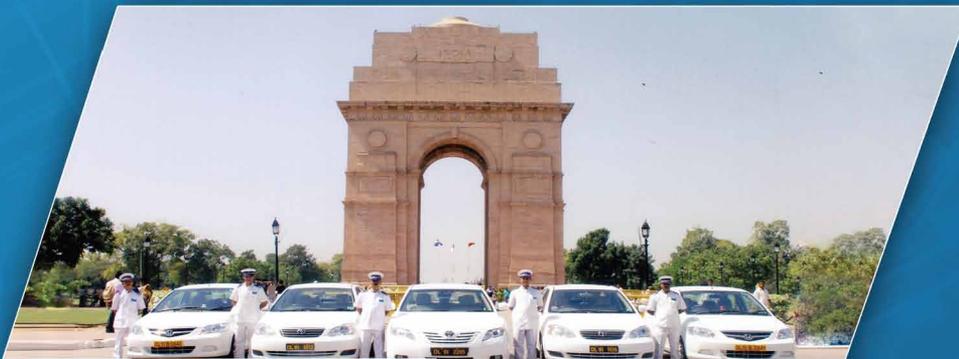


# INTERNATIONAL TRAVEL HOUSE LIMITED

## REPORT AND ACCOUNTS 2013

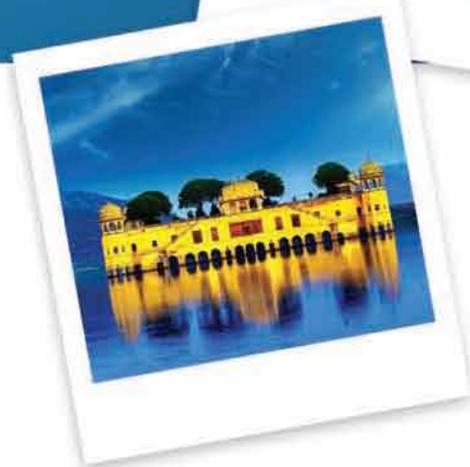
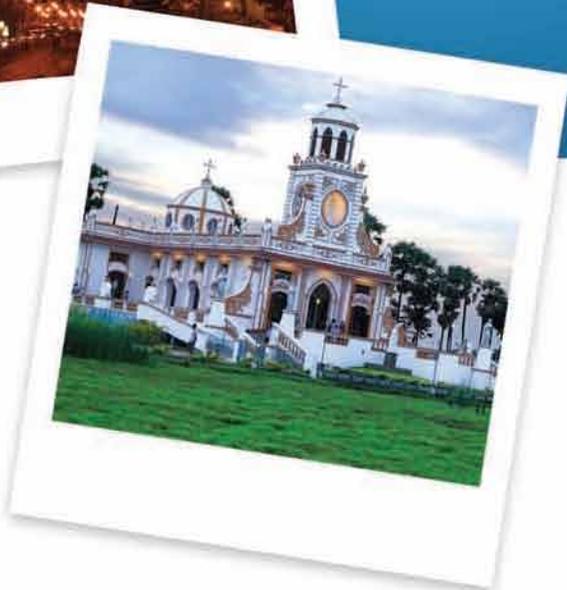


## About Travel House

With a network of 10 IATA Travel Offices, 13 Car Rental Offices and 18 Travel Counters across India as well as a global tie-up that provides access to 88 partners in 74 countries through the GlobalStar Travel Management System, International Travel House stands tall as one of India's leading complete Travel Management Companies. The GlobalStar tie-up, of course, extends the company's reach to almost all the major travel destinations of the world.

Professional management, competent and dedicated staff, a large fleet of our own cars, well-equipped offices, sophisticated communication systems, and an innovative approach are amongst the factors that have contributed to taking Travel House to its pre-eminent position in the industry.

International Travel House takes pride in reinventing itself regularly so as to stay relevant and contemporary in its service outlook and quality performance. To this effect, it is currently implementing an Information Technology based integrated platform that would provide a One Touch Platform for the entire gamut of travel needs. Eventually, access to this platform shall also be extended through mobile hand-held devices. This platform, when fully implemented, promises to radically change the way the company does business and eventually extend booking capabilities to clients themselves.



