

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

(भारत सरकार का एक उपक्रम)

(A Government of India Undertaking)

CIN : L74899DL1965GOI004363

Website : www.itdc.co.in



तारीख
Date

24.08.2021

निर्देश
Reference

SEC: COORD: 134

Manager Listing Department, National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051. Scrip Symbol - ITDC (EQ)	Manager, Department of Corporate Services BSE Limited, Mumbai Floor 25, P.J. Towers, Dalal Street Mumbai- 400 001 Scrip code : 532189
---	--

Sub: Submission of Un-audited (Standalone) and (Consolidated) Financial Results for the First Quarter ended on 30th June 2021.

Sir/Madam,

Enclosed herewith please find the Un-audited (Standalone) and (Consolidated) Financial Results as per Regulation 33 of SEBI (LODR) Regulations 2015 for the First Quarter ended on 30th June 2021. The results have approved by the Board of Directors in their Meeting held on 24.08.2021.

We are also enclosing herewith the Limited Review Report given by M/s J.K. Sarawgi & Company, Chartered Accountant, Statutory Auditor on the Un-Audited (Standalone) and (Consolidated) Financial Results for period mentioned above.

Thanking you,

For **India Tourism Development Corporation Ltd.**

V.K. JAIN
COMPANY SECRETARY

INDIA TOURISM DEVELOPMENT CORPORATION LTD.
 Regd. Office : Scope Complex, Core 8, 6th Floor, 7 Lodhi Road, New Delhi - 110003,
 Telefax No. 011-24360249, Website - www.theashokgroup.com, CIN No. -L74899DL1965GOI004363
Statement Of Standalone Unaudited Financial Results For The Quarter Ended On 30th June 2021

(₹ In Lakhs)

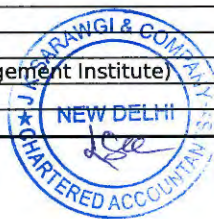
		STANDALONE			
		Unaudited		Audited	
Sl.No.	Particulars	Quarter Ended 30th June		Quarter Ended 31st March	Year ended 31st March
		2021	2020	2021	2021
I	Revenue from Operations	4,428.61	2,946.55	7,712.92	17,576.09
II	Other Income	311.11	329.84	1,157.36	2,145.88
III	Total Income (I+II)	4,739.72	3,276.39	8,870.28	19,721.97
IV	Expenses				
	(a) Cost of materials consumed	446.17	95.35	662.49	1,864.44
	(b) Purchase of stock-in-trade	-	-	823.53	823.53
	(C) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	(178.89)	(178.89)
	(d) Employees benefit expenses	2,255.66	2,401.69	2,461.00	10,116.03
	(e) Finance Cost	30.65	24.10	49.43	122.21
	(f) Depreciation & amortisation expenses	159.85	161.94	177.99	668.63
	(g) Other Expenditure	1,829.84	1,845.92	3,673.78	9,007.41
	Total Expenses (IV)	4,722.17	4,529.00	7,669.33	22,423.36
V	Profit/(loss) from Operations before exceptional items (III-IV)	17.55	(1,252.61)	1,200.95	(2,701.39)
VI	Exceptional Items [Net Income/ (Expense)]	1.42	17.60	219.99	306.35
VII	Profit/(Loss) before tax (V+VI)	18.97	(1,235.01)	1,420.94	(2,395.04)
VIII	Tax expense				
	(a) Current Tax	44.17	-	-	-
	(b) Tax Written Back (Previous Year)	-	-	(2.68)	(2.68)
	(c) Deferred Tax	210.71	(48.29)	(76.71)	86.17
IX	Net Profit/(Loss) from Continuing Operation after tax (VII-VIII)	(235.91)	(1,186.72)	1,500.33	(2,478.53)
X	Net Profit/(Loss) from Discontinued Operation	20.34	(220.78)	(31.21)	(257.90)
XI	Tax expense of Discontinued Operation	5.92	-	-	-
XII	Net Profit/(Loss) from Discontinued Operation after tax (X-XI)	14.42	(220.78)	(31.21)	(257.90)
XIII	Net Profit/(Loss) for the period (IX+XII)	(221.49)	(1,407.50)	1,469.12	(2,736.43)
XIV	Other Comprehensive Income				
	(i) Items that will not be Reclassified to Profit or Loss	35.19	250.80	114.31	192.48
	(ii) Income Tax relating to items that will not be Reclassified to Profit or Loss	(10.25)	(73.03)	(33.29)	(56.05)
	(B)(i) Items that will be Reclassified to Profit or Loss	-	-	-	-
	(ii) Income Tax relating to items that will be Reclassified to Profit or Loss	-	-	-	-
	Other Comprehensive Income for the Period	24.94	177.77	81.02	136.43
XV	Total Comprehensive Income for the Period (XIII+XIV)	(196.55)	(1,229.73)	1,550.14	(2,600.00)
	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
XVI	Earnings per Equity Share (for continuing operations)				
	(of ₹ 10/- each (not annualised)				
	(a) Basic (in ₹)	(0.28)	(1.38)	1.84	(2.73)
	(b) Diluted (in ₹)	(0.28)	(1.38)	1.84	(2.73)
XVII	Earnings per Equity Share (for discontinued operations)				
	(of ₹ 10/- each (not annualised)				
	(a) Basic (in ₹)	0.02	(0.26)	(0.04)	(0.30)
	(b) Diluted (in ₹)	0.02	(0.26)	(0.04)	(0.30)
XVIII	Earnings per Equity Share (for discontinued and continuing operations) (of ₹ 10/- each (not annualised)				
	(a) Basic (in ₹)	(0.26)	(1.64)	1.80	(3.03)
	(b) Diluted (in ₹)	(0.26)	(1.64)	1.80	(3.03)
	(See accompanying notes)				



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

(₹ In Lakhs)

