be created.)			
Secured Loan from Assam Industrial Development Corporation Ltd.			
Principal Amount	90.00	-	90.00
Interest accrued and due including penal interest	241.44	331.44	222.93
(Term Loan from financial institutions guarnteed by ITDC and Govt of Assam secured against Plant and Machinery and Building of Assam Ashok Hotel Corporation Limited)			
Unsecured			
(D) LOANS AND ADVANCES FROM RELATED PARTIES			
Secured	-		-
Unsecured	-	-	-
(E) PUBLIC DEPOSITS (UNSECURED)		-	-
(F) LONG-TERM MATURITIES OF FINANCE LEASE OBLIGATIONS (SECURED BY HYPOTHECATION OF……MACHINERY TAKEN ON FINANCE LEASE)		-	-
TOTAL		**331.44**	**508.98**

NOTE 5. DEFERRED TAX ASSETS (NET) (₹ in Lacs)

Particular	As At 31.03.2014	As At 31.03.2013
DEFERRED TAX LIABILITIES	50.79	35.88
DEFERRED TAX ASSETS	2,677.54	2,526.80
DEFERRED TAX ASSETS (Net)	**2,626.75**	**2,490.92**

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

The major components of deferred tax asset (net) as on 31.3.2014 are given below:-

DEFFERED TAX LIABILITIES		
1 Depreciation	604.90	700.54
DEFFERED TAX ASSETS		
1 Carried forward business loss	-	119.18
2 Provision for Gratuity	303.27	449.86
3 Provision for Doubtful Debts & Advances & Inventory write down	1,374.35	1,290.57
4 Provision for Leave Encashment	1,268.87	45.03
5 Municipal Taxes		-
6 Disallowances under Income Tax Act, 1961	285.16	1,286.82
DEFERRED TAX ASSET(NET)	2,626.75	2,490.92

As required by Accounting Standard -22, the Deferred Tax Assets/Liabilities were reviewed by the management, based on the advice of tax consultants, and in view of sufficient taxable profits in the current year and the expectation that future taxable profits will be available for realisation of the Deferred Tax Asset and accordingly the above deferred tax asset(Net) up to 31.3.2014 has been recognised in the financial statements.

NOTE 6. OTHER LONG-TERM LIABILITIES

(₹ in Lacs)

Particular	As At 31.03.2014	As At 31.03.2013
Security Deposit & Retention Money	584.28	880.80
Total	**584.28**	**880.80**

Note:- 7, PROVISIONS (₹ in Lacs)

Particulars	As at 31st March 2014			As at 31st March 2013		
	LONG TERM	SHORT TERM	TOTAL	LONG TERM	SHORT TERM	TOTAL
Employee Benefits						
Gratuity	7,006.61	1,489.99	8,496.60	7,030.65	1,187.79	8,218.44
Less:-Fund size of Investment as per Gratuity Policy	(6,024.21)	(1,488.32)	(7,512.53)	(5,642.00)	(1,187.79)	(6,829.79)
Leave Encashment	3,708.35	605.08	4,313.43	3,553.31	494.34	4,047.65
Less:-Fund size of Investment as per Gratuity Policy	(40.67)	(3.77)	(44.44)	(40.21)	(4.10)	(44.31)
Sick Leave	38.29	3.36	41.65	41.58	6.12	47.70
	4,688.37	606.34	5,294.71	4,943.33	496.36	5439.69
Income Tax						
Provision For Income Tax	-	396.35	396.35	-	268.89	268.89
	-	396.35	396.35	-	268.89	268.89
Wealth Tax						
Provision For Wealth Tax	-	0.68	0.68	-	0.71	0.71
	-	0.68	0.68	-	0.71	0.71
Proposed Dividends						
Proposed Dividend	-	428.85	428.85	-	-	0.00
Dividend Tax	-	72.88	72.88	-	-	0.00
	-	501.73	501.73	-	-	0.00
TOTAL	**4,688.37**	**1,505.10**	**6,193.47**	**4,943.33**	**765.96**	**5709.29**

NOTE 8. SHORT-TERM BORROWINGS

(₹ in Lacs)

Particular	As At 31.03.2014	As At 31.03.2013
(A) LOANS REPAYABLE ON DEMAND		
Secured	-	-
Unsecured	-	-
(B) LOANS AND ADVANCES FROM RELATED PARTIES		
Secured	-	-
Unsecured	-	-
(C) PUBLIC DEPOSITS (UNSECURED)	-	-
Total	**-**	**-**

NOTE:- 9 TRADE PAYABLE

(₹ in Lacs)

Particular	As At 31.03.2014	As At 31.03.2013
Current		
Trade Payables	4,678.76	5,299.41
TOTAL	**4,678.76**	**5,299.41**

NOTE 10. OTHER CURRENT LIABILITIES

(₹ in Lacs)

Particular	As At 31.03.2014	As At 31.03.2013
Due To ITDC Limited		
- Project Division	-	-
- ITDC LTD. (HQ)	-	-
BSTDC/PTDC	27.09	25.10
Interest accrued but not due on borrowings	5.87	5.87
Interest accrued and due on borrowings	-	-
Sundry Creditors (Other Than Trade Payable)	4,111.75	4,638.27
Security Deposit & Retention Money	2,889.66	2,781.13
Advance From Customers	7,288.07	6,224.08
Other Liabilities	3,331.51	2,063.98
TOTAL	**17,653.95**	**15,738.43**

Sundry creditors include unlinked receipts from customers etc.of ₹ 46.73 lakh (P.Y ₹ 55.73 lakh) which could not be linked to respective customer accounts, for want of adequate details.

Rental agreement with Life Insurance Corporation of India (LIC) expired on 25.07.2005 is pending renewal. Pending finlisation of terms and conditions and execution of new lease deed. The corporation has paid the rent @ 135/- per sq.feet w.e.f 26-07-2010(After the expiry of five years from 25-07-2005) as per MOU with LIC along with service tax w.e.f 01-06-2007 as per decision and as demanded by LIC.However the corporation has not acknowledged the demand of interest by LIC on late payment of the rent @ 12% p.a.

NOTES - 11. Tangible Assets in Active Use

(₹ in Lakh)

Sl. No.	Description	GROSS BLOCK: Up To 31.03.2013	GROSS BLOCK: ADDITION DURING THE YEAR	GROSS BLOCK: Add/(Less): Sales, Transfer, Write Offs and Adjustments During The Year	GROSS BLOCK: Up To 31.03.2014	DEPRECIATION: Up To 31.03.2013	DEPRECIATION: Provided during the year	DEPRECIATION: Add/(Less): Sales, Transfer, Write Offs and Adjustments During The Year	DEPRECIATION: Up To 31.03.2014	IMPAIRMENT: As at 31st March 2013	IMPAIRMENT: REVERSED DURING THE YEAR	IMPAIRMENT: Provided during the year	IMPAIRMENT: Up To 31.03.2014	Net Carrying Amount: As At 31.03.2014	Net Carrying Amount: As At 31.03.2013
1	Land														
	Owned (FreeHold)	26.25	-	-	*** 26.25	2.24	0.00	-	*** 2.24	-	-	-	-	24.01	24.01
	Leased	335.00	-	-	335.00	35.61	3.52	74.88	* 114.01	-	-	-	-	220.99	299.39
2	Buildings- Owned	3,573.16	32.28	0.12	** 3,605.56	1,747.91	59.42	10.84	1,818.17	-	-	-	-	1,787.39	1,825.25
3	Plant & Equipment- Owned	7,659.14	195.65	(31.33)	7,823.46	4,644.46	353.79	(15.75)	4,982.50	-	-	-	-	2,840.96	3,014.68
4	Furniture & Fixtures- Owned	3,070.12	38.04	(5.05)	3,103.11	2,132.95	127.04	108.42	2,368.41	-	-	-	-	734.70	937.17
5	Vehicles- Owned	198.64	-	(41.68)	156.96	139.62	15.20	(35.24)	119.58	-	-	-	-	37.38	59.02
6	Office Equipments- Owned	1,524.95	69.85	(12.39)	1,582.41	945.54	79.96	2.36	1,027.86	-	-	-	-	554.55	579.41
	Total	16,387.26	335.82	(90.33)	16,632.75	9,648.33	638.93	145.51	10,432.77	-	-	-	-	6,199.98	6,738.93
	Previous Year's total	16,237.01	396.70	(246.45)	16,387.26	9,163.21	624.98	(139.86)	9,648.33	-	-	-	-	6,738.93	

* This represents amortization of leasehold land.

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

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

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

Notes:-

(a) Terms of purchase/lease of land having not been finalised and registration of title deeds/execution of lease deeds having not been effected, liability towards cost/lease rent, ground rent and registration fee, etc, has not been created in respect of Hotel Patliputra Ashok at Patna, Ashok Institute of Hospitality and Tourism Management(AIH&TM) and Tennis Court at New Delhi.

(b) Lease deeds/title deeds have not yet been executed in favour of the corporation in respect of land at Hotel Samrat, Office Premises in Scope at New Delhi and Doniyo Polo Ashok Hotel Corporation Limited in respect of land at Itanagar.