# International Travel House Limited

## CONTENTS

Board of Directors & Committees	2
Notice of Annual General Meeting	3
Your Directors	6
Report on Corporate Governance	9
Shareholder Information	16
Report of the Directors & Management Discussion and Analysis	20
Certificate of Compliance from Auditors	22
CEO & CFO Certification	23
Balance Sheet	24
Statement of Profit and Loss	25
Cash Flow Statement	26
Notes to the Financial Statements	28
Report of the Auditors	46

# International Travel House Limited

## BOARD OF DIRECTORS & COMMITTEES

### Chairman and Non-Executive Director

Nakul Anand

### Managing Director

Jehangir Jal Ghadiali

### Non-Executive Directors

Anil Baijal

Anil Rajput

Homi Phiroze Ranina

Chandrasekhar Subrahmoneyan

Krishan Lal Thapar

Om Prakash Vaish

## BOARD COMMITTEES

### Audit Committee

K L Thapar

H P Ranina

S C Sekhar

O P Vaish

Jehangir J Ghadiali

(Managing Director)

Mark Rebello

(Head of Internal Audit)

Raghupati Wahi

(Chief Financial Officer)

Representative of the

Statutory Auditors

Janaki Aggarwal

Chairman

Member

Member

Member

Invitee

Invitee

Invitee

Invitee

Secretary

### Nominations & Remuneration Committee

Nakul Anand

Anil Baijal

Anil Rajput

H P Ranina

S C Sekhar

K L Thapar

O P Vaish

Chairman

Member

Member

Member

Member

Member

Member

### Investor Services Committee

O P Vaish

Jehangir J Ghadiali

S C Sekhar

Janaki Aggarwal

Chairman

Member

Member

Secretary

## CORPORATE MANAGEMENT COMMITTEE

### Director

Jehangir J Ghadiali

Chairman

### Executives

Ghanshyam Arora

Raghupati Wahi

Janaki Aggarwal

Member

Member

Secretary

### Company Secretary

Janaki Aggarwal

### Registered Office

'Travel House', T-2, Community Centre  
Sheikh Sarai, Phase-I, New Delhi-110 017

### Auditors

S R Batliboi & Associates LLP  
Chartered Accountants  
Gurgaon

# International Travel House Limited

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Thirty Second Annual General Meeting of the Members of International Travel House Limited will be held at Air Force Auditorium, Subroto Park, New Delhi-110 010, on Tuesday, the 3rd day of September, 2013 at 9.30 a.m. for the transaction of the following businesses:-

### ORDINARY BUSINESS

1. To consider and adopt the Accounts of the Company for the financial year ended 31st March, 2013, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend for the financial year ended 31st March, 2013.
3. To appoint Directors in place of those retiring by rotation.
4. To appoint Auditors and to fix their remuneration. In this connection, to consider and, if thought fit, to pass, with or without modification, the following resolution which will be proposed as an Ordinary Resolution :-

“Resolved that Messrs S R Batliboi & Associates LLP, Chartered Accountants (Registration No. 101049W), be and are hereby appointed as the Auditors of the Company to hold such office until the conclusion of the next Annual General Meeting to conduct the audit at a remuneration of ₹ 13,00,000/- plus service tax as applicable, and reimbursement of out-of-pocket expenses incurred.”

### SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification, the following resolution which will be proposed as an Ordinary Resolution:-

“Resolved that, in accordance with the applicable provisions of the Companies Act, 1956, or any amendment or modification thereof, this Meeting hereby approves the re-appointment of Mr Jehangir Jal Ghadiali as the Managing Director of the Company with effect from 17th February, 2013, for a period of two years, on the terms and conditions of remuneration as approved by the Board of Directors of the Company and as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting.”