Sl.No.	Particulars	STANDALONE			
		Unaudited		Audited	
		Quarter Ended 30th June		Quarter Ended 31st March	Year ended 31st March
		2021	2020	2021	2021
1	Segment Revenue (Net sale/income)				
A	Hotel Division	3,639.26	2,691.61	6,157.74	13,804.11
B	International Trade Division	341.59	164.57	511.80	1,586.74
C	Travels &Tours	227.28	28.88	307.61	772.91
D	Engg,Consultancy Projects	10.64	0.01	422.32	455.04
E	Headquarter & Others(Event Management, Hospitality & Tourism Management Institute)	552.72	394.49	1,477.94	3,122.95
	TOTAL	4,771.49	3,279.56	8,877.41	19,741.75
	Less: Inter-Segment Revenue	-	-	-	-
	Net Sales/Income	4,771.49	3,279.56	8,877.41	19,741.75
2	Segment Results (Profit/(Loss) before tax and interest)				
A	Hotel Division	422.42	(1,700.38)	848.61	(2,304.12)
B	International Trade Division	76.68	(52.56)	(58.06)	143.83
C	Travels &Tours	20.46	(188.20)	(220.30)	(579.51)
D	Engg,Consultancy Projects and Creatives	(42.19)	(65.85)	(95.86)	(308.35)
E	Headquarter & Others(Event Management, Hospitality & Tourism Management Institute)	(407.41)	575.30	964.77	517.42
	TOTAL	69.96	(1,431.69)	1,439.16	(2,530.73)
	Less: i) Interest	30.65	24.10	49.43	122.21
	ii) Other Un-allocable Expenditure net off	-	-	-	-
	iii) Un-allocable Income	-	-	-	-
	Total Profit Before Tax	39.31	(1,455.79)	1,389.73	(2,652.94)
3	Segment Assets				
A	Hotel Division	16,206.12	15,024.57	13,339.27	13,339.27
B	International Trade Division	872.74	499.21	925.82	925.82
C	Travels & Tours	3,425.77	3,621.79	3,312.96	3,312.96
D	Engg,Consultancy Projects	7,028.57	5,666.00	354.93	354.93
E	Headquarter & Others (Event Management,Hospitality & Tourism Management Institute)	30,823.18	37,145.65	38,164.30	38,164.30
	Total Segment Assets	58,356.38	61,957.22	56,097.28	56,097.28
4	Segment Liabilities				
A	Hotel Division	15,835.14	16,725.62	14,134.45	14,134.45
B	International Trade Division	796.08	551.77	980.93	980.93
C	Travels & Tours	3,405.32	3,810.00	2,643.06	2,643.06
D	Engg,Consultancy Projects	7,070.76	5,731.85	7,133.74	7,133.74
E	Headquarter & Others (Event Management,Hospitality & Tourism Management Institute)	(549.72)	1,709.78	(789.36)	(789.36)
	Total Segment Liabilities	26,557.58	28,529.02	24,102.82	24,102.82



Handwritten signature/initials.

Handwritten checkmark.

Notes:

- 1 The Standalone Financial Results for the Quarter ended June 30, 2021 are as per the notified Indian Accounting Standards (Ind AS) under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Companies Act, 2013. These Standalone Financial Results including report on Operating Segment were placed before the Audit Committee in their meeting held on August 24, 2021. At present, there is no Independent Director in the Company, hence, the composition of the Audit Committee does not have any Independent Director. The Company had five Independent Directors. One Woman Independent Director expired on June 12, 2019. The tenure of two Independent Directors expired on August 7, 2019 and the tenure of two Independent Directors expired on July 29, 2021. The Company is regularly following up with its Administrative Ministry for appointment of requisite number of Independent Directors in the Company.

Due to no Independent Directors available in the Audit Committee, the standalone financial results were forwarded to the Board of Directors. The same were approved by the Board of Directors, in their respective meetings held on August 24, 2021.

- 2 The financial results have been limited reviewed by M/s J.K. Sarawgi & Company, Chartered Accountants (Central Statutory Auditor) as required under Regulations 33 of SEBI (Listing and Disclosure Requirement) Regulations, 2015.
- 3 Pursuant to Taxation (Amendment) Ordinance 2019, the domestic companies have the option to pay corporate income tax @ 22% plus applicable surcharge and cess (New Tax Rate) subject to certain conditions. However, the company has opted to continue with the old tax structure.
- 4 Pursuant to a decision of the Government of India, it was decided that the Ministry of Tourism will examine the proposal for Sale/ Lease of Hotel Properties of the Company including Properties of Subsidiary Companies. In the cases where Hotel properties are located on State Govt Leased Land and the State is reluctant to extend the lease and allow it to be sub-leased to the private party, then the property may be offered to the State Govt at its officially valued price. According to this decision the process of disinvestment is carried on as under:

a. **Hotel Ashok (Unit of ITDC):**

DIPAM has appointed Consultant/ Advisor to explore the possibilities of giving Hotel Ashok on Operation & Management (O&M)/ Sub-leasing and optimum utilisation of vacant/ unused land in Hotel Ashok-Samrat Complex.

b. **Hotel Janpath (erstwhile Unit of ITDC):**

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 (Managed Property since owned by MoUD) to the Ministry of Urban Development (MoUD) and for compensating ITDC for loss of business opportunity with disputed liability to be sorted out." The final amount of compensation for loss of business opportunity is under consideration in MoT.

The operations of Janpath Hotel, New Delhi was closed on October 31, 2017 and Land & Building of the Hotel has been handover to MoHUA (erstwhile MoUD) on May 16, 2019.

c. **Kosi Restaurant (Unit of ITDC):**

The operation of Kosi Restaurant, a unit managed by the Company had been closed on October 31, 2017. The Ministry of Tourism has been requested to take possession of the Restaurant building. In response MoT vide letter dated November 11, 2019, requested ITDC for exploring possibilities for making it operational. ITDC responded indicating the requirement for engagement of consultant for the same. ITDC has been asked to submit a plan and to indicate feasibility and viability in of the project. ITDC Board decided to engage the consultant through Limited Tender from the DIPAM's list of empanelled consultants. List of Consultants received from DIPAM. Matter is under process.

d. **Hotel Kalinga Ashok, Bhuvaneshwar (Unit of ITDC):**

The process of disinvestment is going on in respect of Hotel Kalinga Ashok, Bhuvaneshwar.

e. **Investment in Subsidiary Companies of ITDC:**

The process of disinvestment/ divestment is going on in respect of: Hotel Pondicherry Ashok, Puducherry; Hotel Neelanchal Ashok, Puri and incomplete Hotel Project - Hotel Anandpur Sahib, Anandpur Sahib.

f. **Investment in Hotel Ranchi Ashok, Ranchi (RABHCL) - Subsidiary Company of ITDC:**

MoU for transfer of 51% equity stake of ITDC in RABHCL to Govt. of Jharkhand signed on November 24, 2020. On receipt of consideration of ₹ 942.51 lakh, the Company has liquidated outstanding loan and recognised its Income towards Management Fees and Interest on Loan to date amounting to ₹ 175.36 lakh, leaving the balance of ₹ 306.00 lakh as liability being settled price against investment of shares due to pending share transfer formalities. However, the VRS amount and outstanding dues of employees of RABHCL are yet to be received amounting to ₹ 648.00 lakh. Also, loan and other dues of ₹ 146.35 lakh are receivable upto June 30, 2021.

