

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

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

CIN: L74899DL1965GOI004363
Website: www.theashokgroup.com



तारीख
Date 13.02.2018 निर्देश
Reference SEC: COORD:2: 2018

Listing Department, National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.	Manager, Department of Corporate Services, The Stock Exchange, Mumbai Floor 25, Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai – 400 001.
Scrip Code— ITDC (EQ)	Scrip Code— 532189

**Sub: Submission of Un-audited (Standalone) Financial Results of the Company
for the third quarter/nine months ended December 31, 2017.**

Dear Sir(s),

In continuation of our earlier letters dated February 01, 2018 & February 05, 2018, on the above cited subject and in pursuance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Un-audited (Standalone) Financial Results of the Company for the third quarter/nine months ended December 31, 2017 and the Limited Review Report of the Statutory Auditors on the above said Financial Results.

The Un-audited Standalone financial results have been reviewed by the Audit Committee and approved & taken on record by the Board of Directors of the Company in their meetings held on Tuesday, February 13, 2018.

Thanking you,

Yours faithfully,

(V.K. Jain)

Company Secretary

Encl: as above

INDIA TOURISM DEVELOPMENT CORPORATION LTD.

Regd. Office : Scope Complex, Core 8, 6th Floor, 7 Lodhi Road, New Delhi - 110003,
Telefax No. 011-24360249, Website - www.theashokgroup.com, CIN No. -L74899DL1965GOI004363
Unaudited Financial Results For The Quarter And Nine- Month Ended On 31st December, 2017

		Quarter Ended			Nine Month Ended		(₹ in lakh)
Sl.No.	Particulars	31.12.2017 (Unaudited)	30.09.2017 (Unaudited)	31.12.2016 (Unaudited)	31.12.2017 (Unaudited)	31.12.2016 (Unaudited)	Twelve Months Ended 31.03.2017 (Unaudited)
I	Revenue from Operations	10,214.23	6,736.95	10,272.44	25,354.62	25,371.58	33,737.57
II	Other Income	398.62	578.00	460.62	1,845.25	1,398.86	2,534.77
III	Total Income (I+II)	10,612.85	7,314.95	10,733.06	27,199.87	26,770.44	36,272.34
IV	Expenses						
	(a) Cost of materials consumed	2,503.29	1,133.58	3,007.24	5,076.88	5,531.05	6,317.22
	(b) Purchase of stock-in-trade	-	-	-	-	-	803.06
	(C) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-	143.30
	(d) Employees benefit expenses	3,312.42	4,261.03	2,809.13	10,173.38	8,356.98	11,221.50
	(e) Finance Cost	9.86	19.71	9.36	29.57	28.09	58.84
	(f) Depreciation & amortisation expenses	188.18	182.48	147.58	514.29	438.43	651.36