(c) Lease deed in respect of land of Ashok Hotel, New Delhi is registered in the name of erstwhile Ashoka Hotels Limited, which was merged with the corporation on 28th March, 1970

(d) Registration of title deeds in favour of the corporation have not been effected in respect of:-

i) Land and building of Taj Restaurant at Agra.

ii) Land at Gulmarg.

(e) Lease deed in respect of Hotel Jammu Ashok was expired on 11.01.2010,pending renewal of the same liability towards lease rent etc. has not been provided.

(f) Pending finalisation of cost and adjustment thereof, capitalisation of Land, Building, Furniture & Fixtures and Equipment of retained Travellers Lodges, Restaurants and Hotel taken over from Ministry of Tourism, has been effected based on the payments made.

(g) Pending receipt/ scrutiny of final bills of the contractors/suppliers, settlement of the rates for extra items and escalation etc., the capitalisation and/ or charge to expenditure to the extent of ₹ 1745.63 lakh has been accounted for based on certificates issued by Project Engineers for the work carried out at various projects (previous year ₹ 1624.52 lakhs). Adjustments, if any, to cost is proposed to be carried out upon final settlement of the bills.

INDIA TOURISM DEVELOPMENT CORPORATION LIMITED (CONSOLIDATED FINANCIAL STATEMENTS)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

NOTE-11A -TANGIBLE ASSETS NOT IN ACTIVE USE

(₹ in Lakh)

	Gross Block				Depreciation				Net Block		
Particulars	Up to 31.03.2013	Addition during the year	Add/(Less): Sales, Transfer, Write Offs and Adjustments During The Year	Cost as on 31.03.2014	Up to 31.03.2013	Addition during the year	Add/(Less): Sales, Transfer, Write Offs and Adjustments During The Year	Accumulated Depreciation up to 31.3.2014	Depreciated value as on 31.3.2014	Net Realisable value as on 31.3.2014	Balance Provided for
A. Net Realisable value is more than depreciated value:-											
Plant & Equipment- Owned	92.69	8.88	(5.80)	95.77	86.13	8.21	(5.16)	89.18	6.59	6.59	(0.00)
Furniture & Fixtures- Owned	22.55	0.06	(15.50)	7.11	21.43	0.06	(14.75)	6.74	0.37	0.37	0.00
Vehicles- Owned	3.93	9.71	-	13.64	3.74	8.13	-	11.87	1.77	1.77	-
Office Equipments- Owned	11.25	1.32	(9.19)	3.38	9.82	1.08	(8.32)	2.58	0.80	0.80	-
Total-A	130.42	19.97	(30.49)	119.90	121.12	17.48	(28.23)	110.37	9.53	9.53	(0.00)
B. Net Realisable value is less than depreciated value:-											
Plant & Equipment- Owned	29.22	7.59	-	36.81	19.79	7.12	-	26.91	9.90	2.07	7.83
Furniture & Fixtures- Owned	5.78	1.50	15.50	22.78	5.01	1.42	(14.75)	21.18	1.60	0.42	1.18
Vehicles- Owned	0.01	-	-	0.01	0.01	-	-	0.01	-	-	-
Office Equipments- Owned	4.89	1.62	9.19	15.70	2.79	1.15	(8.32)	12.26	3.44	0.46	2.98
Total-B	39.90	10.71	24.69	75.30	27.60	9.69	(23.07)	60.36	14.94	2.95	11.99
Total (A+B)	170.32	30.68	(5.80)	195.20	148.72	27.17	(51.30)	170.73	24.47	12.48	11.99
Previous Year	161.34	8.98	-	170.32	141.26	7.46	-	148.72	21.60	11.14	

INDIA TOURISM DEVELOPMENT CORPORATION LIMITED (CONSOLIDATED FINANCIAL STATEMENTS)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

NOTE 12. FIXED ASSETS- INTANGIBLE

(₹ in Lakh)

	<----------------- Gross Carrying Amount ---------------->				<------------- Accumulated Amortisation ------------>				<------- Accumulated impairment ------->				<-- Net Carrying Amount -->	
Description	**As at 31st march 2013**	**Additional adjustment during the year**	**Deduction during the year**	**As at 31st March 2014**	**As at 31st march 2013**	**Provided during the year**	**Add/(Less): Adjustments During The Year**	**As at 31st March 2014**	**As at 31st march 2013**	**Reversed during the year**	**Provided during the year**	**As at 31st March 2014**	**As at 31st march 2013**	**As at 31st march 2013**
1 Goodwill														
2 Brands/Trade Marks														
3 Computer Software														
- Acquired	96.51	1.91	-	98.42	48.77	23.09	-	71.86	-	-	-	-	26.56	47.74
- Internally Generated														
4 Mastheads														
5 Mining Rights														
6 Copyrights														
- Acquired														
- Internally Generated														
7 Patents														
- Acquired														
- Internally Generated														
Total	96.51	1.91	-	98.42	48.77	23.09	-	71.86	-	-	-	-	26.56	47.74
Previous Year's total	52.39	43.42	0.70	96.51	23.91	24.25	0.61	48.77	-	-	-	-	47.74	

NOTE 12A. CAPITAL WORK IN PROGRESS

(₹ in Lacs)

Particular	As At 31.03.2014	As At 31.03.2013
I) Work-in-Progress (at cost) including Construction material lying at site and Fixed assets not put to use, Value of work done and material supplied by the Contractor/suppliers	574.92	457.24
II) Expenses Attributable On Projects Pending Allocation	204.40	196.87
III) Capital Goods in Hand & in Transit	30.14	7.38
	-	-
Less:- Provision for Impairment	(221.73)	(218.85)
TOTAL	587.73	442.64

(a) Capital work-in-progress includes expenditure attributable to projects, to be apportioned to various projects upon their completion.

(b) Expenses attributed to projects pending allocation are as follows: -

(₹ in Lacs)

Particulars	Current Year	Previous Year
Opening balance	196.87	168.60
Add:-		
Other Project Overheads	26.36	46.68
Depreciation/Amortisation of Lease	0.23	0.26
Less: Capitalised during the year	19.06	18.67
Closing balance	204.40	196.87

13. NON-CURRENT INVESTMENTS

(₹ in Lacs)

Particular	As At 31.03.2014	As At 31.03.2013
Non-Trade Investments		
Trade(Unquoted) in Subsidiary Companies		
(i) Investments in Equity Instruments		
Delhi Maida Consumers Co-operative Society Limited		
1 Equity share of ₹ 25 Each *	-	-
TOTAL	**-**	**-**

* Investment of ` 25 has been shown as NIL due to rounding off.

NOTE 14. LONG-TERM LOANS AND ADVANCES

(₹ in Lacs)

Particular	As At 31.03.2014	As At 31.03.2013
(A) Security Deposits		
Secured, considered good	1.89	1.89
Unsecured, considered good	228.66	202.77
Doubtful	26.06	25.76
Less: Allowance for bad and doubtful advances	(26.06)	(25.76)
Total (A)	**230.55**	**204.66**
(B) OTHERS		
Secured, considered good	-	-
Unsecured, considered good	160.97	160.97
Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
Total (B)	**160.97**	**160.97**
TOTAL [(A)+(B)]	**391.52**	**365.63**

NOTE:- 14 A , SHORT TERM LOANS & ADVANCES (₹ in Lacs)

Particular	As At 31.03.2014	As At 31.03.2013
(A) Loans and Advances to Related Parties		
Secured, considered good	-	-
Unsecured, considered good	-	208.00
Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
Total (A)	**-**	**208.00**
(B) Loans and Advances Due by Directors or Officers of the Company or any of them either severally or jointly with others or by Firms or Private Companies respectively in which any Director is a Partner or a Director or Member		
Secured, considered good	-	-
Unsecured, considered good	3.72	8.81
Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
Total (B)	**3.72**	**8.81**
(C) Others (Specify)		
Secured, considered good	0.51	0.99
Unsecured, considered good	1,940.94	2,072.77
Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
Total (C)	**1,941.45**	**2,073.76**
(D) Advance Income Tax and Tax Deducted at Source	6,136.54	5,972.22
Total (D)	**6,136.54**	**5,972.22**
(E) Sales Tax paid in Advance	68.05	3.38
Total (E)	**68.05**	**3.38**
TOTAL [(A)+(B)+(C)+(D)+ (E)]	**8,149.76**	**8,266.17**

1. Loans & Advances include the following:-

(Rs. in lakhs)

Particulars	Current Year	Previous Year
Advances due from Directors and officers of the Corporation	3.72	8.81
Maximum amount due from Directors and officers of the Corporation during the year	11.42	33.90

2. Loans and Advances includes Rs. 142.64 lakhs being recoverable from M/s Paul Mech (lessee) on account of VRS (compensation) including terminal benefits in respect of 29 employees of Hotel Nilachal Ashok ,Puri.

3. Consequent upon final resolution of the matter of attempting to take over Ranchi Bihar Ashok Hotel Corporation by the Financial Institution due to non repayment of loan and interest by the subsidiary corporation, the liablity towards financial institution has been settled and the amount of Rs. 208.00 lakh deposited by ITDC (holding company) in the earlier years and included under loans and advances and a sum of Rs.5.36 lakh paid during the year has been converted into equity capital by alloting 21336 shares to ITDC.

