

## Board's Report (2017-18)

Dear Shareholders,

Your Directors have pleasure in presenting the 53rd Annual Report together with the audited accounts of the Corporation for the year ended 31st March, 2018.

Your Corporation has achieved a total turnover of ₹ 370.64 crore during the financial year 2017-18 as against ₹ 356.11 crore in the previous year 2016-17 (As per Ind AS). During the financial year 2017-18, the Corporation has recorded a Net Profit (after tax) of ₹ 23.62 crore as against Net Profit (after tax) of ₹ 11.43 crore in previous year 2016-17 (As per Ind AS).

### Performance Highlights

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

Particulars	(₹ in crore)	
	Audited 2017-18	Audited 2016-17
Income from Operations	343.87	330.77
Operating Expenses	348.97	314.29
Operating Profit/Loss	-5.10	16.48
Other Income	26.78	25.34
Profit / Loss before Depreciation, Finance Cost, Exceptional Items and Prior Period Adjustments	21.68	41.82
Depreciation	7.15	6.18
Finance Cost	0.48	0.57

Profit / Loss before Exceptional Items and Prior Period Adjustments	14.05	35.07
Exceptional Items	30.89	-10.86
Profit / Loss before Prior Period Adjustments	44.94	24.21
Provision for Income Tax Deferred Tax	15.98	12.72
	-7.28	-4.63
Provision for Income Tax for earlier years written back	0.05	-0.02
Profit/Loss from Continuing Operations after tax	36.19	16.14
Net Profit/ (Loss) from Discontinuing Operation	-17.78	-7.20
Tax expense of Discontinued Operation	-5.21	-2.49
Net Profit/ (Loss) from Discontinued Operation after tax	-12.57	-4.71
Net Profit/ (Loss) for the period	23.62	11.43
Other Comprehensive Income -		
(i) Items that will not be reclassified to Profit or Loss	-6.28	-1.24
(ii) Income tax relating to items that will not be Reclassified to Profit or Loss	1.79	0.43
Other Comprehensive Income for the Period	-4.49	-0.81
Total Comprehensive Income for the Period	19.13	10.62

During the financial year 2017-18, the Corporation has made a provision of ₹ 22.47 crore (excluding impact of Gratuity and Leave Encashment) towards approval of recommendation of 3rd Pay Revision Committee (PRC).

Note : The Ministry of Corporate Affairs vide its notification dated 16.02.2015 has notified the Companies (Indian Accounting Standards) Rules, 2015 which mandates application of Ind AS (known as Indian Accounting Standards) by the Companies whose equity or debt securities are listed on any stock exchange in India or outside India and having net worth of less than rupees five hundred crore. In compliance of the said notification, the financial statements for the year ended 31st March, 2018 have been prepared in accordance with Ind AS and figures of Financial Year 2016-17 have been re-cast to make them Ind-AS compliant.

### Operating Ratio

The Operating Ratio has increased to 101.48% against 95.02% in the previous financial year.

### Division wise Financial Performance

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

- Hotels Division has achieved a turnover of ₹ 269.33 crore during the year as against ₹ 280.98 crore in the previous year and earned the net profit of ₹ 1.45 crore as against the net profit of ₹ 33.66 crore in the previous year.
- The turnover of AIT Division was ₹ 15.03 crore against ₹ 18.36 crore in the previous year. During the year 2017-18, there are 12 duty free shops in operation at seaports i.e. at Goa, Haldia, Kolkata, Chennai, Mangalore, Vishakhapatnam, Mumbai, Paradip, Kakinada, Cochin,

Krishnapatnam and Tuticorin. The AIT division has earned Net Profit of ₹ 0.56 crore as compared to Net Profit of ₹ 3.32 crore in the previous year.