	(g) Other Expenditure	3,341.02	2,258.45	3,329.31	9,180.15	8,309.58	13,484.46
	Total Expenses (IV)	9,354.77	7,855.25	9,302.62	24,974.27	22,664.13	32,679.74
V	Profit/(loss) from Operations before exceptional items (III-IV)	1,258.08	(540.30)	1,430.44	2,225.60	4,106.31	3,592.60
VI	Exceptional Items [Net Income/ (Expense)]	1,224.83	7.54	-	2,572.77	(1,375.00)	(1,083.14)
VII	Profit/(Loss) before tax (V+VI)	2,482.91	(532.76)	1,430.44	4,798.37	2,731.31	2,509.46
VIII	Tax expense						
	(a) Current Tax	820.16	(48.00)	477.65	1,550.63	893.08	1,242.73
	(b) Tax Written Back (Previous Year)	-	-	-	-	-	(2.14)
	(c) Deferred Tax	(102.65)	(20.90)	10.70	(158.85)	32.10	(387.76)
IX	Net Profit/(Loss) from Continuing Operation after tax (VII-VIII)	1,765.40	(463.86)	942.09	3,406.59	1,806.13	1,656.63
X	Net Profit/(Loss) from Discontinued Operation	(653.11)	(568.27)	(116.46)	(1,572.92)	(459.17)	(759.17)
XI	Tax expense of Discontinued Operation	(226.03)	(196.67)	(40.30)	(544.36)	(158.91)	(262.74)
XII	Net Profit/(Loss) from Discontinued Operation after tax (X-XI)	(427.08)	(371.60)	(76.16)	(1,028.56)	(300.26)	(496.43)
XIII	Net Profit/(Loss) for the period (IX+XII)	1,338.32	(835.46)	865.93	2,378.03	1,505.87	1,160.20
XIV	Other Comprehensive Income						
	(A)(i) Items that will not be Reclassified to Profit or Loss	(141.05)	(53.42)	(30.92)	(225.00)	(92.75)	(123.67)
	(ii) Income Tax relating to items that will not be Reclassified to Profit or Loss	48.82	18.48	10.70	77.87	32.10	42.80
	Other Comprehensive Income for the Period	(92.23)	(34.94)	(20.22)	(147.13)	(60.65)	(80.87)
XV	Total Comprehensive Income for the Period (XIII+XIV)	1,246.09	(870.40)	845.71	2,230.90	1,445.22	1,079.33
	Paid-Up Equity Share Capital (8,57,69,400 Equity Shares of Face Value ₹ 10 each)	8,576.94	8,576.94	8,576.94	8,576.94	8,576.94	8,576.94
XVI	Earnings per Equity Share (for continuing operations) (of ₹ 10/- each (not annualised)						
	(a) Basic (in ₹)	2.06	(0.54)	1.10	3.97	2.11	1.93
	(b) Diluted (in ₹)	2.06	(0.54)	1.10	3.97	2.11	1.93
XVII	Earnings per Equity Share (for discontinued operations) (of ₹ 10/- each (not annualised)						
	(a) Basic (in ₹)	(0.50)	(0.43)	(0.09)	(1.20)	(0.35)	(0.58)
	(b) Diluted (in ₹)	(0.50)	(0.43)	(0.09)	(1.20)	(0.35)	(0.58)
XVIII	Earnings per Equity Share (for discontinued and continuing operations) (of ₹ 10/- each (not annualised)						
	(a) Basic (in ₹)	1.56	(0.97)	1.01	2.77	1.76	1.35
	(b) Diluted (in ₹)	1.56	(0.97)	1.01	2.77	1.76	1.35
	(See accompanying notes)						