Due to pending share transfer formalities and continuance of ITDC Director on the Board of Subsidiary (RABHCL), the financial results for the quarter ended June 30, 2021 have been incorporated in the consolidated results of the Company.

5 **Hotel Jammu Ashok (Unit of ITDC):**

Hotel Jammu Ashok, one of the Hotel Unit of ITDC was on the land leased out by the Government of J&K which expired in 2010. ITDC had been following up the State Government for renewal of lease. ITDC had received letter dated March 20, 2020 from the Government of J&K informing non-renewal of lease in favour of ITDC and to resume the land. ITDC Board in the meeting dated May 27, 2020 has decided to close the operations of the Hotel Jammu Ashok. The operations of the hotel was closed w.e.f. June 17, 2020.

Matter was pursued with the State Govt. for taking possession of the Hotel after payment of compensation in accordance with terms of the lease deed. A Committee has been formed by ITDC and an approved valuer has been appointed for determining amount of compensation. The unit results had been considered as a part of discontinued operations in the financial statements for the period ended June 30, 2021.



6 **ITDC's merger with Kumarakruppa Frontier Hotels Pvt. Ltd.:**

ITDC Board in its meeting held on December 12, 2019 has accorded in-principal approval to the merger of Kumarakruppa Frontier Hotels Pvt. Ltd. (KFHPL) with ITDC. ITDC has requested Ministry of Tourism (MoT) vide letter dated December 30, 2019 to consider the proposal for onward approvals from DIPAM, Ministry of Finance/ CCEA, etc.

7 **Suspension of ITDC's units operation:**

The operations of the Units, i.e., ATT Mumbai have been suspended w.e.f. June 1, 2020, ATT Patna have been suspended w.e.f. March 31, 2021 and accordingly considered a part of Discontinued Operations.

8 **Impact due to Covid-19:**

i). The second wave of COVID-19 had severe impact on human lives and the economy across various states in India in April and May 2021. Different states in India imposed curfew restrictions in phases throughout April and May, 2021, with gradual easing in a phased manner effective June 2021.

The consequences of the COVID-19 outbreak on the Company's business for the quarter ended June 30, 2021 have been severe. Various cost rationalization measures initiated during the last financial year have continued into Q1 of the current year. The Company has also assessed the possible impact of COVID-19 in preparation of the standalone financial results, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. Based on current indicators of future economic conditions, the Company expect to recover the carrying amounts as on June 30, 2021 of these assets.

The impact of COVID-19 on the business may be different from that estimated on the date of approval of these financial results. Management will continue to closely monitor any material changes to future economic conditions.

ii). Private Licensees of Hotel and Catering Units of ITDC, i.e., Hotel Ashok (New Delhi), Hotel Samrat (New Delhi) and Taj Restaurant (Agra) had made request for waiver of licence fees for the lockdown period during F.Y. 2020-21. Keeping in mind the business scenario and considering the impact on cash flow, bills were not generated against most of the Private Licensees amounting to ₹1,292.59 lakh upto September, 2020 and hence, not considered in the Financial Results.

Also, during the quarter ended June 30, 2021, bills were not generated for Licensees pertaining to Taj Restaurant amounting to ₹ 28.44 lakh.

9 **In case of Loans & Advances and Management Fees due to be received from Subsidiary Companies, company has reviewed its accounting practice during F.Y. 2020-21 last quarter, and has accounted for the Interest and Management Fees for the period starting from April 1, 2016, i.e. date of transition to Ind AS Financial Statement upto March 31, 2021.**

For the financial results upto June 30, 2021 Income has been recognized from Subsidiary companies - Utkal Ashok Hotel Corporation Limited, Ranchi Ashok Bihar Hotel Corporation Limited and Pondicherry Ashok Hotel Corporation Limited as stated below:

- Management Fees for an amount of ₹ 0.18 lakh (excl. GST)
- Interest on Loans for an amount of ₹ 16.67 lakh

10 **Turnover of ITDC Unit - Hyderabad House (Catering Unit)**

In case of ITDC Unit - Hyderabad House (Catering Unit), turnover was being shown to the extent of supervision charges received over and above the cost of material supplied and service rendered. On review of accounting practice, changes had been made from F.Y. 2020-21, i.e., the total amount of material supplied, services rendered and supervision charges has been shown as turnover and expenditure have been shown under relevant heads. Regrouping have been made during the corresponding previous year. However, there will be no impact on the profitability of the Unit/ Company.

11 **The Company identifies suppliers registered under the MSME Act, 2006, by obtaining confirmation from all suppliers at the time of tender and information has been collated only to the extent of information received.**

12 **Earning per share is not annualized for the quarter ended June 30, 2021, March 31, 2021 and June 30, 2020.**

13 **The figures for the quarter ended March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year ended on that date and published year to date figures upto the third quarter of the said financial year.**

14 **Figures of the previous reporting periods have been re-grouped / re-classified wherever necessary to correspond with the figures of the current reporting period.**

For India Tourism Development Corporation Limited

Date: 24.08.2021
Place: New Delhi



(Subhadepta Paul)
Chief Financial Officer

(G Kamala Vardhana Rao)
C&MD
DIN No: 07075723



Independent Auditor's limited Review Report on the unaudited standalone financial results of India Tourism Development Corporation Limited pursuant to Regulation 33 of SEBI (Listing obligations and Disclosure Requirements) Regulation, 2015, as amended, for the quarter ended June 30, 2021

To,
The Board of Director of India Tourism Development Corporation Limited

1. We have reviewed the accompanying statement of unaudited standalone Financial results of India Tourism Development Corporation Limited (the "Company"), for the quarter ended June 30, 2021, the 'statements' attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of SEBI (listing Obligations and Disclosure Requirements Regulation, 2015 (the "Listing Regulation"), as amended to date, which has been initialed by us for identification purpose.
2. This statement, which is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind As 34) prescribed u/s 133 of the Companies Act, 2013 read with relevant Rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statements 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. The standard requires that we plan and perform the review to obtain moderate assurance as to whether the Financial Statements are free from material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted and procedure performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying statements of unaudited standalone financial results prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards("Ind As") specified u/s 133 of the Companies Act, 2013, read with relevant Rules issued there under and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements Regulations, 2015 read with the Circular, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. **Emphasis of Matter**
(a) **MSMED Act Compliances**
Compliance of MSMED Act could not be verified in absence of maintenance of records of MSMED vendors and hence liability, if any, is not determinable.