The Register of Members of the Company shall remain closed from Tuesday, 20th August, 2013 to Tuesday, 3rd September, 2013, both days inclusive. Share Transfers received in order at the Company's Registrars and Share Transfer Agents, Messrs MCS Limited, F-65, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110 020 by close of business on 19th August, 2013 will be processed for payment of dividend, if declared, to the transferees or to their mandatees and the dividend, if declared, will be paid on 10th September, 2013 to those Members entitled thereto and whose names shall appear on the Register of Members of the Company on 3rd September, 2013, or to their mandatees, subject however to the provisions of Section 206A of the Companies Act, 1956. In respect of dematerialised shares, the dividend will be paid on the basis of beneficial ownership as on 19th August, 2013 as per details to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.

By Order of the Board  
International Travel House Limited  
Place : New Delhi Janaki Aggarwal  
Dated : 25th April, 2013 Company Secretary

Regd. Office: 'Travel House', T-2, Community Centre,  
Sheikh Sarai, Phase-I, New Delhi-110 017

### NOTES:

1. **A Member entitled to attend and vote at the Annual General Meeting ('AGM') may appoint a proxy to attend and vote on a poll on his behalf. A proxy need not be a Member of the Company.** Proxies, in order to be effective, must be received at the Registered Office of the Company not less than forty-eight hours before the commencement of the AGM.
2. Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, ('the Act') relating to the Special Business to be transacted at this AGM, is annexed.
3. Corporate Members are required to send to the Registered Office of the Company a duly certified copy of the Board Resolution, pursuant to Section 187 of the Act, authorising their representative to attend and vote at the AGM.

# International Travel House Limited

## NOTICE OF ANNUAL GENERAL MEETING

4. In accordance with the provisions of Article 143 and 144 of the Articles of Association of the Company, Mr Krishan Lal Thapar, Mr Om Prakash Vaish and Mr Homi Phiroze Ranina will retire by rotation at this AGM and, being eligible, offer themselves for re-appointment. Separate resolutions with respect to their re-appointment will be placed before the Members at the AGM. These directors do not hold any shares in the Company.
5. Additional information, pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, on Directors recommended by the Board of Directors for appointment/ re-appointment at this AGM is appearing in the Report and Accounts.
6. Unclaimed dividend for the financial year ended 31st March, 2006 will be due for transfer to the Investor Education and Protection Fund of the Central Government ('IEPF') on 3rd November, 2013, pursuant to the provisions of Section 205A of the Act.

Members who have not encashed their dividend warrant(s) for the financial year ended 31st March, 2006, or any subsequent financial year(s), are requested to lodge their claims with the Company.

In respect of dividend for the financial year ended 31st March, 2006, it will not be possible to entertain any claim received by the Company after 1st November, 2013.

In terms of the provisions of Section 205C of the Act, no claim shall lie with respect to unclaimed dividend once it is transferred by the Company to IEPF.
7. Members are requested to bring their admission slips alongwith copy of the Report and Accounts to the AGM. Duplicate admission slips and/ or copies of the Report and Accounts will not be provided at the AGM venue.
8. Members holding shares in the certificate form are requested to notify/ send the following to Messrs MCS Limited to facilitate better servicing:-
  - i. any change in their address/ mandate/ bank details/ email address,
  - ii. particulars of their bank account, in case the same have not been furnished earlier, and
  - iii. share certificate(s) held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholdings into a single account.
9. Members are advised that bank details as furnished by them or by NSDL/ CDSL to the Company, for shares held in certificate form and in dematerialised form, respectively, will be printed on their dividend warrant(s) as a measure of protection against fraudulent encashment.
10. Members who wish to obtain information on the Company or view the Accounts for the financial year ended 31st March, 2013, may visit the Company's website [www.travelhouseindia.com](http://www.travelhouseindia.com).

### EXPLANATORY STATEMENT

Annexed to the Notice convening the Thirty Second Annual General Meeting to be held on Tuesday, 3rd September, 2013.

#### Item 5

The Board of Directors of your Company ('the Board') at its meeting held on 6th February, 2013, on the recommendation of the Nominations and Remuneration Committee, re-appointed Mr Jehangir Jal Ghadiali, as the Managing Director of the Company for a period of two years with effect from 17th February, 2013, on the following remuneration, as recommended by the Nominations and Remuneration Committee, subject to the approval of the Members, in pursuance of the provisions of Schedule XIII and other applicable provisions of the Act.