Notes:

- 1 The Indian Accounting Standards (Ind AS), as notified under the Companies (Indian Accounting Standards) Rules, 2015 are applicable to the Company, its subsidiaries and joint venture for periods commencing on or after April 1, 2017 with a transition date of April 1, 2016. The results for the quarter ended and nine month ended December 31, 2017 are as per the notified Ind AS. The final Ind AS financial statements as of and for the year ending March 31, 2018 including corresponding figures may require adjustments, if any, due to changes in financial reporting requirements arising from revision or interpretation or clarifications relating to these standards / rules issued by Ministry of Corporate Affairs (MCA) / Institute of Chartered Accountants of India (ICAI).
- 2 These financial results were reviewed by the Audit Committee, and were approved by the Board of Directors, in their respective meetings held on February 13, 2018.
- 3 Pursuant to the SEBI Circular CIR/CFD/FAC/62/2016 dated July 5, 2016, the published figures for the quarter ended December 31, 2016 have been recast to Ind AS to the extent applicable to the Company and have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015.
- 4 The Statutory Auditors of the Company have carried out a "Limited Review" of the above results as per Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- 5 Figures of the previous reporting periods have been re-grouped / re-classified wherever necessary to correspond with the figures of the current reporting period.
- 6 The company has provided provisional liability in respect of the Pay Revision of Board Level and below Board Level Executives and Non-Unionized Supervisors based on 3rd PRC recommendations. The provisional liability in respect of other employees have been provided on the same parameters. Total provisional liability in respect of the same is provided in the results for the nine months ended December 31, 2017 of ₹ 2,507.26 lakhs (including ₹ 767.26 lakhs provided for the quarter ended December 31, 2017).
- 7 The Company has transferred its NonCurrent Investments - Equity Shares of Subsidiary Companies - Assam Ashok Hotel Corporation Limited (AAHCL 51% Equity) and Madhya Pradesh Ashok Hotel Corporation Limited (MPAHCL 51% Equity) on June 29, 2017 to their respective State Government. The Investments have been transferred at a consideration of: AAHCL ₹ 214.00 lakh (Profit ₹ 163.00 lakh) and MPAHCL ₹ 1,259.00 lakh (Profit ₹ 1,177.40 lakh). Also, the other dues recoverable by ITDC Ltd. have been duly settled by the respective subsidiary in full: AAHCL ₹ 300.63 lakh and MPAHCL ₹ 383.98 lakh.
- 8 In case of Donyi Polo Ashok Hotel Corporation Limited (DPAHCL - 51% Equity), a MoU is signed on September 19, 2017, to facilitate transfer of the 51% equity of DPAHCL from ITDC to Government of Arunachal Pradesh (GoAP)/Arunachal Pradesh Industrial Development & Financial Corporation (APIDFC) Limited. The ITDC Ltd. / GoAP / APIDFC have mutually agreed with the Valuation of ₹ 389.00 lakh. GoAP has paid the consideration amount to ITDC i.e. ₹ 198.18 lakhs (51% of agreed valuation) on January 22, 2018. Further, management fees recoverable by ITDC till the date of signing of transfer agreement is to be paid by DPAHCL as per MOU pre-condition for signing the agreement.
- 9 As per MOU signed on April 27, 2017 Hotel Bharatpur Ashok, Bharatpur being a managed property of ITDC, was transferred to Government of Rajasthan on April 30, 2017. The same has been considered as a part of discontinued operation in the results for the nine months ended December 31, 2017.
- 10 "The Company has transferred to Govt. of Rajasthan its hotel property i.e. Hotel Jaipur Ashok along with the assets on "as is where is" basis in relation to the hotel to Govt. of Rajasthan at a consideration of ₹ 1,400 lakh on December 9, 2017. The same has been considered as a part of discontinued operation in the results for the nine months ended December 31, 2017. VRS Compensation of ₹ 191.78 lakh approx. payable to 17 employees of Hotel Jaipur Ashok who opted for VRS has been adjusted with the consideration amount of ₹ 1,400 lakh resulting to Profit on sale of ₹ 1,039.10 lakh as an exceptional item in the above results."
- 11 Ministry of Tourism (MoT) has communicated vide their letter dtd. June 14, 2017 to ITDC that "the Cabinet Committee on Economic Affairs (CCEA) in its meeting held on May 24, 2017, has in-principle approved the proposal of the MoT for transferring the property of Hotel Janpath to the Ministry of Urban Development (MoUD) and for compensating ITDC for loss of business opportunity with disputed liability to be sorted out." VRS scheme was announced on October 30, 2017 for the employees posted at Janpath Hotel and the operation was discontinued from October 31, 2017. The process for dismantling and removal of plant & machinery, vacation of Licensees has been completed and disposal of the surplus assets/ materials is going on. After the completion of disposal of assets/ materials the physical possession of land & building of Hotel Janpath shall be handed over to MoUD. VRS Compensation of ₹ 570.55 lakh has been paid to 50 employees of Hotel Janpath for VRS (Additional ₹ 75.43 lakhs approx. would be payable due to Pay Revision). The same will be adjusted with the amount of compensation for loss of business opportunity which is currently under consideration of MoT. Therefore, the amount of VRS has been classified as "amount recoverable" under Current Assets."
- 12 The operation of Kosi Restaurant, a managed unit of the Company has been closed on October 31, 2017. Ministry of Tourism has been requested to take possession of the building.
- 13 The following units have been discontinued during the period of nine months ended December 31, 2017 and considered as a part of discontinued operation in the results for the same period. Figures of the previous reporting periods have been re-grouped / re-classified wherever necessary to correspond with the figures of the current reporting period for these discontinued operations. The financials of the same period are shown as under:

(₹ in lakhs)