- The turnover of ATT Division has increased to ₹ 24.97 crore (Ind AS) from ₹ 16.31 crore (Ind AS) in the previous year, an increase by 53.1 %. The ATT Division has earned a profit of ₹ 2.22 crore as against the Net Loss of ₹ 18.18 crore in the previous year. The previous year loss was due to the deposit of demand of ₹ 14.99 crore in the 'L' Block property case where the appeal of ITDC before the High Court had been dismissed and the demand has been paid in full.
- The turnover of the Ashok Events Division has been increased to ₹ 37.12 crore (previous year ₹ 36.38 crore) and has earned a Profit of ₹ 4.91 crore as against Net Profit of ₹ 6.07 crore in the previous year.
- The Engineering Division including SEL Projects has achieved a turnover of ₹ 10.12 crore during the year 2017-18 (previous year ₹ 11.04 crore) with Net Loss of ₹ 3.92 crore as against Net Loss of ₹ 3.21 crore in the previous financial year.
- The Ashok Institute of Hospitality and Tourism Management (AIH&TM) has achieved a turnover of ₹ 3.61 crore as against a turnover of ₹ 2.99 crore in the previous year with Net loss of ₹ 0.81 crore (previous year Net Loss of ₹ 0.81 crore).

- vii) The Corporate HQ being the administrative office has earned an income of ₹ 26.68 crore (previous year ₹ 20.81 crore) mainly constituting income from interest on short term deposits with banks from the surplus funds available with it. During the year 2017-18, apart from interest income, HQ has also earned profit from disinvestment of hotel units/subsidiary companies of ₹ 24.13 crore.

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

#### Capital Structure

There is no change in authorized and paid-up share capital of the Corporation. The Authorized Share Capital of the Corporation is ₹ 150 crore and the paid-up Share Capital is ₹ 85.77 crore as on 31st March, 2018.

#### Dividend

The Board of Directors recommended a dividend of 18.5% for the financial year 2017-18 on the equity share capital of the Company.

#### Transfer to Reserve

No amount has been transferred to the General Reserves.

#### Rating of ITDC vis-à-vis MoU targets

Performance of the Company for the year 2016-17 has been notified as 'Good' with Composite Score 56.35 by Department of Public Enterprises (DPE) in terms of the MoU signed with the Government of India.

#### Management Discussion and Analysis

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

#### Procurement from MSME

The Corporation has partly complied with guidelines issued by DPE in this regard in view of nature of operations and products/services consumed by the Corporation.

#### Implementation of Official Language Policy

During the year 2017-18, the Company continued its efforts to give impetus to the use of Hindi in official work through motivation and training. Cash incentives were granted to employees on doing prescribed quantum of work in Hindi. Hindi workshops were organized to provide practical training of noting-drafting and other works in Hindi. Various Hindi competitions were also organized during Hindi Parv (Fortnight) celebrations for giving impetus to the use of official language in day to day work. A cultural programme and Hindi Kavigoshti were organized at Hotel The Ashok on 18th October, 2017 to celebrate "Hindi Parv" which included performances by prominent Hindi poets as well as various performances like songs, drama etc. by ITDC's own employees besides Rajbhasha Prize Distribution Function to encourage Official language in the Corporation.

#### Conservation of Energy & Technology Absorption

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

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

#### Foreign Exchange Earnings & Outgo

The Direct Foreign Exchange Earnings during the year 2017-18 has increased to ₹ 15.27 crore as against ₹ 15.20 crore in the previous financial year.

#### Subsidiary Companies

As on 31.03.2018, the Corporation has five subsidiary companies viz. (i) Donyi Polo Ashok Hotel Corporation Ltd (ii) Pondicherry Ashok Hotel Corporation Ltd (iii) Ranchi Ashok Bihar Hotel Corporation Ltd. (iv) Utkal Ashok Hotel Corporation Ltd. (v) Punjab Ashok Hotel Company Ltd. The Hotel Units were set up under the aforesaid subsidiary companies at Itanagar, 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. Due to continuous losses, the operations of Hotel Ranchi Ashok have also been closed w.e.f. 29.03.2018. Further, ITDC signed Share Transfer Agreement on 17.05.2018 for transferring its 51% equity stake in Donyi Polo Ashok Hotel Corporation Ltd. to the Govt. of Arunachal Pradesh. Thus, presently ITDC has following four subsidiary companies :

- (i) Pondicherry Ashok Hotel Corporation Ltd
- (ii) Ranchi Ashok Bihar Hotel Corporation Ltd. (Operation is closed).