NOTE 15. OTHER NON-CURRENT ASSETS

(₹ in Lacs)

Particular	As At 31.03.2014	As At 31.03.2013
(A) Long-Term Trade Receivables Other Than Current (including trade receivables on deferred credit terms)		
Secured, considered good	9.51	9.41
Unsecured, considered good	86.31	31.63
Doubtful	3,529.87	3,384.12
Less: Allowance for bad and doubtful debts	(3,529.87)	(3,384.12)
Total (A)	**95.82**	**41.04**
(B) Others		
Secured, considered good	-	-
Unsecured, considered good	0.58	0.42
Doubtful	447.41	447.96
Less: Allowance for bad and doubtful advances	(447.41)	(447.96)
Total (B)	**0.58**	**0.42**
TOTAL [(A)+(B)]	**96.40**	**41.46**

Note 16.INVENTORIES

(₹ in Lacs)

Particular	As At 31.03.2014	As At 31.03.2013
(As per inventories prepared , valued and certified by the Management at lower of the cost or net realisable value)		
Stores and Spares	286.93	278.08
Tools	0.76	0.54
Crockey, Cutlery, Glassware and Linen etc (in hand and in use)	261.40	280.64
Other Stocks and Stores (Others)	735.38	556.66
Less:- Provision for Inventory Write Down	(42.83)	(33.78)
	-	-
Total	**1,362.14**	**1,082.14**

NOTE 17:- TRADE RECEIVABLES

(₹ in Lacs)

Particular	As At 31.03.2014	As At 31.03.2013
Current Trade Receivables		
(A) Trade receivables outstanding for more than six months from the date they became due for payment:		
(i) Secured ,considered good	46.53	58.64
(ii) Unsecured ,considered good	2,270.42	4,785.90
(iii) Doubtful	49.02	16.80
Less: Allowance for bad and doubtful debts	(49.02)	(16.80)
TOTAL (A)	**2,316.95**	**4,844.54**
(B) Trade Receivables (others)		
(i) Secured ,considered good	78.91	401.10
(ii) Unsecured ,considered good	5,798.58	5,036.50
(iii) Doubtful	176.36	26.75
Less: Allowance for bad and doubtful debts	(176.36)	(26.75)
TOTAL (B)	**5,877.49**	**5,437.60**
TOTAL { A+ B}	**8,194.44**	**10,282.14**

Trade Receivable include the following:-

(₹ in Lacs)

Particulars	Current Year	Previous Year
Debts due from Directors and officers of the Corporation.	0.17	0.16
Maximum amount due from Directors and officers of the Corporation during the year	0.23	0.16

NOTES 18. CASH AND CASH EQUIVALENTS (₹ in Lacs)

Particular	As At 31.03.2014	As At 31.03.2013
(A) Cash on hand		
Cash on hand	35.09	33.37
(B) Balances with Banks		
In Current Account	2,430.93	3,047.80
In Savings Account	0.70	-
Provision for Doubtful Recovery	-	-
(C) Cheques, Drafts in hand		
Cheques on hand	321.01	376.30
Drafts in hand	-	-
(D) Other Bank Balances		
Term deposits with Banks For Less than 12 months*	27,245.41	22,197.65
Term deposits with Banks For more than 12 months	48.66	57.66
(E)Bank Balance held as margin money or as security against:		
Borrowings	-	-
Guarantees	-	-
Letter of Credit	-	-
Other commitments	-	-
(F) Others	-	-
Gratuity Fund Trust (SBI)	-	-
TOTAL	**30,081.80**	**25,712.78**

* include FDRs of Rs. 35.95 lakh (Previous year Rs. 35.95 lakh) lodged as security

NOTE 19- OTHER CURRENT ASSETS

(₹ in Lacs)

Particular	As At 31.03.2014	As At 31.03.2013
Interest accrued but not due on Term Deposits	1,130.76	1,004.47
Others	270.79	787.12
Less: Allowance for bad and doubtful advances	-	-
TOTAL	**1,401.55**	**1,791.59**

Notes:-

1. Others include FDRs ₹ 1.58 Lakhs deposited with RPFC Jaipur

INDIA TOURISM DEVELOPMENT CORPORATION LIMITED (CONSOLIDATED FINANCIAL STATEMENTS)
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

NOTE 20:- . REVENUE FROM OPERATION

(₹ in Lacs)

Particular	Year Ended 31.03.2014	Year Ended 31.03.2013
Sales of products (A)		
Food	7,175.29	6,326.68
Beer,Wine & Spirits	2,243.38	1,904.06
Cigars and Cigarettes	17.00	136.39
Soft Drinks	297.33	281.52
Petrol, oil & Lubricant	1,287.61	1,030.15
Tourist Literature and Other Publications	31.40	68.09
Miscellaneous Sales	32.84	97.96
TOTAL(A)	**11,084.85**	**9,844.85**
Sales of services (B)		
Room Rent	11,683.63	12,202.65
Licence Fees	5,331.08	4,740.86
Banquet Hall/Lawn Rental	1,064.35	1,051.71
Traffic Earnings & package tours	1,202.51	1,458.04
Travel Services	11,065.61	9,155.71
Management/Consultancy/Event Management/Traning Fees	2,057.91	2,547.46
Revenue From execution of Project	1,219.75	626.95
Son-et-Lumiere & Cultural Shows	81.52	87.29
Commission Received	30.19	37.80
Electricity Charges	469.43	405.35
Telephone Services	8.23	17.17
Advertisement income	94.38	154.84
Service Charges	362.25	372.86
TOTAL(B)	**34,670.84**	**32,858.69**
Other operating revenues (C)		
Miscellaneous Income	160.41	239.05
TOTAL(C)	**160.41**	**239.05**
TOTAL (A)+(B)+ (C)	**45,916.10**	**42,942.59**

Note:-

Pending execution of fresh license Agreements, income from License fees(from continuing licensees)has been accounted for on provisional basis and/or based on the earlier license agreements.

NOTE 21:- OTHER INCOME

(₹ in Lacs)

Particular	Year Ended 31.03.2014	Year Ended 31.03.2013
Other Income		
Interest (Gross) From- Banks/ Financial Institutions	2,425.70	2,397.03
Loan to Employees	0.63	0.68
On Income Tax Refund	-	10.78
Others	144.94	25.04
Profit on sale of Assets	4.39	3.14
Gain on Foreign Exchange Variation	13.81	33.30
Grant from Ministry of Tourism	0.89	0.89
Others	608.30	630.00
TOTAL	**3,198.66**	**3,100.86**

NOTE

Out of the balance amount of ₹ 8.91 lakh (Previous Year ₹ 14.30 lakh) of Deferred Government Grants from the Ministry of Tourism for the renovation/upgradation of properties, a sum of ₹ 0.89 lakh incurred during the year has been charged to the respective head of expenditure . The amount equivalent to the grant related cost incurred during the year has accordingly beer recognised as income. The balance of ₹ 8.02 lakh (Previous Year ₹ 8.91 lakh) at the close of the year has been presented in the accounts as Deferred Government grant after Reserve and Surplus.

NOTE 22. COST OF MATERIAL CONSUMED AND SERVICES RENDERED

(₹ in Lacs)

Particular	Year Ended 31.03.2014	Year Ended 31.03.2013
A:- Cost of Consumption of Raw Materials, Other Materials sold and Service Rendered		
i) Provisions , Beverages & Smokes		
Opening Stock	104.13	77.56
Add:- Purchases & Adjustments	2,397.70	2,325.10
Less:- Transfer & Adjustments	(270.81)	(330.26)
Closing Stock	92.82	104.13
TOTAL (i)	**2,138.20**	**1,968.27**
ii) Wine & Liquors		
Opening Stock	157.74	227.65
Add:- Purchases & Adjustments	666.19	210.20
Less:- Transfer & Adjustments	(113.94)	(34.21)
Closing Stock	350.10	157.74
TOTAL (ii)	**359.89**	**245.90**
iii) Other Material		
Opening Stock	-	-
Add:- Purchases & Adjustments	24.55	50.64
Less:- Transfer & Adjustments	-	-
Closing Stock	-	-
TOTAL (iii)	**24.55**	**50.64**
TOTAL (i+ii+iii) (A)	**2,522.64**	**2,264.81**
(B) Cost of Service Rendered/Purchased:-		
Execution of Project	1,121.74	524.82
Other Services	1,278.57	1,698.12
TOTAL (B)	**2,400.31**	**2,222.94**
TOTAL (A)+(B)	**4,922.95**	**4,487.75**
Less: Charged to the Ministry of External Affairs	15.23	13.57
GRAND TOTAL	**4,907.72**	**4,474.18**

NOTE

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

NOTE:- 23 PURCHASES OF TRADED GOODS

(₹ in Lacs)

Particular	Year Ended 31.03.2014	Year Ended 31.03.2013
i) Provisions , Beverages & Smokes	8.66	35.84
ii) Wine & Liquors	583.62	498.26
iii) Other Material	1,261.44	1,031.06
TOTAL	1,853.72	1,565.16

NOTE:- 24 - CHANGE IN INVENTORY OF TRADED GOODS

(₹ in Lacs)