(b) Unlinked receipts

Unlinked receipts from debtors against billing by the Company appearing as liability "Advances from Customers" and hence Trade receivables as well as current liability continued to be overstated.

(c) Assessment of receivables/payables

The Company does not follow a system of obtaining confirmations, performing reconciliations and/or management assessment in respect of (i) amount recoverable from Trade Receivables; Deposits with Government Departments and others; amount recoverable from suppliers/vendors; employees; and other parties; (ii) amount of correct balances of payables to Trade payables; Deposits (EMD/SD); Government Departments; and other parties.

Pending such confirmations, possible effect on financial statements of undetected misstatement, if any, continued to be indeterminable.

(d) TDS Receivables/ Income tax assessments

Reconciliation of TDS receivables of earlier years between Books of Accounts, 26 AS and claimed in Income tax Returns/allowed by Income tax Department remained pending and hence impact thereof in financial results continued indeterminable.

(e) Property, plants and Equipment(PPE)- Loss/shortage

The impact of loss/shortage/scrapped assets due to non maintenance of PPE records/ proper records at various units of the Company continued to be indeterminable.

(f) Interest on Loan to subsidiaries

Interest income on the loans given to Subsidiaries has been considered during the year 2020-21 for the period from 01.04.2016 onwards. The interest prior to 01.04.2016(period prior to Ind As implementations) amounting to Rs 255.40 lakhs has not been accounted for.

(g) Stocks of stores, crockery, cutlery etc.

The consumption of stock of stores, crockery, cutlery etc is being worked out by the Company by adding to opening balances, purchases made and deducting closing balance at the end of period; and valued at cost instead of lower of cost or net realizable value in terms of the policy of Company. Management represented that this valuation difference is insignificant. Further, separate impact of wastage/shortage/loss/theft remains indeterminable.

(h) Revenue from license fee

The Company has not generated invoices for the license fees on licensees of Ashok Hotel, samrat Hotel and Taj Restaurant to the of Rs 1292.59 lakhs during the year 2020-21 and Rs 28.44 Lakhs in the quarter ended June 2021 by Taj Restaurant as the same has been disputed by the licensees on account of covid-19. The Board of Directors has decided to seek directions from ministry of Tourism.

A licensee of Samrat Hotel filed claim for refund of license fees. A sum of Rs 904.16 lakhs has been deposited by the Company as per interim orders of High court but no provisions has been made as Management assessed for no liability.



(i) Painting and Antiques at Hotel Ashok Delhi

Certain paintings and antiques are placed at Hotel Ashok, New Delhi, source whereof is not on record. Management has identified the inventory in F.Y 2020-21, but valuation whereof is reported under consideration.

(j) Ashok Tours and Travels(ATT) Delhi

The Company has entered into arrangements for marketing of Air tickets etc. with outside agency. In terms of arrangement, agency has to deposit security as well as amount against outstanding sale proceeds through them. The evaluation was to be made on monthly basis. Rs 3 crores were paid to Agency during F.Y 2020-21.

The debit balance of Rs 5.63 crores was due from agency as on 31st March, 2021 as per accounts audited by the respective Branch Auditors. No update thereafter from the Management and/or internal/ statutory Auditors reports of the unit for the quarter ended 30th June,2021.

(k) Sale of Air tickets from ATT units

The contract or arrangement is between Airlines and Ashok tours and Travels (ATT) for purchase of Air tickets in the name of customers of ATT. ATT has arrangement with its customer to sale Air tickets for which invoices are generated for the cost of tickets as well as for services charges. The service charge is being shown as revenue and customers are shown as Trade receivables for the same. The cost of Air tickets neither included in the turnover nor as purchases. The customers are shown under the head other receivables for the cost of Air Tickets. The Management represented that it is the practice of industry as a whole and practice is being followed based on expert's advice.

(l) Turnover of Hyderabad House unit of ITDC.

Turnover of Hyderabad House unit of ITDC was being shown to the extent of supervision charges received over and above the cost of material supplied/services rendered upto F.Y 2019-20. For the F.Y 2020-21 total invoice values has been shown as turnover by the recognizing respective expenses. Accordingly results for the quarter ended 30th June 2020 have been regrouped for comparison purpose. The proposed change does not impact on profitability.

(m) Impact of COVID-19

Attention is drawn to Note 8 to the Standalone Financial results for the quarter ended 30.06.2021 which describes the uncertainties arising from Covid-19 pandemics.

(n) Status of Disinvestment/merger

Attention is drawn to note Nos. 4, 5, 6 and 7 to the standalone financial results for the quarter ended 30th June, 2021, with regards to status of disinvestments/Mergers.

Our conclusion is not modified in respect of above matters.

6. Results for the Quarter ended 31st March,2021

Attention is drawn to the fact that the figures for the three months ended March 31, 2021 as reported in the statement are the balancing figure between audited figures in respect of the full



previous financial year and the published year to date figures up to the third quarter of previous financial year. The figures up to the end of third quarter of previous financial year had only been reviewed and not subjected to audit.

7. Units audited by other Auditors

The accompanying statements and other financial information include;
The results 27 Units which reflects total; revenue of Rs 2134.33 Lakhs, total net loss and total comprehensive loss of Rs 89.31 lakhs for the quarter ended June 30, 2021, the interim financial results of these units has been reviewed by the auditors of the units whose reports have been furnished to us by the Management and our conclusion on the statements, in so far it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of the auditors of the units and procedures performed by us as stated in paragraph 3 above.

8. Assets and liabilities in segments

Assets and liabilities were appearing in segment wise statement were consolidated by the Management at corporate level based on accounting system maintained thereat. Balance sheets at unit level are not certified by the respective Auditors.

9. Data for Quarter ended 30th June, 2020

The data for the quarter ended 30th June, 2020 have been taken based on reviewed by the other Auditors.

10. Internal Audit Reports

Auditors are under obligation to consider Internal Audit Reports but in certain units, the same were not available and hence not considered by the Auditors of Branches.

11. IT system Application

There is no integration of inventory (champagne software) and revenue billing (portal) software's; with that of the accounting software-Tally ERP. Value of inventory and revenue billing from operation is updated manually in Tally ERP software.

Our conclusion on the statements is not modified in respect of above matters.

For J K Sarawgi & Company
Chartered Accountants

FRN: 006836C


(CA J S Khandelwal)

Partner

M.No. 009878

UDIN: 21009878AAAAAW2876

Place of Signature: New Delhi

Dated: 24-08-2021

INDIA TOURISM DEVELOPMENT CORPORATION LTD.