- (iii) Utkal Ashok Hotel Corporation Ltd (Operation is closed)
- (iv) Punjab Ashok Hotel Company Ltd. (Incomplete Project)

The Annual Accounts of all the subsidiary companies have been audited and finalized and the Consolidated Annual Accounts have been prepared and presented in this Annual Report. A statement containing the salient features of the subsidiaries in the prescribed format forms part of the Consolidated Annual Accounts 2017-18.

#### Vigil Mechanism and Whistle Blower Policy

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

#### Board of Directors

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

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

#### A) Executive Directors

1. Smt. Ravneet Kaur, (IAS) has been appointed as Chairperson & Managing Director w.e.f. 24.07.2017

2. Shri Piyush Tiwari, Director (C&M) w.e.f. 28.05.2015

3. Shri Pradip Kumar Das, Director (Finance) w.e.f. 25.02.2016

#### B) Non-Executive Directors

##### (a) Part-time Government Nominee Directors:

1. Shri Shambhu Singh, IAS from 10.08.2018

2. Smt Meenakshi Sharma (IA&AS), from 11.07.2016

##### (b) Independent Part time Directors:

1. Shri Ajay Swarup from 08.08.2016

2. Shri Patel Karshanbhai Bhikhabhai from 08.08.2016

3. Dr. Paragbhai M. Sheth from 30.07.2018

4. Shri K. Padmakumar from 30.07.2018

5. Dr. Kamla Singh from 30.07.2018

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

Pursuant to Article 61 of the Article of Association, Shri Piyush Tiwari and Shri Pradip Kumar Das retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Further, approval of the shareholders is being sought to the appointment of Dr. Paragbhai M.Sheth, Shri K. Padmakumar and Dr. Kamla Singh as Independent Directors in the Company as required under Section IV of Schedule IV to the Companies Act, 2013 read with Section 149(7)

of the Companies Act, 2013. Details of profile etc. as required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 in respect of Directors the approval of the appointment of whom are being sought in this AGM and the profile of Directors liable to retire by rotation and seeking re-appointment have been given at the end of the Notice of AGM.

#### Training Policy and the training imparted to the Directors

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

During the financial year 2017-18, Non-official Directors did not participate in any training programme organized by DPE.

#### Declaration by Independent Directors

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015.

#### Board Evaluation

The evaluation of the Board as a whole and the Independent Directors is conducted on the basis of criteria and framework laid down by the Nomination & Remuneration Committee of the Board. Based on the evaluation criteria laid down by the Committee, the performance

evaluation of the Board is measured in six areas. The performance evaluation of the Independent Directors is measured also in six areas based on questionnaire designed on a scale of 1 to 5.

#### Particulars of loans, guarantee or investments

During the year under review, ITDC released loan of total ₹ 9,00,000/- on 27.04.2017 at a rate of interest of 12.5% per annum to M/s Utkal Ashok Hotel Corporation Ltd., a subsidiary of ITDC for meeting out payment towards ESI, Security Services, Advocates Fees and others and a loan of ₹ 96,39,000/- at a rate of interest of 12.5% per annum to M/s Ranchi Ashok Bihar Hotel Corporation Ltd. towards working capital and payment of unpaid salaries of staff.

#### Corporate Governance

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

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

#### Directors' Responsibility Statement

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

- that in the preparation of the accounts for the financial year ended 31st March, 2018, the applicable accounting standards have

been followed read along with proper explanation relating to departures;

- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Directors have prepared the accounts for the financial year ended 31st March, 2018, on a 'going concern' basis;
- that the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### Internal Financial Controls

The Corporation has adequate internal control system commensurate to its nature of business. Board has laid down adequate policies



and procedures such as Licensing Procedure, Purchase Procedures, Engineering & Works Manual, Delegation of Powers etc. for ensuring the orderly and efficient conduct of business.