- (I) Consolidated Salary - ₹ 1,28,750/- per month in the scale of ₹ 85,000 - 2,500 - 1,40,000 per month with such annual increment(s) as may be decided by the Board.
- (II) Supplementary Allowance - ₹ 1,11,250/- per month.
- (III) Performance Bonus - Not exceeding 50% of the Consolidated Salary, payable annually, for each financial year, as may be determined by the Board.

## International Travel House Limited

### NOTICE OF ANNUAL GENERAL MEETING

(IV) Perquisites - In addition to the aforesaid Consolidated Salary, Supplementary Allowance and Performance Bonus, Mr Ghadiali shall be entitled to perquisites like medical reimbursement, leave travel concession for self and family, club fees, gas, electricity etc., in accordance with the Rules of the Company, the monetary value of such perquisites being limited to ₹ 4,78,000/- per annum, for the purposes of which limit perquisites shall be valued as per the Income-tax Act/ Rules, wherever applicable and in the absence of any such provision, perquisites shall be valued at actual cost. However, the following shall not be included in the aforesaid perquisite limit :-

- (a) Rent free accommodation owned/ leased/ rented by the Company or Housing Allowance in lieu thereof, as per the Rules of the Company.
- (b) Contribution to Provident Fund and Superannuation Fund upto 27% of the Consolidated Salary and contribution to Gratuity Fund upto 8.33% of the Consolidated Salary or upto such other limit as may be prescribed under the Income-tax Act, 1961 and the Rules made thereunder, for this purpose.
- (c) Use of Company car for official purposes and telephone at residence (including payment for local calls and long distance official calls).

(d) Encashment of unavailed leave as per the Rules of the Company at the time of retirement/ cessation of service.

The aggregate of the remuneration and perquisites/ benefits, including contribution towards Provident Fund, Superannuation Fund and Gratuity Fund, payable to Mr Ghadiali as the Managing Director shall not exceed 5% of the profits of the Company calculated in accordance with the provisions of Section 198 and 309 of the Act. The above remuneration shall also be the Minimum Remuneration payable to Mr Ghadiali as Managing Director of the Company in case of absence or inadequacy of profits.

At the request of the Board, the services of Mr Ghadiali have been loaned by ITC Limited.

None of the Directors of your Company, other than Mr Ghadiali, is interested in this Resolution.

The Board recommends this Resolution for your approval.

By Order of the Board  
International Travel House Limited

Place : New Delhi

Dated : 25th April, 2013

Janaki Aggarwal  
Company Secretary

Regd. Office : 'Travel House', T-2, Community Centre,  
Sheikh Sarai, Phase-I, New Delhi-110 017

Members are requested to register their e-mail addresses with the Company for receiving the Report and Accounts, Notices etc. in electronic mode, as a measure of support to the Green Initiative in Corporate Governance of the Ministry of Corporate Affairs, Government of India. The form for such registration can be downloaded from the Company's website [www.travelhouseindia.com](http://www.travelhouseindia.com) under the section 'Investors Relations' in 'Shareholder Value' and is also being sent herewith.

# International Travel House Limited

## YOUR DIRECTORS

### Nakul Anand

Nakul Anand, a Non-Executive Director of the Company since 6th January, 1998, was appointed the Chairman of the Company effective 21st March, 2009. He is an Executive Director on the Board of ITC Limited and holds responsibility for the Hospitality, Travel and Tourism businesses of ITC. An Economics Honours graduate from Delhi University with an AMP degree from Bond University, Australia, he joined ITC Hotels' Management Training Programme in 1978 and also served as the Managing Director of erstwhile ITC Hotels Limited during the period 2003-05.