Particular	Year Ended 31.03.2014	Year Ended 31.03.2013
OPENING STOCK		
i) Provisions , Beverages & Smokes	2.33	36.94
ii) Wine & Liquors	260.20	240.40
iii) Other Material	31.73	71.14
TOTAL	294.26	348.48
CLOSING STOCK		
i) Provisions , Beverages & Smokes	-	2.33
ii) Wine & Liquors	375.12	260.20
iii) Other Material	37.84	31.73
TOTAL	412.96	294.26
CHANGE IN INVENTORY	(118.70)	54.22
TOTAL	(118.70)	54.22

NOTE:- 25, EMPLOYEES' REMUNERATION AND BENEFITS

(₹ in Lacs)

Particular	Year Ended 31.03.2014	Year Ended 31.03.2013
Salaries & Wages, Bonus	12,634.46	12,629.43
Employer's Contribution to Provident & Other Funds	1,071.32	1,026.81
Staff Welfare Expenses (Including contribution to Staff Welfare Fund)	874.56	845.99
Uniform	56.20	56.13
Provision/Contribution to Employee's Gratuity Scheme (net)	844.18	1,175.53
	15,480.72	15,733.89
Less:-		
Charged to the Project of Ministry of Tourism	56.01	61.92
Charged to the Project of Ministry of External Affairs	185.51	168.42
TOTAL	**15,239.20**	**15,503.55**

Note:-

The disclosure relating to AS-15 (Revised) - Employees Benefits:-

(a) Provident Fund - 12% of Basic (including dearness pay) plus Dearness Allowance, contributed to Recognised Provident Fund

(b) Leave Encashment (P/Leave & half pay Sick leaves as applicable)-Payable on separation to eligible employees who have accumulated earned leave

(c) Gratuity- Payable on separation @ 15 days pay for each completed year of service to eligible employees who render continuous service for 5 years or more. Maximum limit is ₹10.00 lakh.

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

(₹ in Lacs)

Particulars	Gratuity	Leave Encashment	Half Pay Leave
Fair value of Defined Obligation			
Present value of projected benefit obligation as at 1.04.13	8,218.44	4,047.65	47.70
Current service cost	325.96	202.14	5.51
Interest cost	736.68	362.40	4.29
Acturial gain(-) / losses(+)	276.64	(286.59)	(15.85)
Past service cost	-	-	-
Benefits paid	(1,061.12)	(12.17)	-
Present value of projected benefit obligation as on 31.03.2014	8,496.60	4,313.43	41.65

Reconciliation of fair value of Assets and obligations			-
Fair value of plan assets as on 1.04.2013	6,829.79	44.31	-
Acquisition adjustment	-	-	-
Expected return on plan assets	640.54	2.99	-
Actual Company*s contribution	1,257.29	-	-
Acturial gain(-) / losses(+)	(145.45)	0.04	-
Benefits paid/ adjustments	(1,069.64)	(2.82)	-
Fair value of plan assets as on 31.03.2014	7,512.53	44.44	-
Present value of defined obligation	8,496.60	4,313.43	41.65
Net liability recognised in the Balance Sheet (Note-7)	984.06	4,268.99	41.65
Expenses recognised in the Statement of Profit & Loss Account for the year ended 31.03.2014			
Current service cost	325.96	202.14	5.51
Interest cost	736.68	362.40	4.29
Acturial gain(-) / losses(+)	422.24	(286.54)	(15.85)
Past service cost	-	-	-
Expected return on plan assets	(640.69)	(2.99)	-
Employees remuneration & benefit charged to profit & loss A/c- a)Gratuity	844.18		
b)Others	-	275.01	(6.05)

Gratuity Fund Investment details(Fund manager wise,to the extent funded)			
Life Insurance Corporation of India	1,894.26	44.44	-
Life Insurance Corporation of India	2,092.32	-	-
Metlife Traditional Fund	532.84	-	-
Metlife Unit Linked	264.60	-	-
AVIVA Life Insurance Company India Ltd.	559.48	-	-
HDFC Standard Life Insurance	284.79	-	-
Birla Sun-life Insurance Fund	603.17		
Future Generali India Fund	1,281.07		
Total	7,512.53	44.44	-
Acturial assumption			
Discount rate	9.00% per annum	9.00% per annum	8.00% per annum
Mortality rate	IALM(2006-08)ULTIMATE	IALM(2006-08)ULTIMATE	LIC 94-96 Ultimate
Withdrawal rate(18-30 years)	0.00% p.a.	0.00% p.a.	0.00% p.a.
Withdrawal rate(31-44 years)	1.00% p.a.	1.00% p.a.	1.00% p.a.
Withdrawal rate(44-58 years)	3.00% p.a.	3.00% p.a.	3.00% p.a.
Expected rate of return	9.00% p.a.	9.00% p.a.	8.00% p.a.
Future salary increase	5.00% p.a.	5.00 % p.a.	5.00 % p.a.
Retirement age	58 years	58 years	58 years

NOTE:- 26 FINANCE COST

(₹ in Lacs)

Particular	Year Ended 31.03.2014	Year Ended 31.03.2013
Interest paid to Banks/Financial Institutions	28.88	20.72
Other Borrowing Cost	-	-
TOTAL	**28.88**	**20.72**

NOTE:- 27 OPERATING AND OTHER EXPENSES

(₹ in Lacs)

Particular		Year Ended 31.03.2014	Year Ended 31.03.2013
Travelling and Conveyance			
-Directors	28.28		19.58
-Officers and Staff	164.33		156.35
-Staff Car Expenses	84.58	277.19	86.31
RENT,RATES,TAXES AND INSURANCE			
- Rent	681.07		971.52
- Rates & Taxes	333.68		1,246.47
- Insurance	107.88		101.65
- Bar licence fees	-	1,122.63	-
REPAIRS & MAINTENANCE			
-Plant and Machinery	629.05		374.48
-Building	454.45		530.98
-Vehicles	6.48		11.22
-Others	1,357.78	2,447.76	1,174.67
Auditors' Remuneration(Including Branch Auditors)			
-Audit fees	21.08		27.55
-Tax audit fees	6.27		8.16
-Certification	0.51		0.51
-Taxation Matters	-		-
-Company Law Matters	-		-
-Out of Pocket Expenses	0.51	28.37	0.33
Directors' Sitting Fees		0.05	-
Legal and Professional Charges		158.93	188.07
Printing, Stationery and Periodicals		144.62	111.86
Communication Expenses		121.00	108.79
Power & Fuel		3,083.12	3,081.96
Advertisement, Publicity & Sales Promotion		413.70	615.68
Litigation Loss*		930.26	573.78
Entertainment		13.62	20.39
Band and Music		60.68	44.58
Expenses on Cultural Shows		8.29	-
Commission to Travel Agents & Credit Card Companies		85.19	72.72
Licencees' Share of Profit		3.09	205.03
Miscellaneous Expenses		78.94	75.79
Upkeep, Service Cost and Other Operating Expenses		15,202.07	12,872.34
Loss on Sale of Fixed Assets/Write off of Assets		0.70	2.85
Loss on Collaboration Ventures		-	-
Depletion/Consumption & Breakage in Crockery, Cutlery & Utensils etc.		40.79	48.02
Reimbursement of Expenses		659.62	-
Interest paid on Advances		-	-
Bad Debts		2.12	16.07
Loss on Foreign Exchange Variations		1.47	4.75
Advances Written Off		0.10	3.49
Provision for Doubtful Debts & Advances		456.84	521.58
Provision for Impairments		4.42	3.26
Provision for Diminution of Fixed Assets		-	-
Provision for Inventory Write Down/Write Off of Inventories		9.32	1.23
Corporate Social Responsibility		10.90	1.38
Marketing, Guidance & supervision expenses		-	7.68
Demand & Notice		-	-
TOTAL (A)		**25,365.79**	**23,291.08**
Less:-			
Charged to the Project of Ministry of Tourism		14.70	12.67
Charged to the Project of Ministry of External Affairs		113.91	96.83
Departmental Expanses Charged to ITDC Unit		-	-
TOTAL (B)		**128.61**	**109.50**
TOTAL (A-B)		**25,237.18**	**23,181.58**

* Includes Rs. 880.09 lakh being compensation awarded by double bench of Hon'ble Delhi Court vide order dated 30.05.2014 including interest and cost of Rs. 696.75 lakh to Ms. S.L. Beer, an Australian lady relating to a matter pertaining to erstwhile Akbar Hotel.

Note:-

1. Expenses on generation of power:-

(₹ in lakh)

Particulars	Current Year	Previous Year
Salaries and Wages	5.46	5.37
Fuel	30.84	56.74
Depreciation	16.06	15.86
Repairs	70.13	33.45
Others	-	-
Total	122.49	111.42

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

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

3.₹ 147.06 Lakh (Previous Year ₹ 349.62 lakh) spent on renovation during the year at various hotels has been segregated as relating to capital ₹ 75.35 lakh (Previous Year ₹ 80.78 lakh) and revenue expenditure ₹ 71.71 lakh (Previous Year ₹ 268.84 Lakh) based on certificate issued by the Project engineer and which have been relied upon by the auditors.