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

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

#### Related Party Transactions

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

#### Disclosure as per OM of Ministry of Parliamentary Affairs

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

the Annual Report of the Company. The relevant details are as under :

#### Vigilance Cases

Number of Vigilance cases disposed off during the financial year 2017-18 are eight whereas the pending Vigilance/Disciplinary cases are six. The gist of the nature of such cases are that delinquent official failed to ensure the running of private licensees as per the agreement at Hotel, irregularities pertaining to installation of Wi-fi system at ITDC Hotels, irregularities in approving technical sanction while tendering for laying out of the Carpet at Ashok Hotel, irregularities in the payment of retention money to the party etc.

#### Audit Objections

There are total outstanding 126 para pending for resolution with CAG.

#### RTI Matters

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

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

During 2017-18, no case was registered.

#### Corporate Social Responsibility and Sustainable Development

The CSR activities undertaken during the financial year 2017-18 are as follows:

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

(ii) Contribution to Prime Minister's National Relief Fund.

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

#### Risk Management Policy and its Implementation

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

Company's specific risks (Level of Risks : High/Likely) as was placed in the Board Meeting held on 08.09.2017:

#### Economic Risk:

- i) More Dependence on one segment of clients i.e. Government
- ii) Change in Government strategy to invite participation from private entities by following tendering route
- iii) Loss of Chain/Group advantage

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

#### Legal Risk:

- i) Repeated assessment by the Statutory Authorities
- ii) Result of contractual obligations
- iii) Overdependence on contractual manpower due to depleting strength of permanent manpower
- iv) Unavoidable litigation in estate related issues
- v) Huge number of cases pending in courts as well as in arbitration

#### Management & Operational Risk:

- i) Very Low IT environment in Corporation
- ii) Low Vendor Base

#### Auditors and Auditor's Report

The Comptroller & Auditor General of India has appointed M/s Kishore & Kishore, Chartered Accountants as Statutory Auditors of the Company and also various Branch Auditors for the year 2017-18 under 134(5) of the Companies Act, 2013. The Management's replies to the comments and observations of the Statutory Auditors on the accounts (Standalone) for the year 2017-18 are given in **Annexure IV**.

#### Secretarial Auditor and Secretarial Audit Report

ITDC Board in its meeting held on 27th March, 2018 has appointed M/s K J & Associates, Company Secretaries as the Secretarial Auditors for conducting the Secretarial Audit as required under Section 204 of the Companies Act, 2013. The Secretarial Audit Report is placed at **Annexure-V** and Management replies to the

comments and observation of the Secretarial Auditors on the Secretarial Audit Report for the year 2017-18 are given at **Annexure-VI**.

**Extract of Annual Return**

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

**Significant and Material Orders**

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

No. of hotels disinvested during 2017-18

S.No.	Date of Disinvestment	Name of Property	Amount of Revenue received by ITDC
1	Share Transfer Agreement signed on 29.06.2017	51% Equity stake in MP Ashok Hotel Corporation Ltd. (Hotel Lake View Ashok)	₹ 12.59 crore
2	Share Transfer Agreement signed on 29.06.2017	51% Equity stake in Assam Ashok Hotel Corporation Ltd. (Hotel Brahmaputra Ashok)	₹ 2.14 crore
3	MoU signed on 27.04.2017	Hotel Bharatpur Ashok	Nil
4	Technical Possession of Land and Building of Hotel Janpath was handed over to Ministry of Urban Development by signing of handing over document on 31.10.2017	Hotel Janpath, New Delhi	Compensation for loss of business opportunity yet to be finalized
5	Property comprising leasehold land and incomplete hotel building on "as is where is basis" was handed over to Govt. of J & K on 16.11.2017	Incomplete Project of Hotel Gulmarg Ashok	Nil

**Comments of the Comptroller and Auditor General of India**

The Comments of the Comptroller & Auditor General of India, under Section 143(6) of the Companies Act, 2013 on the Accounts (Standalone and Consolidated) of the Company for the financial year ended 31st March, 2018 are set out elsewhere in the Annual Report.