Regd. Office : Scope Complex, Core 8, 6th Floor, 7 Lodhi Road, New Delhi - 110003,

Telefax No. 011-24360249, Website - www.theashokgroup.com, CIN No. -L74899DL1965GOI004363

Statement Of Consolidated Unaudited Financial Results For The Quarter Ended On 30th June 2021

(₹ In Lakhs)

Sl.No.	Particulars	CONSOLIDATED			
		Unaudited		Audited	
		Quarter Ended 30th June		Quarter Ended 31st March	Year ended 31st March
		2021	2020	2021	2021
I	Revenue from Operations	4,446.58	2,957.03	7,728.41	17,686.81
II	Other Income	312.93	331.19	701.23	1,695.22
III	Total Income (I+II)	4,759.51	3,288.22	8,429.64	19,382.03
IV	Expenses				
	(a) Cost of materials consumed	450.66	99.24	673.80	1,893.03
	(b) Purchase of stock-in-trade	-	-	823.53	823.53
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	(178.88)	(178.88)
	(d) Employees benefit expenses	2,304.95	2,480.69	2,486.39	10,381.22
	(e) Finance Cost	32.62	26.07	34.58	113.26
	(f) Depreciation & amortisation expenses	166.06	170.26	182.56	693.91
	(g) Other Expenditure	1,866.60	1,875.51	3,755.90	9,187.65
	Total Expenses (IV)	4,820.89	4,651.77	7,777.88	22,913.72
V	Profit/(loss) from Operations before exceptional items (III-IV)	(61.38)	(1,363.55)	651.76	(3,531.69)
VI	Exceptional Items [Net Income/ (Expense)]	1.42	17.60	74.61	160.97
VII	Profit/(Loss) before tax (V+VI)	(59.96)	(1,345.95)	726.37	(3,370.72)
VIII	Tax expense				
	(a) Current Tax	44.17	-	-	-
	(b) Tax Written Back (Previous Year)	-	-	(2.68)	(2.68)
	(c) Deferred Tax	211.21	(50.25)	(68.83)	88.18
IX	Net Profit/(Loss) from Continuing Operation after tax (VII-VIII)	(315.34)	(1,295.70)	797.88	(3,456.22)
X	Net Profit/(Loss) from Discontinued Operation	20.34	(220.78)	(31.21)	(257.90)
XI	Tax expense of Discontinued Operation	5.92	-	-	-
XII	Net Profit/(Loss) from Discontinued Operation after tax (X-XI)	14.42	(220.78)	(31.21)	(257.90)
XIII	Net Profit/(Loss) for the period (IX+XII)	(300.92)	(1,516.48)	766.67	(3,714.12)
XIV	Share of Profit/(Loss) of Associates and Joint Venture (XII+XIII)	32.36	59.58	68.78	243.47
XV	Profit after taxes, Share of Profit/(Loss) of Associates and Joint Venture	(268.56)	(1,456.90)	835.45	(3,470.65)
XVI	Other Comprehensive Income				
	(i) Items that will not be Reclassified to Profit or Loss	35.26	246.24	126.96	191.49
	(ii) Income Tax relating to items that will not be Reclassified to Profit or Loss	(10.27)	(72.13)	(36.08)	(56.15)
	Other Comprehensive Income for the Period	24.99	174.11	90.88	135.34
XVII	Total Comprehensive Income for the Period (XIII+XIV)	(243.57)	(1,282.79)	926.33	(3,335.31)
XVIII	Profit for the Period attributable to:				
	Owners of the parent	(275.93)	(1,342.37)	873.69	(3,562.64)
	Non-Controlling Interest	32.36	59.58	68.78	243.47
	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
XIX	Earnings per Equity Share (for continuing operations) (of ₹ 10/- each (not annualised)				
	(a) Basic (In ₹)	(0.34)	(1.31)	1.12	(3.59)
	(b) Diluted (In ₹)	(0.34)	(1.31)	1.12	(3.59)
XX	Earnings per Equity Share (for discontinued operations) (of ₹ 10/- each (not annualised)				
	(a) Basic (In ₹)	0.02	(0.26)	(0.04)	(0.30)
	(b) Diluted (In ₹)	0.02	(0.26)	(0.04)	(0.30)
XXI	Earnings per Equity Share (for discontinued and continuing operations) (of ₹ 10/- each (not annualised)				
	(a) Basic (In ₹)	(0.32)	(1.57)	1.08	(3.89)
	(b) Diluted (In ₹)	(0.32)	(1.57)	1.08	(3.89)
	(See accompanying notes)				



Aor

✓

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

(₹ in Lakhs)

Sl.No.	Particulars	CONSOLIDATED			
		Unaudited		Audited	
		Quarter Ended 30th June		Quarter Ended 31st March	Year ended 31st March
		2021	2020	2021	2021
1	Segment Revenue (Net sale/income)				
A	Hotel Division	3,676.95	2,703.44	6,288.43	14,035.50
B	International Trade Division	341.59	164.57	511.80	1,586.74
C	Travels &Tours	227.28	28.88	306.52	771.82
D	Engg,Consultancy Projects	10.00	0.01	422.32	455.04
E	Headquarter & Others(Event Management, Hospitality & Tourism Management Institute)	535.46	394.49	907.69	2,552.70
	TOTAL	4,791.28	3,291.39	8,436.76	19,401.80
	Less: Inter-Segment Revenue		-	-	
	Net Sales/Income	4,791.28	3,291.39	8,436.76	19,401.80
2	Segment Results (Profit/(Loss) before tax and interest)				
A	Hotel Division	363.37	(1,809.35)	139.19	(3,288.75)
B	International Trade Division	76.68	(52.56)	(58.06)	143.83
C	Travels &Tours	20.46	(188.20)	(220.30)	(579.51)
D	Engg,Consultancy Projects and Creatives	(42.83)	(65.85)	(95.86)	(308.35)
E	Headquarter & Others(Event Management, Hospitality & Tourism Management Institute)	(424.68)	575.30	964.76	517.42
	TOTAL	(7.00)	(1,540.66)	729.73	(3,515.36)
	Less: i) Interest	32.62	26.07	34.58	113.26
	ii) Other Un-allocable Expenditure net off	-	-		
	iii) Un-allocable Income	-	-		
	Total Profit Before Tax	(39.62)	(1,566.73)	695.16	(3,628.62)
3	Segment Assets				
A	Hotel Division	17,606.88	15,024.57	13,080.60	13,080.60
B	International Trade Division	872.74	499.21	925.82	925.82
C	Travels & Tours	3,425.77	3,621.79	3,312.96	3,312.96
D	Engg,Consultancy Projects	6,914.06	5,666.00	354.93	354.93
E	Headquarter & Others (Event Management,Hospitality & Tourism Management Institute)	28,314.45	34,663.58	37,236.33	37,236.33
	Total Segment Assets	57,133.90	59,475.15	54,910.64	54,910.64
4	Segment Liabilities				
A	Hotel Division	18,971.31	13,916.68	17,201.85	17,201.85
B	International Trade Division	796.08	551.77	980.93	980.93
C	Travels & Tours	3,405.32	3,810.00	2,643.06	2,643.06
D	Engg,Consultancy Projects	7,070.76	5,731.85	7,133.74	7,133.74
E	Headquarter & Others (Event Management,Hospitality & Tourism Management Institute)	(549.72)	1,709.78	(789.36)	(789.36)
	Total Segment Liabilities	29,693.75	25,720.08	27,170.22	27,170.22