Unit	Revenue	Expense	Pre-Tax Operating Profit/(loss)	Loss on transfer of Assets	Income Tax related Adjustment	Net Profit after tax
Hotel Jaipur Ashok	102.94	362.65	(259.71)	-	89.88	(169.83)
Hotel Janpath	745.29	2,006.90	(1,261.61)	-	436.62	(824.99)
Hotel Bharatpur Ashok	2.96	8.49	(5.53)	(16.65)	7.68	(14.50)
Kosi Restaurant	2.00	31.42	(29.42)	-	10.18	(19.24)

- 14 Operations of ATT Aurangabad & ATT Varanasi (units of the Company) has been suspended w.e.f January 1, 2018 and January 11, 2018 respectively.
- 15 MOU has been signed for transfer of Lalitha Mahal Palace Hotel, Mysore to Government of Karnataka on September 20, 2017. Consideration from Government of Karnataka of ₹ 745.00 lakh is yet to be received. The said hotel property will be transferred to them on signing of the final agreement on "as is where is basis".
- 16 Hotel Pondicherry Ashok (51% Equity) and Incomplete Hotel Project of Hotel Anandpur Sahib have been decided to be given on long term lease (e.g. Joint Lease, DBFOT, PPP etc.). The process for same is going on.
- 17 RoC vide Notice No. ROC-DEL/248(5)/STK-7/071 dated 01.09.2017, notified that the Joint Venture Company - ITDC Aldeasa India Pvt. Ltd., have been struck off from the Register of the Companies and the said company is dissolved, w.e.f., August 21, 2017.
- 18 Incomplete Hotel Project of Hotel Gulmarg Ashok has been handed over to Govt. of J & K on "as is where is" basis on November 16, 2017, as per the directions of MoT.
- 19 The petition of M/s Paulmech Infrastructure Pvt. Ltd. against cancellation of Letter of Intent (LoI) earlier issued for leasing out the property of Hotel Nilachal Ashok, Puri was dismissed by the Odisha High Court. Against the above order of HC the party has filed writ petition in the Supreme Court. The Supreme Court has stayed the cancellation of LoI on September 18, 2017. Therefore, the matter is still sub-judice and the process of disinvestment is currently on hold.
- 20 The process of disinvestment is going on in respect of: Hotel Kalinga Ashok, Hotel Patliputra Ashok and Hotel Ranchi Ashok.

Reconciliation of standalone financial results to those reported under previous Generally Accepted Accounting Principles (GAAP) is summarised as follows :

(₹ in Lakh)

S.No.	Particulars	Quarter Ended 31.12.2016 (Unaudited)	Nine Month Ended 31.12.2016 (Unaudited)	Twelve Months Ended 31.03.2017 (Unaudited)
	Profit after Tax as reported under previous GAAP	826.37	1,387.21	1,204.71
	Adjustments on account of:			
1	Reversal of Revenue on account of consideration received on others account - Note 1	(3,332.16)	(8,007.01)	(10,675.78)
2	Reversal of Cost on account of consideration paid on others account - Note 1	3,332.16	8,007.01	10,675.78
3	Reversal of revenue for Incomplete Tours - Note 1			(0.23)
4	Reversal of cost for Incomplete Tours - Note 1			0.18
5	Reversal of Revenue from Electricity Recoveries - Note 1	(130.09)	(333.47)	(492.65)
6	Reversal of Cost of Electricity Charges - Note 1	130.09	333.47	492.65
7	Fair Value measurement Impact on Other Long Term Liabilities (Security Deposit & Other Liabilities) - Note 2	28.66	85.99	114.65
8	Expense from amortization on Other Long Term Liabilities (Measure at Fair Value) - Note 2	(9.36)	(28.09)	(37.45)
9	Income from amortization of Long term loans and Advance (Measured at Fair Value) - Note 2	0.12	0.37	0.49
10	Loans to Employees - Measured at Fair Value - Note 3	(0.09)	(0.26)	(0.35)
11	Impact of Actuarial Gain/ Loss on Valuation of Defined Benefit Employee Plans - Note 4	30.92	92.75	123.67
12	Deferred tax impact on above Ind AS adjustments - Note 5	(10.70)	(32.10)	(42.80)
13	Prior Period Adjustment	-	-	(202.67)
	Total	865.92	1,505.87	1,160.20
	Adjustments in Other Comprehensive Income			
14	Actuarial loss on defined benefit plans - Note 4	(30.92)	(92.75)	(123.67)
15	Deferred Tax Impact on above adjustments in OCI - Note 5	10.70	32.10	42.80
	Total comprehensive income as reported under Ind AS	845.71	1,445.22	1,079.33