In a career that spans over three decades, he has been acknowledged for his vision and commitment. Leveraging the significant learning of sustainable excellence within ITC, he led the team at ITC Hotels to pioneer the concept of 'Responsible Luxury' in the hospitality industry that led to the LEED Platinum certifications for all ITC super premium luxury hotels, making it the 'Greenest Luxury Hotel Chain in the world'. He has formulated value-based strategies to create a unique quality control model. He is presently the President of the Hotel Association of India. He is also the Chairman of the CII National Tourism Committee as well as of the Federation of Associations in Indian Tourism & Hospitality.

### Other Directorships

Name of the Company	Position
Gujarat Hotels Limited	Chairman & Director
Landbase India Limited	Chairman & Director
Fortune Park Hotels Limited	Chairman & Director
Srinivasa Resorts Limited	Vice Chairman & Director
ITC Limited	Executive Director
Bay Islands Hotels Limited	Director
Maharaja Heritage Resorts Limited	Director
Adyar Gate Hotels Limited	Director

### Committee Membership of other Companies

Name of the Company	Committee	Position
Landbase India Limited	Audit Committee	Member

### Jehangir Jal Ghadiali

Jehangir J Ghadiali was appointed as the Managing Director of the Company effective 17th February, 2008.

He holds a Diploma in Hotel Management, Applied Nutrition & Catering Technology from IHMCTAN, Mumbai. He has rich experience of over 33 years with the Hotel and Tourism Industry. He joined ITC Limited in its Hotels Division as a management trainee in the year 1979 and since then worked in various positions and functions in ITC Welcomgroup hotels. Just prior to joining Travel House, he was the General Manager of the ITC Hotel Park Sheraton & Towers, Chennai. He has represented ITC Welcomgroup at various fora including TAAI, SATTE, FHRAI, WTM, BTF and ATM. He was selected General Manager of the Year - Luxury Hotel for the year 1998 by H&FS. He does not hold directorship of any other company.

### Anil Bajjal

Anil Bajjal was appointed as a Non-Executive Independent Director of the Company on 28th January, 2009. Bajjal joined the Indian Administrative Service in 1969 from the Union Territories Cadre and superannuated in October 2006 as Secretary, Ministry of Urban Development, Government of India. He piloted the flagship programme of the Jawaharlal Nehru Urban Renewal Mission for improving infrastructure and basic services in the urban areas of the country.

In a career spanning over 37 years, he held several eminent positions including that of the Union Home Secretary, Chairman and Managing Director of Indian Airlines, Chief Executive Officer of Prasar Bharti Corporation, Vice Chairman-Delhi Development Authority, Development Commissioner, Goa, and Counsellor in-charge of the Indian Aid Programme in Nepal.

Currently, he is a Senior Advisor to IDFC Limited.

### Other Directorships

Name of the Company	Position
IDFC Foundation	Chairman & Director
ITC Limited	Director
DLF Pramerica Life Insurance Company Limited	Director
IDFC PPP Trusteeship Company Limited	Director

# International Travel House Limited

## YOUR DIRECTORS

### Committee Membership of other Companies

Name of the Company	Committee	Position
DLF Pramerica Life Insurance Company Limited	Audit & Compliance Committee	Chairman
ITC Limited	Audit Committee	Member

### Anil Rajput

Anil Rajput was appointed as a Non-Executive Director of the Company on 29th May, 2000. He is an MBA from FMS, Delhi University and joined ITC Limited in 1976. During the course of the last 37 years, he has held various positions in ITC Limited. He was seconded to Travel House as part of the start-up team and during his tenure between 1983 till 1989, he laid the strong foundation for its domestic networking across India. He was then assigned responsibility in ITC's Hotels Division where he was engaged in finance, projects and development. He was associated with various prestigious hotel projects viz. ITC Grand Maratha, ITC Grand Central, Mumbai, and ITC Sonar, Kolkata. In the year 2003, he moved to ITC's Corporate Affairs function as Vice President Corporate Affairs and effective June 2007, he assumed the charge of Head of Corporate Affairs, ITC Limited. Currently he is also holding the Membership of Academic/ Professional organisations viz. FMS, Skal International. He is Secretary of Cuisine India Society, Chairman of FICCI CASCADE and member on Executive Committee of PHD Chamber of Commerce and Industry, FICCI and International Chamber of Commerce, India. He does not hold directorship of any other company.