NOTE-28, EXCEPTIONAL ITEMS

(₹ in Lacs)

Particular	Year Ended 31.03.2014	Year Ended 31.03.2013
Provisions no Longer required written back (Negative If Profit)	(134.39)	(191.84)
TOTAL	**(134.39)**	**(191.84)**

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

	Particulars	Current year	Previous Year
1	Provision for Doubtful Debts and Advances	129.22	28.68
2	Depreciation	18.96	1.04
3	Cost of Material Sold and Services rendered	16.97	5.37
4	Salaries wages and benefits	11.63	23.57
5	Repairs and Maintenance	6.59	8.07
6	Upkeep & Service Cost	2.88	-
7	Other Operating and Administrative Expenses	3.07	54.95
8	Provision for diminution in fixed assets	-	-
9	Provision for Inventory written down	-	6.92
10	Legal & Professional Charges	-	-
11	Rates & Taxes	(54.93)	62.01
12	Communication Exp.	-	-
13	Bank Balance	-	1.23
14	Power & fuel	-	-
	Total	134.39	191.84

NOTE-29, PRIOR PERIOD ADJUSTMENTS

(₹ in Lacs)

Particular	Year Ended 31.03.2014	Year Ended 31.03.2013
Prior Period Income (Negative)	(55.16)	(16.99)
Prior Period Expenses/Adjustments	321.33	188.60
TOTAL	**376.49**	**205.59**

Income/expenditure and adjustment relating to earlier years charged to statement of profit & loss account are as follows:-

		(₹ in lakhs)	(₹ in lakhs)
	Particulars	**Current Year**	**Previous Year**
	Income:		
1	Beer Wine and Spirit Sales	-	-
2	Income from Services Rendered :		
	Room rent/ licence fee	0.41	16.65
	Consultancy	(47.96)	(49.45)
3	Others :	(10.80)	
	Employees' remuneration and benefits		0.41
	Rent Recovery	0.19	-
	Miscellaneous Income	(2.40)	14.05
	Cost of Sales	(1.61)	1.41
	Income from Hired Vehicles		-
	Depreciation	0.58	-
	Interest	-	-
	Electricity & Water charges	6.43	(0.06)
	Total	**(55.16)**	**(16.99)**
1	Cost of consumption of raw material, other materials sold and services	(11.80)	5.16
2	Employees' remuneration and benefits	17.60	42.07
3	Travelling and Conveyance	0.78	2.62
4	Rent, rates, taxes and insurance	16.19	26.70
5	Repairs and maintenance	10.47	14.41
6	Legal and Professional Charges	4.61	0.17
7	Printing, Stationery and Periodicals	(0.08)	(0.06)
8	Communication Expenses	0.46	0.42
9	Power and Fuel	(0.62)	(0.23)
10	Advertisement, publicity and sales promotion	(6.65)	1.09
11	Sundry Expenses	21.54	(0.13)
12	Upkeep and Service Cost and Other Operating Expenses	20.63	11.06
13	Depreciation	247.88	67.01
14	Newspaper,books & magazines		0.03
15	Payment to hired vehicles		3.88
16	Consultancy		10.15
17	Hire charges	(0.06)	2.93
18	Commission charges		0.60
19	Freight	-	0.19
20	Audit Fee	(0.01)	0.53
21	Fees, subscription & membership fees	0.39	
	Total	**321.33**	**188.60**

NOTE- 30. EARNING PER SHARE

The calculation of Earning per share as per Accounting Standard - 20 is as under:-

Particular	Year Ended 31.03.2014	Year Ended 31.03.2013
BASIC & DILUTED		
Net Profit/ (Loss) available for Equity Shareholders	811.15	305.21
Weighted Number of Equity Shares of ₹ 10 each	85,769,400	85,769,400
Basic & Diluted earnings per share (in ₹)	0.95	0.36

NOTE- 31. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in lakhs)

	Particulars	Current Year	Previous Year
A.	**Claims against the corporation not acknowledged as debts**		
(i)	Claims against the corporation not acknowledged as debts Rs. Nil lakhs (P.Y. ₹ 31.26 lakh) demands from custom authority ₹ 18523.84 lakhs (P.Y. 18525.97 lakhs) and are sub-judice].	77832.46	47,407.65
(ii)	Guarantees executed in favour of various authorities, banks and financial Institution	484.84	409.46
(iii)	Income Tax matters in appeal [Includes appeals preferred by Income Tax Department ₹ 17.59 lakhs.(P.Y. Rs.17.59 Lakh)	1207.39	482.69
(iv)	Sales Tax matters in appeal [includes ₹ 2465.62 lakh (Previous Year ₹ 2045.40 lakh) in respect of Duty Free Shop, Mumbai, appeals against which are pending before Maharastra Sales Tax Tribunal / High Court].	2949.80	2,529.51
(v) (a)	Liability towards service tax (including interest thereon) pertaining to banqueting,including catering activities, at hotels upto 31.03.2007.		
(b)	Liability towards work contract tax (including interest thereon) pertaining to building repair work carried at units.	**Amount unascertained**	**Amount unascertained**
B.	**COMMITMENTS** Estimated amount of contracts remaining to be executed on capital account (net of advances and excluding escalation in rates, if any) (on completion, part of the work may result as revenue expenditure).	501.98	70.09

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

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

Note no (3): Contingent liabilities at a(i) above includes Rs. 4821.30 lakh , (Previous year 4547.10 lakh) in respect of matters under arbitration with suppliers in respect of works relating to supply of furniture and furnishing of flats on behalf of Delhi Development Authority(DDA). However, the MOU with DDA indicates that the payments of decreed amounts, if any, as decided by arbitrator/court of law will be made by DDA.

(C) The Utkal Ashok Hotel Corporation Limited, Puri has neither ascertained nor provided for any liability that may arise due to non-deduction of Tax on provisions made for payment of Interests to the holding company to the tune of ₹ 22.47 lakh (Previous Year ₹ 19.74 lakh), the liability on account of interest that may become payable for such non-deduction and non-payment of dues to Central Govt. account under the Income Tax Act, 1961. Since the Company is not in operation, any liability arising therefore shall be recognized in the year of adjudication/payment.

(D) In Utkal Ashok Hotel Corporation Limited, Puri, no provision has been made for liabilities which may arise due to pending legal cases in the court of law on account of wage revision w.e.f. 01.01.1992. the same shall be recognised on the basis of actual due.

(E) In Utkal Ashok Hotel Corporation Limited, Puri, the damages that may arise and become payable on the delayed deposits of Statutory Dues in relation to Provident Fund and ESI etc. could not be ascertained and therefore has not been provided for.The expenses if any shall be accounted for in the year of adjudication and payment.

(F) The Employees State Insurance Corporation (ESI) authorities had raised demands (including interest where applicable) totalling Rs.758.60 lakh(P.Y. ₹ 730.06 lakhs) towards ESI dues in respect of four hotel/catering units against which the corporation holds a deposit of ₹ 334.85 lakhs (P.Y. ₹ 327.20 lakhs) (included in Loans and Advances) with the said authorities(made up of amounts withdrawn by the authorities after freezing bank accounts-₹310.09 lakhs and amount deposited ₹ 24.76 lakhs). Against this the corporation holds a liability of ₹ 215.43 lakhs (P.Y. ₹ 193.41 lakhs) towards ESI dues. No provision has been made for the balance of ₹ 543.17 lakhs (P.Y. ₹ 536.65 lakhs) as the matter is sub-judice and pending finality in the matter, the same has been included under Contingent Liabilities at Sl. No. 2(a)(i) above.

(G) M/s Airports Authority of India(AAI) and other private airport operators had levied service tax on their billings for licence fee/royalty for Duty Free Shops at various locations and Ashok Airport Restaurant w.e.f. 10.9.2004. However the Circular dated 17.9.2004 issued by Government of India provides that the activity of renting, leasing out part of airport/civil enclave premises does not amount to rendering of services and the license fee/royalty payable in this regard is not subject to service tax. Similar views on non levying of service tax on such licence fee/royalty have also been opined by tax consultants. The issue is also under consideration by the Director General of Central Excise Intelligence. Pending clarifications, no provision has been made for the estimated liability, towards service tax for the period from 10.9.2004 to 31.3.2008 for all the ten duty free shops, which works out to₹ 1779.49 lacs (Previous year ₹1779.49 lacs).

(I)The Corporation had taken a property on rent from the Custodian of Enemy Property in 1965. Subsequently the said property was released in favour of present owner by the Custodian. The owner had filed a suit for recovery of the possession of the said property. The Hon'ble High Court decided the matter in favour of the owner and the Corporation was directed to vacate the property. The Hon'ble high court also fixed the rent @ ₹30,000/- for the month of January 1980 only on lumpsum/adhoc basis alongwith interest and also appointed a Local Commissioner to determine the amount of rent for the period from 1.2.1980 till date of handing over the possession of the property. Aggrieved by the decision,a Special Leave Petition before the Hon'ble Supreme Court was filed which was dismissed by the court & upheld the earlier judgement of the Hon'ble High Court. Accordingly the premises was vacated & possession handed over to the owner on 28.02.2007. The Local Commissioner has rejected the claim of approx Rs. 300 crore of Shri Anil Kumar Khanna & Ors on account of mesne profits and has calculated the mesne profit by taking the base rent of Rs. 9.37 per sq ft per month

J. The matter relating to determination of property tax was sub-judice in the Hon'ble High Court of Delhi. During proceedings NDMC offered a basis for determination of property tax for assessing the hotel properties to which ITDC also agreed. Accordingly the Hon'ble High Court vide its orders dated 19.10.2010 disposed off the said petition by directing NDMC to reassess the property tax due from hotels and hotels to fully cooperate in the matter.Accordingly The NDMC vide its assessment orders dated 31.03.2013 made the fresh assessment up to 31.03.2009 and gave a basis of determination of property tax which was agreed by ITDC.