AD
Ans

h

Notes:

- 1 The Consolidated Financial Results for the Quarter ended June 30, 2021 are as per the notified Indian Accounting Standards (Ind AS) under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Companies Act, 2013. These Consolidated Financial Results including report on Operating Segment were placed before the Audit Committee in their meeting held on August 24, 2021. At present, there is no Independent Director in the Company, hence, the composition of the Audit Committee does not have any Independent Director. The Company had five Independent Directors. One Woman Independent Director expired on June 12, 2019. The tenure of two Independent Directors expired on August 7, 2019 and the tenure of two Independent Directors expired on July 29, 2021. The Company is regularly following up with its Administrative Ministry for appointment of requisite number of Independent Directors in the Company.

Due to no Independent Directors available in the Audit Committee, the consolidated financial results were forwarded to the Board of Directors. The same were approved by the Board of Directors, in their respective meetings held on August 24, 2021.

- 2 The financial results have been limited reviewed by M/s J.K. Sarawgi & Company, Chartered Accountants (Central Statutory Auditor) as required under Regulations 33 of SEBI (Listing and Disclosure Requirement) Regulations, 2015.
- 3 The Financial Results of the Subsidiary Companies, i.e., Punjab Ashok Hotel Company Ltd., Ranchi Ashok Bihar Hotel Corporation Ltd. and Utkal Ashok Hotel Corporation Ltd. are not limited reviewed by Auditor and are duly certified by management. The same are incorporated in the Financial Results accordingly.
- 4 Pursuant to Taxation (Amendment) Ordinance 2019, the domestic companies have the option to pay corporate income tax @ 22% plus applicable surcharge and cess (New Tax Rate) subject to certain conditions. However, the company has opted to continue with the old tax structure.
- 5 Pursuant to a decision of the Government of India, it was decided that the Ministry of Tourism will examine the proposal for Sale/ Lease of Hotel Properties of the Company including Properties of Subsidiary Companies. In the cases where Hotel properties are located on State Govt Leased Land and the State is reluctant to extend the lease and allow it to be sub-leased to the private party, then the property may be offered to the State Govt at its officially valued price. According to this decision the process of disinvestment is carried on as under:
 - a. **Hotel Ashok (Unit of ITDC):**
DIPAM has appointed Consultant/ Advisor to explore the possibilities of giving Hotel Ashok on operation & management (O&M)/ Sub-leasing and optimum utilisation of vacant/ unused land in Hotel Ashok-Samrat Complex.
 - b. **Hotel Janpath (erstwhile Unit of ITDC):**
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 (Managed Property since owned by MoUD) to the Ministry of Urban Development (MoUD) and for compensating ITDC for loss of business opportunity with disputed liability to be sorted out." The final amount of compensation for loss of business opportunity is under consideration in MoT.
- c. **The operations of Janpath Hotel, New Delhi was closed on October 31, 2017 and Land & Building of the Hotel has been handover to MoHUA (erstwhile MoUD) on May 16, 2019.**
Kosi Restaurant (Unit of ITDC):
The operation of Kosi Restaurant, a unit managed by the Company had been closed on October 31, 2017. The Ministry of Tourism has been requested to take possession of the Restaurant building. In response MoT vide letter dated November 11, 2019, requested ITDC for exploring possibilities for making it operational. ITDC responded indicating the requirement for engagement of consultant for the same. ITDC has been asked to submit a plan and to indicate feasibility and viability in of the project. ITDC Board decided to engage the consultant through Limited Tender from the DIPAM's list of empanelled consultants. List of Consultants received from DIPAM. Matter is under process.
- d. **Hotel Kalinga Ashok, Bhuvaneshwar (Unit of ITDC):**
The process of disinvestment is going on in respect of Hotel Kalinga Ashok, Bhuvaneshwar.
- e. **Investment in Subsidiary Companies (Unit of ITDC):**
The process of disinvestment/ divestment is going on in respect of: Hotel Pondicherry Ashok, Puducherry; Hotel Neelanchal Ashok, Puri and incomplete Hotel Project - Hotel Anandpur Sahib, Anandpur Sahib.
- f. **Investment in Hotel Ranchi Ashok, Ranchi (RABHCL) - Subsidiary Company of ITDC:**
MoU for transfer of 51% equity stake of ITDC in RABHCL to Govt. of Jharkhand signed on November 24, 2020. On receipt of consideration of ₹ 942.51 lakh, the Company has liquidated outstanding loan and recognised its Income towards Management Fees and Interest on Loan to date amounting to ₹ 175.36 lakh, leaving the balance of ₹ 306.00 lakh as liability being settled price against investment of shares due to pending share transfer formalities. However, the VRS amount and outstanding dues of employees of RABHCL are yet to be received amounting to ₹ 648.00 lakh. Also, loan and other dues of ₹ 146.35 lakh are receivable upto June 30, 2021.

Due to pending share transfer formalities and continuance of ITDC Director on the Board of Subsidiary (RABHCL), the financial results for the quarter ended June 30, 2021 have been incorporated in the consolidated results of the Company.



Handwritten signature/initials.

Handwritten signature/initials.

6 **Hotel Jammu Ashok (Unit of ITDC):**

Hotel Jammu Ashok, one of the Hotel Unit of ITDC was on the land leased out by the Government of J&K which expired in 2010. ITDC had been following up the State Government for renewal of lease. ITDC had received letter dated March 20, 2020 from the Government of J&K informing non-renewal of lease in favour of ITDC and to resume the land. ITDC Board in the meeting dated May 27, 2020 has decided to close the operations of the Hotel Jammu Ashok. The operations of the hotel was closed w.e.f. June 17, 2020.