Notes to First Time Adoption of Ind AS:

These are the Company's quarterly and nine months ended results prepared in accordance with Ind AS applicable as at 31st December, 2017. An explanation on how the transition from previous GAAP to Ind AS has affected the Company's financial performance is set out in the following notes:

- 1 **Revenue Recognition** - As per Ind AS 18, consideration collected and the cost incurred on account of another party has been reversed; only the net amount retained on its own account for services rendered has been recognized as revenue in its Air Ticketing Business. Further, the revenue relating to sale of tour packages is recognized on the basis of Percentage of completion Method and hence revenue as well as cost relating to incomplete tours has been reversed. Also, the Electricity Charges collected from licencees, etc. which were shown as part of Sale of Service is now reduced from the Electricity Charges (Operational Expense) and only Administrative Charges form part of Income.
- 2 **Other Long Term Financial Assets / Liabilities (Amortized cost instruments)** Ind AS 113 - Items like security deposits, retention money and other financial items of long term nature are measured at fair value and the difference between the carrying value and the discounted value (Fair Value) are treated as deferred cost and deferred gains for assets and liabilities respectively and has been charged to statement of profit and loss.
- 3 **Loans given to Employees** Ind AS 113 - Loans given to employees from whom there was no probability of recovery (employees retired and no longer with ITDC Ltd.) are considered as non-recoverable therefore its fair value is considered as nil and charged to Statement of Profit & Loss.
- 4 **Other Comprehensive Income** - Items of income and expense that are not recognized on profit and loss but are shown in the Statement of profit or loss as "other comprehensive income" represents re-measurements of defined benefit plans. Actuarial gain / losses on defined benefit plans for employees, recognized in other comprehensive income.
- 5 **Deferred Tax** - As per Ind-AS 12, deferred tax has been recognized on the necessary adjustments made on transition to Ind-AS.

Date: 13-02-2018
Place: New Delhi

For India Tourism Development Corporation Limited

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

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

(₹ in Lakh)