In compliance to the assessment order, a provisional liability of Rs. 2050.66 lakh towards property tax due for the hotel for the years up to 2008-09 have been worked out and accounted for in the accounts in earlier years. Further, hotel have adopted the same formula for determining the property tax for the years from 2009-10 to 2013-14 whereas NDMC is raising bills as per old basis i.e the basis it was following before the court orders.Since the basis of determination of property pursuant to the court order has already been agreed by NDMC and ITDC, ITDC has not accepted the demands and submitted representations to NDMC Besides, NDMC has not made assessment for the years 2009-10 to 2013-14. Therefore, pending the final resolution in the matter, the difference of Rs. 1282.36 lakh between the property tax demanded by NDMC (Rs. 2041.45 lakh) and property tax admitted by ITDC (Rs. 759.09 lakh) has been disclosed as "Contingent Liabilities" ubder A(i) Above

INDIA TOURISM DEVELOPMENT CORPORATION LIMITED (CONSOLIDATED FINANCIAL STATEMENTS)
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

NOTE- 32. GENERAL NOTES

(a) Confirmation of balances have not been received in most of the cases of Trade receivable , Trade payable , Loans and Advances and Deposits. Besides in a few units, balances in customers accounts are under reconciliation with the General Ledger control account balances.Effect on the accounts on due confirmation, reconciliation and adjustments thereof cannot be indicated at this stage.

(b) Following past practice, consumption of Stocks, stores, crockery, cutlery etc. has been worked out by adding opening balances to purchases and deducting therefrom closing balance based on physical inventories valued as per accounting policy.

(c) The Corporation has been managing Hotel Bharatpur Ashok and Kosi Restaurant owned by Ministry of Tourism and the profit/loss in respect of these units is accounted for by the Corporation. in the respective notes of statement of Profit & Loss Account.

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

(e) In respect of Assam Ashok Hotel Corporation Limited disputed billing revenue of Rs. 245.59 lakh is not accounted during the year 2006-07, as hotel has gone for arbitration case with 33rd National Games 2007 authority to release disputed billing balance toward the Catering Service during the National Games events. As the matter is disputed and Company is contemplating for settlement through Arbitration.

(f) Disclosure in accordance with Accounting Standard- 7 - Construction Contracts

	(₹ in lakhs)
a) Aggregate amount of Revenue Recognised up to the reporting date	14299.70
b) Aggregate cost incurred up to reporting date	12949.34
c) Revenue Recognised during the current financial year	1219.75
d) Cost incurred during the financial year	1139.30
e) Total amount of funds received up to the Reporting date	15662.63
f) Advance due to customers up to Reporting Date	4489.73
g) Advance due from Customers up to Reporting Date	163.02

(g) Disclosure in pursuance of Accounting Standard -19 on Leases:-

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

(h) ADDITIONAL INFORMATION PURSUANT TO THE REQUIREMENTS OF PART II OF note VI OF THE COMPANIES ACT, 1956: -

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

	(₹ in lakhs)	(₹ in lakhs)
Particulars	Current Year	Previous Year
i) Beer, Wine and Spirits	552.44	453.80
ii) Cigars and cigarettes	7.22	23.24
Total	559.66	477.04

b) Expenditure in Foreign Currency :-

	(₹ in lakhs)	(₹ in lakhs)
Particulars	Current Year	Current Year
i) Travelling	12.43	8.46
ii) Fees & Subscription	6.89	1.75
Total	19.32	10.21

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

	(₹ in lakhs)	(₹ in lakhs)
Particulars	Current Year	Current Year
i) Boarding,lodging and other facilities	681.95	831.31
ii) Sale of goods at Duty Free Shops	897.00	1115.00
iii) Gain in foreign Exchange(net)	12.34	28.55
	1,591.29	1,974.86

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

(ii) The Government of India had promulgated "The Micro,Small and Medium Enterprises Development Act, 2006".As per the said Act, the corporation is to identify the parties and pay them interest beyond the specified period if not paid. The corporation is in the process of identifying the suppliers.In view of this, the liability for interest could not be worked out.

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

(i) GOING CONCERN ASSUMPTION:- The Unit was incurring huge loss since its inception and was not even generating enough revenue to meet its operational expenses and had no viability to be run as a commercial entity. The Board of Directors in their meeting held on 23rd March 2004, after reviewing the performance in view of the losses standing at Rs. 946.20 lac upto 31.03.2003 had resolved to temporarily close down the commercial operation of the unit effective from March, 2004. Subsequently, the Govt. of India directed ITDC to examine various options including long term lease in respect of Hotel Nilanchal Ashok Puri. Therefore in accordance with the decision of the Govt. of India, the Board of Directors in their meeting held on 21st June, 2005 approved the leasing out of the Hotel Nilanchal Ashok Puri for a period of 30 years. Further the State Govt. while granting the permission vide their letter dated 26.05.2007 allowed Utkal Ashok Hotel Corp., Puri to sublease the land for a period of 40 years. The Board in its meeting held on 09.06.2008 approved the proposal of leasing out the joint venture hotel property at Puri on lease cum Management basis for a period of 40 years. The Committee formed for this purpose has already floated the tender and the tender was awarded to M/S Paulmech I
UAHCL issued termination of letter of intent letter vide letter no. ITDC /Nilachal /2013 dated 10.12.2013 due to non comliance of clause -2 of the LOI by Paulmech. The Board of Directors in the meeting held on 19.09.2013 decided to find out the (a)possibility to run the hotel after carrying out necessary renovation (b) To demolish the hotel completely and construct a new hotel in its place (c) To run the hotel through pulic, private partnership(PPP) model (d) To lease out the hotel on as is where is basis through competitive bidding process after obtaining requisite clearance.

M/s Paulmech Infrastructure Pvt Ltd, who were issued a Letter of Intent dated 19.01.2010, pursuant to the tender for 40 years lease of Hotel Nilachal Ashok, Puri have filed a Writ Petition being WP (Civil) No. 23103 of 2013 before the Hon’ble High Court at Cuttack praying for a direction to ITDC and Utkal Ashok Hotel Corporation Ltd (UAHCL) to execute the lease agreement pertaining to the lease of Hotel Nilachal Ashok, Puri in pursuance to the letter of Intent and further direction to ITDC and UAHCL to calculate interest on the amounts deposited by the Petitioner more particularly Rs. 4.41 crore since 17.2.2010, Rs. 2 crore since 28.12.2010, Rs. 1.41 crore since 29.12.2010 and Rs. 70 lakhs since 07.10.2011 and to adjust the said interest towards balance payment. Thereafter M/s Paulmech filed amendment Petition seeking stay of operation of cancellation of lease as per letter dated 10.12.2013.

After filing of the above Petition, M/s Paulmech has filed an amended Petition praying inter alia for quashing the letter dated 10/12/2013 whereby the Board of Directors of OP No. 5 – UAHCL had decided to terminate the letter of Intent dated 19/01/2010.

The matter had come up for hearing on 18.03.2014 when after hearing arguments, the Hon’ble Court has directed ITDC to file reply to the Writ Petition and reply to the interim application for stay within two weeks. The Hon’ble Court has also ordered that third party interest may not be created till the next date of hearing.

The interim order is in operation

Therefore in view of the position stated above efforts have been made to revive the hotel unit of the company at Puri to run it in a commercially viable manner. The management had at no point of time intentions to close the unit permanently. In view of the temporary suspension of commercial activities and further in view of the revival process in progress as stated above the Annual Accounts for the year 2013-14 have been prepared on “Going Concern” basis/assumption

(j) The Company Punjab Ashok Hotel Ltd. was incorporated on 11th November 1998. The only Hotel of the Subsidiary is under construction. The Hotel building is being constructed on Land measuring 5 Acres was provided by the Government of Punjab during 1998-99. Agreement for the same was executed on 30.03.2000 accordingly the company has been granted lease hold rights for 99 years. There was no commercial activity during the Financial Year 2013-14. The construction work of companies hotel project at Anandpur Sahib has been at a standstill for quite some time for paucity of funds.

(k) Disclosure pursuant to Accounting Standard 17 on Segment Reporting is given in Annexure "A" to this note.

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

Key Management

1. Dr. Sameer Sharma, Managing Director w.e.f. 12.05.2014
2. Shri Girish Shankar, Managing Director w.e.f. 23.4.2013 to 12.05.2014
3. Dr. Lalit K Panwar,Ex- C&MD w.e.f .21.04.2010 to 13.06.2012
   Dr. Lalit K Panwar,Ex- VC&MD w.e.f 13.06.2012 to 23.04.2013
4. Shri Ratan Kumar Okhandiar,Director (C&M) w.e.f. 10.07.2012
5. Sh. Trinath Behera, Director(Finance) w.e.f. 26.4.2013

Payment made to key management personnels and their relatives.