Matter was pursued with the State Govt. for taking possession of the Hotel after payment of compensation in accordance with terms of the lease deed. A Committee has been formed by ITDC and a tender to be floated for appointing an approved valuer for determining amount of compensation.

The unit results had been considered as a part of discontinued operations in the financial statements for the period ended June 30, 2021.

7 **ITDC's merger with Kumarakruppa Frontier Hotels Pvt. Ltd.:**

ITDC Board in its meeting held on December 12, 2019 has accorded in-principal approval to the merger of Kumarakruppa Frontier Hotels Pvt. Ltd. (KFHPL) with ITDC. ITDC has requested Ministry of Tourism (MoT) vide letter dated December 30, 2019 to consider the proposal for onward approvals from DIPAM, Ministry of Finance/ CCEA, etc.

8 **Suspension of ITDC's units operation:**

The operations of the Units, i.e., ATT Mumbai have been suspended w.e.f. June 1, 2020, ATT Patna have been suspended w.e.f. March 31, 2021 and accordingly considered a part of Discontinued Operations.

9 **Impact due to Covid-19:**

The second wave of COVID-19 had severe impact on human lives and the economy across various states in India in April and May 2021. Different states in India imposed curfew restrictions in phases throughout April and May, 2021, with gradual easing in a phased manner effective June 2021.

The consequences of the COVID-19 outbreak on the Company's business for the quarter ended June 30, 2021 have been severe. Various cost rationalization measures initiated during the last financial year have continued into Q1 of the current year. The Company has also assessed the possible impact of COVID-19 in preparation of the standalone financial results, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. Based on current indicators of future economic conditions, the Company expect to recover the carrying amounts as on June 30, 2021 of these assets.

The impact of COVID-19 on the business may be different from that estimated on the date of approval of these financial results. Management will continue to closely monitor any material changes to future economic conditions.

- 10 ii). Private Licensees of Hotel and Catering Units of ITDC, i.e., Hotel Ashok (New Delhi), Hotel Samrat (New Delhi) and Taj Restaurant (Agra) had made request for waiver of licence fees for the lockdown period during F.Y. 2020-21. Keeping in mind the business scenario and considering the impact on cash flow, bills were not generated against most of the Private Licensees amounting to ₹1,292.59 lakh upto September, 2020 and hence, not considered in the Financial Results.

Also, during the quarter ended June 30, 2021, bills were not generated for Licensees pertaining to Taj Restaurant amounting to ₹ 28.44 lakh.


11 **Turnover of ITDC Unit - Hyderabad House (Catering Unit)**

In case of ITDC Unit - Hyderabad House (Catering Unit), turnover was being shown to the extent of supervision charges received over and above the cost of material supplied and service rendered. On review of accounting practice, changes had been made from F.Y. 2020-21, i.e., the total amount of material supplied, services rendered and supervision charges has been shown as turnover and expenditure have been shown under relevant heads. Regrouping have been made during the corresponding previous year. However, there will be no impact on the profitability of the Unit/ Company.

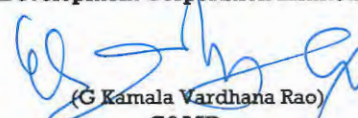
- 12 The Company identifies suppliers registered under the MSME Act, 2006, by obtaining confirmation from all suppliers at the time of tender and information has been collated only to the extent of information received.
- 13 Earning per share is not annualized for the quarter ended June 30, 2021, March 31, 2021 and June 30, 2020.
- 14 The figures for the quarter ended March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year ended on that date and published year to date figures upto the third quarter of the said financial year.
- 15 Figures of the previous reporting periods have been re-grouped / re-classified wherever necessary to correspond with the figures of the current reporting period.

Date: 24.08.2021
Place: New Delhi




(Subhadeepta Paul)
Chief Financial Officer

For India Tourism Development Corporation Limited


(G Kamala Vardhana Rao)
C&MD
DIN No: 07075723



Independent Auditor's limited Review Report on the unaudited **consolidated** quarterly financial results of **India Tourism Development Corporation Limited** pursuant to Regulation 33 of SEBI (Listing obligations and Disclosure Requirements) Regulation, 2015, as amended, for the quarter ended June 30, 2021

To,

The Board of Director of India Tourism Development Corporation Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of India Tourism Development Corporation Limited ("the parent") and its four subsidiaries (the parent and its subsidiaries together referred to as the 'Group'), and its share of net profit/loss and total comprehensive income/loss for the quarter ended June 30,2021 (the 'statements'), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of SEBI (listing Obligation and Disclosure Requirements) Regulation, 2015, as amended to date (the "listing Regulations"), which has been initialed by us for identification purposes
2. This statement, which is the responsibility of the Parent's Management and has been approved by the parent's Board of Directors of the Company, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind As 34) prescribed u/s 133 of the Companies Act, 2013 read with relevant Rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statements 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. A review of Interim Financial Information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standard on Auditing and consequently, does not enables us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion
We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, as amended, to extent applicable
4. Based on our review conducted and procedure performed as stated in paragraph 3 above and based on the consideration of the review reports of other Auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying statements prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards("Ind As") specified u/s 133 of the Companies Act,2013, read with relevant Rules issued there under and other recognized accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with the Circular, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



5. The statement includes results of the following entities:

Serial No	Name of the Entity	Relationship
1	Ranchi Ashok Bihar Hotel Corporation Limited	Subsidiary (51%)
2	Utkal Ashok Hotel Corporation Limited	Subsidiary (91.54%)
3	Punjab Ashok Hotel Company Limited	Subsidiary (51%)
4	Pndichery Ashok Hotel Corporation Limited	Subsidiary (51%)

6. **Emphasis of Matters**

With regards parent Company

(a) MSMED Act Compliances

Compliance of MSMED Act could not be verified in absence of maintenance of records of MSMED vendors and hence liability, if any, is not determinable.

(b) Unlinked receipts

Unlinked receipts from debtors against billing by the Company appearing as liability "Advances from Customers" and hence Trade receivables as well as current liability continued to be overstated.

(c) Assessment of receivables/payables

The Company does not follow a system of obtaining confirmations, performing reconciliations and/or management assessment in respect of (i) amount recoverable from Trade Receivables; Deposits with Government Departments and others; amount recoverable from suppliers/vendors; employees; and other parties; (ii) amount of correct balances of payables to Trade payables; Deposits (EMD/SD); Government Departments; and other parties. Pending such confirmations, possible effect on financial statements of undetected misstatement, if any, continued to be indeterminable.

(d) TDS Receivables/ Income tax assessments

Reconciliation of TDS receivables of earlier years between Books of Accounts ,26 AS and claimed in Income tax Returns/allowed by Income tax Department remained pending and hence impact thereof in financial results continued indeterminable.