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

Status of Disinvestment of properties of ITDC and its Subsidiaries:

6	Transfer Agreement was signed on 09.12.2017	Hotel Jaipur Ashok	₹ 14 crore. All liability of Hotel Jaipur Ashok to be borne by ITDC upto the date of transfer of hotel.
7	Share Transfer Agreement was signed on 17.05.2018	51% equity in Hotel Donyi Polo Ashok, Itanagar	₹ 1.98 crore
8	Transfer Agreement was signed on 25.05.2018	Hotel Lalitha Mahal Palace, Mysore	₹ 7.45 crore. All liabilities of hotel Lalitha Mahal Palace upto the date of transfer to be borne by ITDC.

Status of disinvestment of other hotels are as under :

S.No.	Name of Property	Current Status
1	Hotel Pondicherry Ashok, Puducherry	<ul style="list-style-type: none"> <li>The Subsidiary Company is in the process of appointing Transaction Advisor for Joint Leasing/PPP/DBFOT etc. of Hotel Pondicherry Ashok.</li> </ul>
2	Incomplete Project of Anandpur Sahib	<ul style="list-style-type: none"> <li>RFP for selection of bidders for Joint Leasing/PPP/DBFOT etc. of project at Anandpur Sahib has been floated in October, 2017 and after some revision in February, 2018 but no response received.</li> <li>The Subsidiary Company is in the process of floating revised RFP as approved by IMG.</li> </ul>
3	Hotel Kalinga Ashok, Bhubaneswar (O&M Contract)	<ul style="list-style-type: none"> <li>RFP for selection of bidder for O &amp; M operations of Hotel Kalinga Ashok was floated in December, 2017 but no response received.</li> <li>Revised RFP has been floated on 20.07.2018 for selection of bidder for O &amp; M operation of Hotel Kalinga Ashok.</li> </ul>
4	Hotel Patliputra Ashok, Patna	<ul style="list-style-type: none"> <li>IMG approved the negotiated consideration of ₹ 13.005 crore for transfer of Hotel Patliputra Ashok, Patna to the Govt. of Bihar with the condition that the Government of Bihar would consider the transfer of BSTDC's equity in Ranchi Ashok Bihar Hotel Corporation Ltd. to the Govt. of Jharkhand.</li> </ul>
5	Hotel Ranchi Ashok, Ranchi	<ul style="list-style-type: none"> <li>M/s Delhi Integrated Multi-modal Transit System (DIMTS) has been appointed as TA for valuation of equity stake of ITDC in the Subsidiary Company.</li> <li>Due to continuous losses in operating the property, operations of the Hotel have been closed w.e.f. 29.03.2018. Employees of the Hotel have been offered VRS twice.</li> </ul>

6	Hotel Nilachal Ashok, Puri	<ul style="list-style-type: none"> <li>M/s Paulmech, the respondent filed an SLP in the Hon'ble Supreme Court challenging an earlier order of the Hon'ble High Court of Odisha.</li> <li>There is a stay on cancellation of Letter-of-intent (LOI) issued to M/s Paulmech and no fresh agreement with regard to property in question i.e. Hotel Nilachal Ashok, Puri shall be entered into as per court orders.</li> </ul>
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**Acknowledgement**

i. The Board places on record its sincere appreciation towards all the stakeholders of the Company including customers/clients, suppliers/vendors/service providers for the support and confidence reposed by them in the organization and look forward to the continuance of this relationship in future.