(Amount in ₹)

Particulars	Current Year	Previous Year
Remuneration	4,314,368.00	4,326,577.00

(m) Impairment of Fixed Assets/ Capital work-in-progress at each balance sheet date and impairment loss, if any, ascertained as per Accounting Standard-28-'Impairment of Assets' issued by the Institute of Chartered Accountants of India is recognised. As on 31st March, 2014, in the opinion of the Management except to the extent of loss recognised in respect of assets not in active use, capital work-in-progress including incomplete hotel project at Gulmarg, no such impairment loss warranting recognition/provision was noticed.

(n) Disclosure in pursuance to Accounting Standard - 29 - Provisions, Contingent Liabilities and Contingent Assets :

(₹ in lakh)

Name of the Provision	Balance as on 1.4.2013	Provided during the year relating to 2013-14	Provided during the year relating to 2012-13	Payments/Adjustments during the year	Provision reversed/written back	Closing Balance as on 31.03.2014
Income Tax	268.89	396.35	-	267.74	1.15	396.35
Wealth Tax	0.71	0.68	-	0.71	-	0.68
Dividend Tax	-	72.88	-	-	-	72.88

(o) Previous years' figures have been regrouped/rearranged wherever necessary.

(V.K. Jain)	**(P.K. Aggrawal)**	**(Trinath Behera)**	**(Dr Sameer Sharma)**
Company Secretary	Vice President (F&A)	Director (Finance)	Managing Director

As per our Report of even date
For V.K.Verma & Co.
Chartered Accountants(FRN000386N)

(Vivek Kumar)
Partner
(M.No. 503826)

Place: New Delhi
Dated:

INDIA TOURISM DEVELOPMENT CORPORATION LIMITED (CONSOLIDATED FINANCIAL STATEMENTS)

Annexure "A" to Note no.32 { Sl. No. (k)}
SEGMENT REPORTING - AS-17 (CONSOLIDATED FINANCIAL STATEMENT)

Annexure-A

(₹ in Lakh)

	Hotel/Restaurants Operations		Duty Free Shops Operations		Travels & Tour Operations		ARMS & Misc.Operations		Construction, Consultancy & SEL		Others		Total for Company	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
A PRIMARY DISCLOSURE (Operation -wise)														
1 **Segment Revenue**														
a) Total Revenue	28,609.29	27,133.20	940.48	1,135.17	13,714.21	11,812.94	2,416.57	3,141.39	1,576.50	1,149.12	2,675.88	2,533.80	49,932.93	46,905.61
b) Less Inter Segment Revenue	86.35	94.78	1.27	-	114.78	107.47	446.57	659.92	96.50	-	72.71	-	818.18	862.17
c) External Revenue	28,522.95	27,038.42	939.21	1,135.17	13,599.43	11,705.47	1,970.00	2,481.47	1,480.00	1,149.12	2,603.18	2,533.81	49,114.76	46,043.45
	-	-												
2 **Segment Results : -**	-	-												
Profit/(Loss) before Interest,Tax and overheads	2,948.95	2,333.15	(46.84)	(279.42)	(103.87)	(119.69)	328.81	486.69	(814.09)	(1,195.75)	2,468.17	2,558.55	4,781.13	3,783.52
Less:- Allocable Corporate Overheads	-	-	-	-	-	-	-	-	-	-	3,689.38	3,181.47	3,689.38	3,181.47
Less: Interest	28.88	20.72	-	-	-	-	-	-	-	-	-	-	28.88	20.72
Less: Provision for Income Tax	45.78	48.89	0.57	-	-	-	-	-	-	-	350.00	220.00	396.35	268.89
Less: Provision for Wealth Tax	-	-	-	-	-	-	-	-	-	-	0.68	0.71	0.68	0.71
	-	-	-	-	-	-	-	-	-	-	-	-		-
Less: Provision for Deferred Tax	(36.06)	(12.72)	-	-	-	-	-	-	-	-	(99.77)	59.60	(135.83)	46.88
	-	-	-	-	-	-	-	-	-	-	-	-		-
Add: Provision for income tax for earlier year written	(0.21)	(4.22)	-	-	-	-	-	-	-	-	-	31.94	(0.21)	27.72
	-	-	-	-	-	-	-	-	-	-	-	-		
Profit/(Loss) available for appropriation	2,910.14	2,272.04	(47.41)	(279.42)	(103.87)	(119.69)	328.81	486.69	(814.09)	(1,195.75)	(1,472.12)	(871.29)	801.46	292.57
	-	-	-	-	-	-	-	-	-	-	-	-		
3 **Segment Assets**	16,853.57	18,447.73	803.07	705.58	2,392.60	2,518.21	974.64	1,164.57	587.18	677.29	34,893.29	31,268.98	56,504.36	54,782.36
(Current assets plus fixed assets & WIP)	-	-	-	-	-	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	-	-	-	-	-		
4 **Segment Liabilities**	19,613.36	18,754.94	804.54	703.28	1,815.72	2,191.10	1,563.45	1,298.16	8,991.66	9,167.42	(3,346.83)	(3,978.00)	29,441.90	28,136.91
	-	-	-	-	-	-	-	-	-	-	-	-		
5 Depreciation & amortisation in respect of Segment	-	-	-	-	-	-	-	-	-	-	-	-		
Assets for the period	617.18	601.50	2.03	1.79	13.87	14.41	3.66	3.80	1.09	1.55	24.16	26.18	661.99	649.23
	-	-	-	-	-	-	-	-	-	-	-	-		
6 Cost incurred during the period to acquire Segment	302.30	417.75	1.13	1.94	2.42	2.98	2.12	3.01	0.12	0.47	27.75	13.97	335.82	440.12
Assets(Tangible & intangible fixed assets)	-	-	-	-	-	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	-	-	-	-	-		
7 Non Cash Expenses Other than Depreciation and Amortisation incurred by the Business Segment	1,210.28	1,693.74	(2.04)	3.32	102.43	102.43	55.18	66.28	7.81	119.50	202.74	190.29	1,576.39	2,175.57

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

INDIA TOURISM DEVELOPMENT CORPORATION LIMITED
(CONSOLIDATED FINANCIAL STATEMENTS)

Cash Flow Statement for the year Ended 31st March, 2014

(₹ in Lakh)

Sr. No.	Particulars	Year ended 31-03-2014		Year ended 31-03-2013	
A	**Cash Flow from Operations**				
	Profit before Taxation		1,062.85		581.33
	Adjustments for:				
	Depreciation	661.80		609.38	
	Other Non Cash Item	(41.80)		(1.78)	
	Deferred Government Grant	(0.89)		(1.14)	
	Finance Charges	28.88		22.44	
	Provision for Inventory Write-down	9.32		3.87	
	Provision for Doubtful Debts & Advances	456.84		590.97	
	Interest Income	(2,571.28)		(2,327.09)	
	Bad Debts/Advances Written Off	2.22		1.53	
	(Profit)/Loss on Sale of Fixed Assets	(3.70)	(1,458.60)	7.29	(1,227.12)
	Operating Profit before Working Capital Changes		**(395.75)**		**(645.79)**
	(Increase)/Decrease in Current Assets				
	Inventories	(289.33)		19.78	
	Trade Receivables	1,628.65		(2,558.84)	
	Other Current Assets	(118.56)		(244.86)	
	Other Non-current Assets	(54.94)		(39.97)	
	Long-term Loans and Advances	(25.89)		4.18	
	Short-term Loans and Advances	116.43	1,256.36	(1,963.84)	(4,783.55)
	Increase/(Decrease) in Current Liabilities				
	Trade Payables	(620.64)		(359.70)	
	Other Current Liabilities	2,424.12		(2,089.34)	
	Other Long Term Liabilities	(296.53)		(96.87)	
	Long Term Provision	(253.46)		1,056.54	
	Short Term Provision	108.47	1,361.96	288.75	(1,200.62)
	Cash Inflow/(Outflow) from Operations		**2,222.57**		**(6,629.97)**
	Direct Taxes Paid				
	Income Tax Paid	268.89		29.28	
	Income Tax for Earlier years Written Back	0.21	269.11	(8.50)	20.78
	Net Cash Inflow/ (Outflow) from Operation (A)		**1,953.46**		**(6,650.74)**
B	**Cash Flow from Investing Activities**				
	Purchase of Fixed Assets		(335.41)		(440.13)
	Sale of Fixed Asset and Adjustments		13.54		105.54
	Income from Interest/Dividends		2,571.28		2,433.51
	Reduction/(Addition) of Work in Progress		(145.09)		149.68
	(Increase)/Decrease in Investments		-		-
	Net Cash Inflow/ (Outflow) from Investing Activities (B)		**2,104.33**		**2,248.60**
C	**Cash Flow from Financing Activities**				
	Increase in Share Capital		518.36		-
	Increase/(Decrease) in Borrowings		(177.55)		18.57
	Finance Charges		(28.88)		(20.72)
	Wealth Tax Paid		(0.71)		(0.58)
	Dividend Paid		-		(428.85)
	Dividend Tax Paid		-		(69.57)
	Deferred Government Grant		-		-
	Net Cash Inflow/(Outflow) from Financing Activities (C)		**311.23**		**(501.15)**
	Net Change in Cash or Cash Equivalents during the Year		4,369.02		(668.76)
	Cash and Cash Equivalents at the beginning of the year*		25,712.78		26,381.54
	Cash and Cash Equivalents at the end of the year*		**30,081.80**		**25,712.78**