(e) Property, plants and Equipment(PPE)- Loss/shortage

The impact of loss/shortage/scrapped assets due to non maintenance of PPE records/ proper records at various units of the Company continued to be indeterminable.



(f) Interest on Loan to subsidiaries

Interest income on the loans given to Subsidiaries has been considered during the year 2020-21 for the period from 01.04.2016 onwards. The interest prior to 01.04.2016 (period prior to Ind As implementations) amounting to Rs 255.40 lakhs has not been accounted for.

(g) Stocks of stores, crockery, cutlery etc.

The consumption of stock of stores, crockery, cutlery etc is being worked out by the Company by adding to opening balances, purchases made and deducting closing balance at the end of period; and valued at cost instead of lower of cost or net realizable value in terms of the policy of Company. Management represented that this valuation difference is insignificant. Further, separate impact of wastage/shortage/loss/theft remains indeterminable.

(h) Revenue from license fee

The Company has not generated invoices for the license fees on licensees of Ashok Hotel, samrat Hotel and Taj Restaurant to the of Rs 1292.59 lakhs during the year 2020-21 and Rs 28.44 Lakhs in the quarter ended June 2021 by Taj Restaurant as the same has been disputed by the licensees on account of covid-19. Though the Board of Directors has decided to seek directions from Ministry of Tourism.

A licensee of Samrat Hotel filed claim for refund of license fees. A sum of Rs 904.16 lakhs has been deposited by the Company as per interim orders of High court but no provisions has been made as Management assessed for no liability.

(i) Painting and Antiques at Hotel Ashok Delhi

Certain paintings and antiques are placed at Hotel Ashok, New Delhi, source whereof is not on record. Management has identified the inventory in F.Y 2020-21, but valuation whereof is reported under consideration.

(j) Ashok Tours and Travels (ATT) Delhi

The Company has entered into arrangements for marketing of Air tickets etc. with outside agency. In terms of arrangement, agency has to deposit security as well as amount against outstanding sale proceeds through them. The evaluation was to be made on monthly basis. Rs 3 crores were paid to Agency during F.Y 2020-21.

The debit balance of Rs 5.63 crores was due from agency as on 31st March, 2021 as per accounts audited by the respective Branch Auditors. No update thereafter from the Management and/or internal/ statutory Auditors reports for the quarter ended 30th June, 2021.

(k) Sale of Air tickets from ATT units

The contract or arrangement is between Airlines and Ashok tours and Travels (ATT) for purchase of Air tickets in the name of customers of ATT. ATT has arrangement with its customer to sale Air tickets for which invoices are generated for the cost of tickets as well as for services charges. The service charge is being shown as revenue and customers are shown as Trade receivables for



the same. The cost of Air tickets neither included in the turnover nor as purchases. The customers are shown under the head other receivables for the cost of Air Tickets. The Management represented that it is the practice of industry as a whole and practice is being followed based on expert's advice.

(l) Turnover of Hyderabad House unit of ITDC.

Turnover of Hyderabad House unit of ITDC was being shown to the extent of supervision charges received over and above the cost of material supplied/services rendered upto F.Y 2019-20. For the F.Y 2020-21 total invoice values has been shown as turnover by the recognizing respective expenses. Accordingly results for the quarter ended 30th June 2020 have been regrouped for comparison purpose. The proposed change does not impact on profitability.

(m) Impact of COVID-19

Attention is drawn to Note 9 to the Consolidated Financial results for the quarter ended 30.06.2021 which describes the uncertainties arising from Covid-19 pandemics.

(n) Status of Disinvestment /Mergers

Attention is drawn to note Nos. 5, 6, 7 and 8 to the Consolidated Financial results for the quarter ended 30th June, 2021, with regards to status of disinvestments/Mergers.

Our conclusion is not modified in respect of above matters.

7. Results for the Quarter ended 31st March,2021

Attention is drawn to the fact that the figures for the three months ended March 31, 2021 as reported in the statement are the balancing figure between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of previous financial year. The figures up to the end of third quarter of previous financial year had only been reviewed and not subjected to audit.

8. Units of parent/subsidiaries audited by other Auditors

The accompanying statements and other financial information includes;

- a) The results of the Parent includes of 27 units which reflect total revenue of Rs 2134.33 lakhs, total net loss and total comprehensive loss of Rs 89.31 lakhs for the quarter ended June 30, 2021, the interim financial results of these units has been reviewed by auditors of the unit whose reports have been furnished to us by the management and our conclusion on the branches, is based solely on the reports of the auditors of the units and the procedures performed by us as stated in paragraph 3 above.
- b) The result of one subsidiary included in the consolidated unaudited financial results, whose result reflect total revenue of Rs 35.91 lakhs, total net loss of Rs. 44.01 lakhs and total comprehensive loss of Rs 43.65 lakhs for the quarter ended June 30, 2021, as considered in the unaudited consolidated financial results. This interim financial results have been reviewed by other auditor, whose report has been furnished to us by the management and our conclusion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on report of other auditor and the procedure performed by us as stated in paragraph 3 above.



- c) The results of three subsidiaries, which have not been reviewed by their respective auditors, whose interim financial results reflect total revenue of Rs 1.78 lakhs, for the quarter ended 30th June, 2021, as considered in the unaudited consolidated financial results. These un-reviewed interim financial results have been approved and furnished to us by the Parent's Management and our conclusion on the Statement, in so far as it relates to the affairs of the aforesaid subsidiaries included in these unaudited consolidated financial results, are not material to the group.

9. Assets and liabilities in segments

Assets and liabilities were appearing in segment wise statement were consolidated by the present at corporate level based on accounting system maintained thereat. Balance sheets at unit level are not certified by the respective Auditors.

10. Data for Quarter ended 30th June, 2020

The data for the quarter ended 30th June, 2020 have been taken based on reviewed by the other Auditors.

11. Internal Audit Reports

Auditors are under obligation to consider Internal Audit Reports but in certain units of the parent, the same were not available and hence not considered by the Auditors of Branches.

12. IT system Application

There is no integration of inventory (champagne software) and revenue billing (portal) softwares; with that of the accounting software-Tally ERP. Value of inventory and revenue billing from operation is updated manually in Tally ERP software.

Our conclusion on the statements is not modified in respect of above matters.

For J K Sarawgi & Company

Chartered Accountants

FRN 006836C



(CA LS Khandelwal)

Partner

M.No. 009878

UDIN: 21009878AAAAAX7548

Place of Signature: New Delhi

Dated: 24-08-2021