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

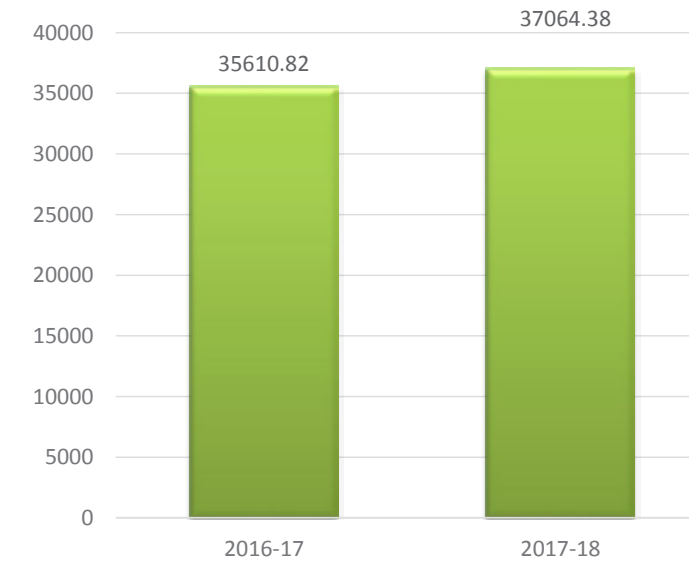
For and on behalf of Board of Directors

Sd/-  
(Ravneet Kaur)  
Chairperson &  
Managing Director

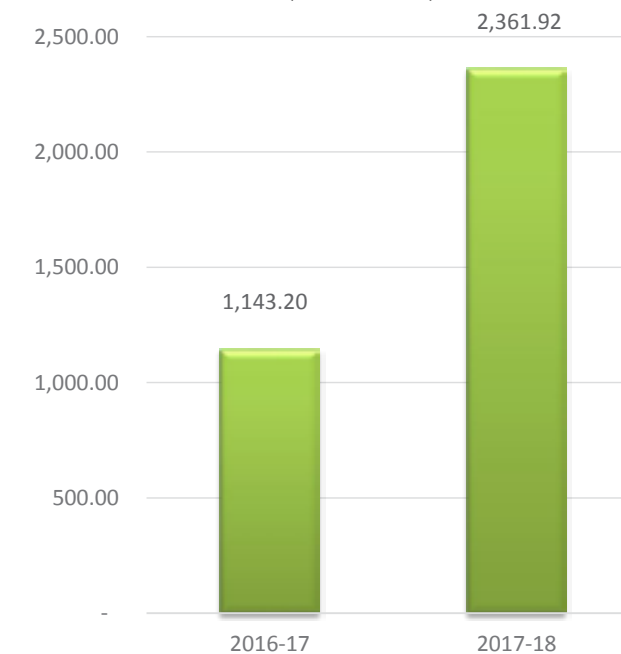
Date: 11.08.2018  
Place: New Delhi

**Performance Highlights  
2017-18**

**IND-AS based Total Revenue  
(₹ in lakh)**

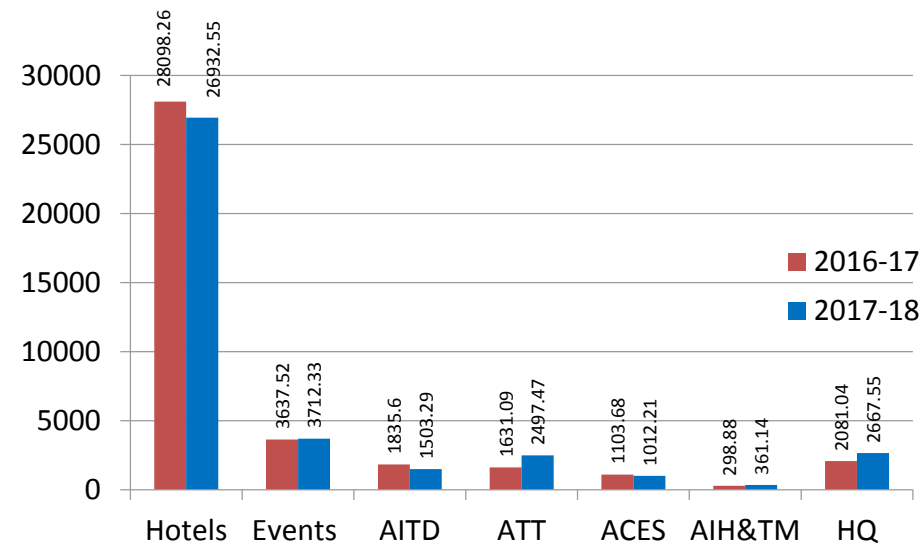


**IND-AS based Profit After Tax (PAT)  
(₹ in lakh)**

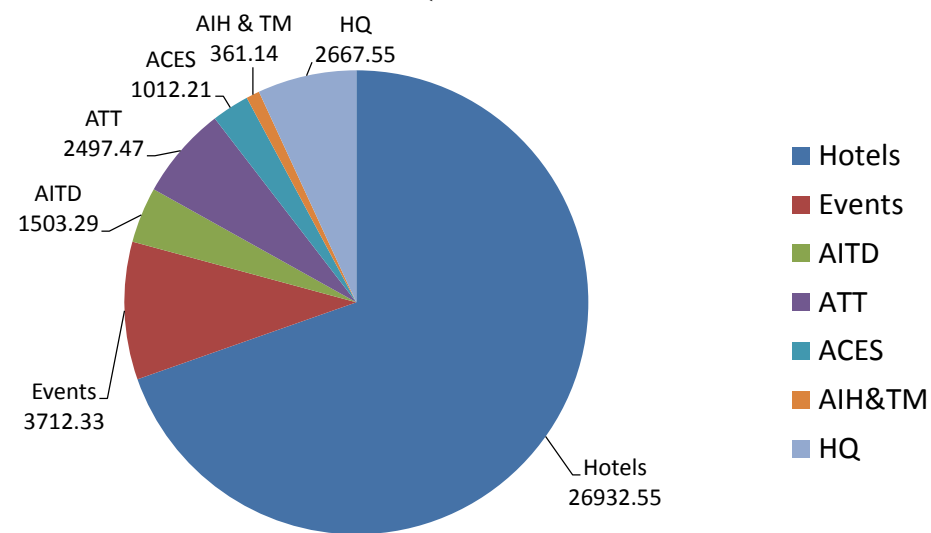


## Performance Highlights 2017-18

Divisional Performance as on March 2018 (₹ in lakh)



Divisional Performance for the Year 2017-18 (₹ in lakh)



Annexure-I

## Management Discussion and Analysis Report

### Global and Indian Scenario

After reaching 3.1 percent growth in both 2017 and 2018, global growth is expected to moderate over the next two years. Against this India's growth rate for 2017-18 is 6.7%, a notch above the Government's own estimate of 6.6% but lower than the 7.1% of 2016-17.

Foreign Tourist Arrivals (FTAs) during 2017 were 10.18 million with a growth of 15.6% over same period of the previous year. During 2016, FTAs were 8.8 million with a growth rate of 9.7%

Ministry of Tourism, Govt. of India has taken a number of initiatives of identifying, diversifying, developing and promoting niche tourism products of the country like Cruise, Adventure, Medical, Wellness, Golf, Polo, Meetings Incentives Conferences & Exhibitions (MICE), Eco Tourism, Film Tourism etc. Ministry of Tourism is according priority for holistic development of tourism destinations into world class destinations using a cluster approach including development of infrastructure, amenities, interpretation