Sl.No.	Particulars	Quarter Ended			Nine Month Ended		Twelve Months Ended 31.03.2017 (Unaudited)
		31.12.2017 (Unaudited)	30.09.2017 (Unaudited)	31.12.2016 (Unaudited)	31.12.2017 (Unaudited)	31.12.2016 (Unaudited)	
1	Segment Revenue (Net sale/income)						
A	Hotel Division	7,013.85	5,577.21	7,001.81	18,621.31	18,579.44	25,684.64
B	International Trade Division	453.59	324.84	488.20	1,129.44	1,383.85	1,835.60
C	Travels &Tours	675.21	188.17	322.25	1,816.32	1,446.18	1,631.09
D	Engg,Consultancy Projects	323.50	150.06	281.35	722.89	654.15	1,103.57
E	Headquarter & Others(Event Management, Hospitality & Tourism Management Institute)	2,146.70	1,074.67	2,639.45	4,909.91	4,706.82	6,017.44
	TOTAL	10,612.85	7,314.95	10,733.06	27,199.87	26,770.44	36,272.34
	Less: Inter-Segment Revenue		-	-	-	-	
	Net Sales/Income from Operations	10,612.85	7,314.95	10,733.06	27,199.87	26,770.44	36,272.34
2	Segment Results (Profit/(Loss) before tax and interest)						
A	Hotel Division	1,424.74	(29.41)	1,544.13	2,295.54	3,902.74	4,172.07
B	International Trade Division	54.07	(4.93)	92.74	90.46	272.15	330.70
C	Travels &Tours	2.22	215.68	(12.95)	373.88	(1,070.12)	(1,814.48)
D	Engg,Consultancy Projects and Creatives	(9.52)	(193.48)	(124.90)	(266.64)	(295.57)	(321.05)
E	Headquarter & Others(Event Management, Hospitality & Tourism Management Institute)	1,011.40	(520.62)	(68.58)	2,305.13	(77.89)	142.22
	TOTAL	2,482.91	(532.76)	1,430.44	4,798.37	2,731.31	2,509.46
	Less: i) Interest	-	-	-	-	-	-
	ii) Other Un-allocable Expenditure net off	-	-	-	-	-	-
	iii) Un-allocable Income	-	-	-	-	-	-
	Total Profit Before Tax	2,482.91	(532.76)	1,430.44	4,798.37	2,731.31	2,509.46
3	Segment Assets						
A	Hotel Division	15,848.51	17,082.75	1,463.82	15,848.51	1,463.82	14,864.53
B	International Trade Division	925.31	735.10	234.75	925.31	234.75	823.20
C	Travels &Tours	6,378.04	2,657.19	784.23	6,378.04	784.23	3,834.65
D	Engg,Consultancy Projects	139.51	6,024.70	(7,024.29)	139.51	(7,024.29)	1,330.19
E	Headquarter & Others (Event Management,Hospitality & Tourism Management Institute)	42,474.06	34,604.69	34,253.79	42,474.06	34,253.79	41,332.83
	Total Segment Assets	65,765.43	61,104.43	29,712.30	65,765.43	29,712.30	62,185.40
4	Segment Liabilities						
A	Hotel Division	18,569.39	17,197.26	-	18,569.39	-	16,788.80
B	International Trade Division	625.52	699.56	-	625.52	-	529.86
C	Travels &Tours	2,491.75	2,291.69	-	2,491.75	-	2,243.98
D	Engg,Consultancy Projects	6,647.38	6,312.84	-	6,647.38	-	8,309.68
E	Headquarter & Others (Event Management,Hospitality & Tourism Management Institute)	2,271.57	(759.66)	-	2,271.57	-	157.55
	Total Segment Liabilities	30,605.61	25,741.69	-	30,605.61	-	28,026.87

LIMITED REVIEW REPORT

To
The Board of Directors
India Tourism Development Corporation Ltd
Scope Complex Core - 8
6th Floor, Lodhi Road
New Delhi-110003

We have reviewed the accompanying Statement - unaudited financial results together with the notes thereon for the quarter and the nine months ended 31st December 2017 of M/s **India Tourism Development Corporation Ltd**, Scope Complex - Core 8, 6th Floor, Lodhi Road, New Delhi, (including the results of the branches/units not under our audit). The Statement has been prepared by the Company pursuant to Regulation 33 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") which has been initialled by us for identification purposes.

The Statement is the responsibility of the Company's management and has been approved by the Board of Directors/Committee of Board of Directors. Further, the Management is also responsible to ensure that the accounting policies used in preparation of this statement are consistent with those used in the preparation of the Company's opening unaudited Balance Sheet as at April 1, 2016 prepared in accordance with the Companies (Indian Accounting Standards) Rule, 2015 ("Ind-AS") prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.

A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in



the applicable Indian Accounting Standards i.e. "Ind-AS" prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies have not disclosed the information required to be disclosed in term of Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulation 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

We draw attention to the following matter:

- a. The VRS expense paid to employees of Hotel Janpath, New Delhi, under the VRS Scheme amounting to Rs. 570.55 lakh has been classified as "Recoverable", though the matter of compensation to be received by ITDC for loss of business opportunity is decided in principle, but the amount thereof is still under consideration by the Ministry of Tourism, Government of India. (Refer Note 11 to the Statement).

Our conclusion is not qualified in respect of this matter.

For KISHORE & KISHORE
Chartered Accountants




(Anshu Gupta)
Partner

M.No. 077891

Firm Reg. No. 000291 N

Place : New Delhi

Date : 13.02.2018