### Homi Phiroze Ranina

H P Ranina was appointed as a Director of the Company on 1st August, 1983 and is a Non-Executive Independent Director on the Board. He is a Chartered Accountant and Advocate by qualification and is currently practicing as an Attorney, having specialisation in Taxation, Corporate and Foreign Exchange Laws of India. He wrote his first book on Income Tax at the age of 25 and, thereafter, he has authored several publications. He is a prolific writer, having written more than 2000 articles. He was appointed by the Government of India as a Member of a Committee of Experts to draft a new Income Tax Law. He has addressed more than 500 professional seminars on Taxation and Economics, Foreign Exchange Regulation Law both in India and abroad.

Ranina is a recipient of the "Outstanding Young Persons Award" both at the State and National levels from the Jaycees. He has also been bestowed the "Economic Analyst Par Excellence" award by Rotary International. He was nominated by the Government of India as a Director on the Central Board of Reserve Bank of India on 27th November, 2000 and was on the Board for 11 years. He was the Chairman of the Inspection and Audit Committee of the Reserve Bank of India.

### Other Directorships

Name of the Company	Position
Pennwalt Limited	Director

**Committee Membership of other Companies:** Nil

### Chandrasekhar Subrahmoneyan

S C Sekhar was appointed as a Non-Executive Director of the Company on 6th January, 1998. A Science graduate from Delhi University and a fellow member of The Institute of Chartered Accountants of India, Sekhar joined ITC Limited in its Hotels Division in the year 1978. During these 35 years, he has held various positions in the finance function besides working as Executive Assistant to the Chairman of ITC's Hotels Division. In 1992, he took over as Head of Finance and was subsequently promoted as Executive Vice-President with Finance, Treasury, Audit, Legal and Information Technology under his span of control, of that Company. He is currently the Senior Executive Vice President of the Hotels Division of ITC Limited.

### Other Directorships

Name of the Company	Position
Landbase India Limited	Managing Director
Gujarat Hotels Limited	Director
Srinivasa Resorts Limited	Director
Fortune Park Hotels Limited	Director
Bay Islands Hotels Limited	Director
Maharaja Heritage Resorts Limited	Director
Adyar Gate Hotels Limited	Director
Mansingh Hotels and Resorts Limited	Director

# International Travel House Limited

## YOUR DIRECTORS

### Committee Membership of other Companies

Name of the Company	Committee	Position
Srinivasa Resorts Limited	Audit Committee	Chairman
Gujarat Hotels Limited	Investor Services Committee	Chairman
Gujarat Hotels Limited	Audit Committee	Member
Adyar Gate Hotels Limited	Audit Committee	Member
Mansingh Hotels and Resorts Limited	Audit Committee	Member

### Krishan Lal Thapar

K L Thapar was appointed as a Non-Executive Independent Director of the Company on 9th March, 2004. He is the former Principal Advisor and Secretary to the Government of India in the Planning Commission and is presently the Chairman of the Asian Institute of Transport Development. The Institute is an acknowledged centre of excellence for research and studies in the infrastructure sector with a special consultative status with the United Nations.

Thapar has wide ranging experience spanning over more than four decades in policy formulation, planning, investment and management of infrastructure at national and international levels. He has chaired and served on several Commissions and Committees set up by the Government and International Bodies. He is the author of a well known report that led to the liberalisation of the Hotel and Tourism Industry in the country.

As Advisor and Consultant to international institutions such as United Nations, World Bank, Asian Development Bank, he has served in a number of countries. He holds a Master's Degree in Humanities and is an alumnus of professional institutions like the Economic Development Institute of the World Bank, British Staff College etc. He does not hold directorship of any other company.

#### Notes:

1. Other Directorships and Committee Memberships of Directors are as on 31st March, 2013.
2. Other Directorships exclude Directorship in Indian Private Limited Companies & Foreign Companies, Memberships of Managing Committees of Chambers of Commerce/ Professional Bodies and Alternate Directorship.
3. Committee Memberships are in respect of Audit Committee and Investors Grievance Committee of Indian Public Limited Companies.