centres and skill development by achieving synergy and convergence with other Central Ministries, State Governments and Industry Stakeholders. As a result of these initiatives, growth has been registered in both FTAs as well as in the Domestic Tourism. This offers a great business potential to Travel, Tour and Hospitality industry.

ITDC is to act as respected, preferred and leading "one stop solution provider" in the Hospitality, Travel and Tourism sector and achieve higher return on investment for

its shareholders while contributing towards fulfilling the overall objective of development, promotion and expansion of domestic as well as international tourism in the country for all sectors of the society.

### Accolades and awards won by ITDC during and for the year 2017-18

- ITDC was awarded the Global Star Awards 2018 for "Most diversified organization in Travel & Tourism" for the year 2017
- The Ashok, New Delhi was awarded as 'Best Hotel Based Meeting Venue' at National Tourism Award 2015-16 held in September, 2017.
- The Ashok, New Delhi was awarded as 'Best MICE & Host Hotel' at the 13th Annual International Hospitality & Travel Awards 2017.
- The Ashok, New Delhi was awarded as 'Best MICE Hotel 2017' at Safari India South Asia Award.
- The Ashok, New Delhi was awarded "KAUSTUBH" - Best MICE Hotel - North India by Trav Tour.

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

- Executive Chef Arvind Rai won the National Tourism Award 2015-16 for "Best Chef" in 4 to 5 star deluxe, Heritage Classic Grand Category Hotels.
- The Ashok participated in the 14th Edition of Annual Chef Awards 2017 organized by ICF. The Chefs and Cooks from The Ashok bagged the awards as below:-