*** For Details refer Note-18**

(V.K. Jain)	**(P.K. Aggrawal)**	**(Trinath Behera)**	**(Dr Sameer Sharma)**	**As per our Report of even date**
Company Secretary	Vice President (F&A)	Director (Finance)	Managing Director	**For V.K. Verma & Co.**
				Chartered Accountants (FRN 000386N)

(Vivek Kumar)
Partner
M.No. 503826

Date:
Place: New Delhi

India Tourism Development Corporation Limited
CIN No. L74899DL1965GOI004363
Registered office: SCOPE Complex,Core-8, 6th Floor, 7 Lodhi Road, New Delhi – 110 003
Telefax: 011-24360249 web: www.theashokgroup.com

PROXY FORM

Name of the member	
Folio No.	
DP ID No.	
Client ID No.	
No. of shares held	

I/We, being the member(s) of ……………..shares of the above named company, hereby appoint :

Name		Signature	
Address			
Email ID			

Or falling him

Name		Signature	
Address			
Email ID			

Or falling him

Name		Signature	
Address			
Email ID			

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Monday, the 29th September, 2014 at 1600 hours at Ashok Hotel, New Delhi – 110 021 and any adjournment thereof in respect of such resolutions as are indicated below :

Sr. No.	Resolution	**For**	**Against**
	ORDINARY BUSINESS		
1	Adoption of Standalone financial statement, report of the Board and Auditors thereon		
2	Adoption of Consolidated Financial Statement and report of auditors thereon		
3	Declaration of Dividend @ 5% on the equity share capital		
4	Re-appointment of Shri Trinath Behera, DF, who retires by rotation		
5	Re-appointment of Dr. (Ms.) T. Kumar, who retires by rotation		
6	Authorizing the Board to fix the remuneration of Auditors		
	SPECIAL BUSINESS		
7	Alteration of clause 75(ii) of the Articles of Association		
8	Appointment of Dr. Sameer Sharma as Director		
9	Approval of the terms & conditions of the appointment of Dr. Sameer Sharma		
10	Revision of concession/discount to Ex-directors		

Signed this______ day of_________________,2014. Affix Revenue Stamp of Rs.1/-

Signature of Shareholder……………………………Signature of Proxy holder(s)…………………………

EVEN (E-Voting Event Number)	USER ID	PASSWORD/PIN

FORM B

A	Name of the Company	India Tourism Development Corporation Limited
2	Annual Financial Statement for the year ended	31st March, 2014
3	Type of Audit Qualification	**Except for the matter described in the basis of Qualified Opinion paragraph** Basis For Qualified Opinion i. The corporation is due Rs 1315.92 Lakhs as at 31.03.2014 (Rs 1,413.96 Lakhs upto 31.03.2013) from certain subsidiary Companies (which have significant accumulated losses) on account of services rendered and funds advanced to them (including interest thereon). Besides the corporation holds investments in the said subsidiaries having a book value as at 31.03.2014 of Rs.1060.58 Lakhs (Previous Year Rs 759.70 Lakhs). The management has represented to us that these investments are of long term nature and the shortfall/diminution in their value is not permanent and that the intrinsic value of assets owned by these companies is considerable to recover the dues and cost of investments, though two of the companies are non-operational and the present net worth of most of these companies is in the negative (Refer Note No's. 17(1) & 14A(1)). ***The Management replies to the qualifications have been given in the Annual Report as Annexure-III to the Directors' Report*** ***These qualifications were discussed in the Audit Committee Meeting held on 14.8.2014 while reviewing the Annual Accounts. The Committee was apprised that ITDC holds 51% of the share capital in six subsidiary Companies and in one subsidiary company i.e. Utkal Ashok Hotel Corporation Ltd., ITDC holds 98% of the share capital. Out of 5 running Subsidiaries, 3 are in profit. Two Companies are not in operation. Committee was apprised that ITDC was planning to re-start Hotel Utkal Ashok at Puri and trying to***

		revive the Anandpur Sahib project on PPP mode.
4	Frequency of qualification	Qualified.../Subject to.../Except for... From Financial year 1994-95

For India Tourism Development Corp. Ltd.

Dr. Sameer Sharma
Managing Director

For India Tourism Development Corp. Ltd.

Trinath Behera
Director (Finance) cum CFO

Auditors

V.K. VERMA & CO. NEW DELHI CHARTERED ACCOUNTANTS

For India Tourism Development Corp. Ltd.

Anagolu Venkata Ratnam
Chairman of the Audit Committee

Annexure-III to Directors' Report

REPLIES TO THE COMMENTS CONTAINED IN STATUTORY AUDITORS REPORT TO THE SHAREHOLDERS ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

Para on Basis for Qualified Opinion	Management Reply
	Refer note no. 1 in Note No. 17 and 14A to Accounts. The investments in subsidiary companies are long term investments and as per Accounting policy of the Company these investments are stated at cost in the accounts and provision for diminution in value of each investment, if any, is made to recognise the decline, other than of temporary nature The financial performance of some of the subsidiary companies except hotel at Puri (which is operationally closed), have now shown improving trend and are making payment towards management fee and repayment of loans. As the repayment of loans/interest due thereon and management fees is not commensurate with the amount charged to them every year, the Corporation has decided to postpone the accounting for such income from these companies (viz management fees and interest on loan given) to actual realisation from 2008-09 onwards, which is in accordnace with the provisions of Accounting Standard-9 on Revenue Recognition. However, in view of the improved performance and intrinsic value of properties/assets of these subsidiary companies, the amount of investments, amount recoverable from these companies has been considered as good for recovery.

FORM A

1	Name of the Company	India Tourism Development Corporation Limited
2	Annual Financial Statement for the year ended	31st March, 2014
3	Type of Audit observation	**Emphasis of matter** Without qualifying our opinion, we further report that: 1. As per the auditors of Units having name Duty Free Shop- Goa and Sea Port , Management did not provide to the auditor the details of movement of stock with rate and amount, giving details of item descriptions lying on 31st March, 2014.However, Management explained to the auditor that inventories of the company have been physically verified by the management at the year end and also the inventory lying at the unit has been physically verified by the internal auditor and as reported by him, the inventory was found to be correct as per the book balance, on the day of physical verification. 2. As per the auditor of Vigyan Bhawan The unit has provided an amount of Rs. 4,00,000/- for electricity and water charges on assumption basis. The total liability towards electricity & water charges since the inception of the unit is Rs. 59,34,305/- payable to Directorate of Estate is subject to confirmation. In the absence of requisite details thereof and supporting documents, we cannot comment thereon. 3. Non-disclosure of complete details pertaining to transactions entered into during the year with related parties-Accounting Standard-18-Related Party Disclosure. 4. Non-disclosure of details required in respect of operating leases entered into by the Corporation. [Point No. 11 of General Note 32] - Accounting Standard-19 Leases.
4	Frequency of observation	Point No. 1 : Appeared First Time Point No. 2 to 4 : From the Financial year 2012-13.

For India Tourism Development Corp. Ltd.

Dr. Sameer Sharma
Managing Director

For India Tourism Development Corp. Ltd.

Trinath Behera
Director (Finance)

V.K. VERMA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Auditors

For India Tourism Development Corp. Ltd.

Anagolu Venkata Ratnam
Chairman of the Audit Committee

AnnexureIII to Directors' Report

MANAGEMENT RESPONSE TO THE EMPHASIS OF MATTER CONTAINED IN THE STAUTORY AUDIT REPORT TO THE SHAREHOLDERS FOR THE YEAR ENDED 31ST MARCH 2014

Sl no	Management Response
1	The stock details of the inventory items is maintained at respective Duty Free Shop operating from Goa Airport and Seaport Goa. However the accounts of the units are being maintained at Mumbai Office. The physical verification of inventory has been conducted at the unit level to which internal auditors have reported in their report to be found correct as per book balance. The information available in this regard was made available to the branch auditors also. On the basis of the information, the accounts for the year 2013-14 have been prepared.
2	As per the Agreement with the Directorate of Estate, unit Vigyan Bhavan is providing catering services to Govt. of India. Under the terms and conditions, inter alia, unit has to pay the electricity & water charges on actual consumption basis. Since neither any meter for electricity/water has been installed, nor there has been any demand since inception, the amount payable is not determinable. However, the estimated/adhoc amount has been provided in the books of accounts as a prudent accounting practice.
3	The disclosure of transactions with related parties as per Accounting Standard-18 has been made in Note no. 9 of General Note No. 32 and the observation of the audit is noted for compliance in the next financial year.
4	The disclosure in pursuance of Accounting Standard-19 on Leases, has been made in note no. 10 in General Note No. 32 to Accounts.