### Om Prakash Vaish

O P Vaish was appointed as a Non-Executive Independent Director of the Company on 28th March, 2002. He is a Senior Advocate of the Supreme Court of India and founder of the law firm, 'Vaish Associates', Advocates at New Delhi, Gurgaon, Mumbai and Bengaluru.

He served the Indian Revenue Service and had been Chief, Economics & Law of the Federation of Indian Chambers of Commerce and Industry (FICCI) for 8 years. He was President of the PHD Chamber of Commerce and Industry, Member of the Local Advisory Board of Bank of America, Member of Managing Committee of ASSOCHAM, Board of Directors of Rotary International, Board of Trustees of Rotary Foundation and Member of the Expert Committee to advise Government on new Company Law.

Currently he is a member of the Executive Committee of FICCI & ICC India. He is also a member of the Board of Governors of the International Management Institute.

He is a Government Nominee on the Council of the Institute of Chartered Accountants of India.

### Other Directorships

Name of the Company	Position
PNB Finance & Industries Limited	Director
Indo Rama Synthetics (India) Limited	Director
Godfrey Philips India Limited	Director
Ginni Filaments Limited	Director
CESC Limited	Director

### Committee Membership of other Companies

Name of the Company	Committee	Position
Godfrey Philips India Limited	Audit Committee	Chairman
PNB Finance & Industries Limited	Audit Committee	Member
Indo Rama Synthetics (India) Limited	Audit Committee	Member

# International Travel House Limited

## REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance.

### THE COMPANY'S GOVERNANCE PHILOSOPHY

The Company firmly believes in good Corporate Governance and has made it a practice and a continuous process of development right across the Company. The Company's philosophy on Corporate Governance envisages attainment of a high level of transparency and accountability in the functioning of the Company and conduct of business, and places due emphasis on regulatory compliance. It has empowered the Executive Management to take decisions with regard to day to day operations and has also created checks and balances that such decisions are taken with care and responsibility to meet stakeholders' aspirations and societal expectations.

The Company's Corporate Philosophy is focused on its people who are its most important asset and it values its employees' integrity, creativity, ability, judgement and opinions, who in turn demonstrate the highest ethical standards and responsibility towards the shareholders. This has helped the Company take rapid strides in its pursuit of excellence.

The Company is committed to enhance shareholder value in a fair and transparent manner and has been in the forefront for benchmarking itself with the best business practices globally.

### The Governance Structure

The practice of Corporate Governance in the Company takes place at three interlinked levels:

- i. Strategic supervision - by the Board of Directors;
- ii. Strategic management - by the Corporate Management Committee; and
- iii. Executive management - by the Functional Heads under the overall guidance and direction of the Managing Director.

This three tier structure enables the Board of Directors to carry out the task of strategic supervision as trustees of shareholders, unencumbered by the task of strategic management, in a manner that imparts objectivity and secures sharpened accountability from the management. Similarly, the Corporate Management Committee can engage in the task of strategic management of the Company

as a whole, leaving the task of day-to-day executive management with the empowered Functional Heads under the overall guidance and direction of the Managing Director.

### BOARD OF DIRECTORS

In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the shareholders.

#### Composition

The composition of the Board of Directors of the Company is balanced, comprising of Executive and Non-Executive Directors, the latter including independent professionals. Directors are appointed/ re-appointed with the approval of the shareholders and are liable to retire by rotation. The present strength of the Board of Directors of the Company is eight, of which one is an Executive Director.

#### Composition of the Board as on 31st March, 2013

Category	No. of Directors	Percentage to total no. of Directors
Executive Director	1	12
Non-Executive Independent Directors	4	50
Other Non-Executive Directors	3	38
<b>Total</b>	<b>8</b>	<b>100</b>

#### Meetings and Attendance

During the financial year ended 31st March, 2013, four meetings of the Board were held as follows:

Sl. No.	Date	Board Strength	No. of Directors present
1	27th April, 2012	8	6
2	13th August, 2012	8	6
3	6th November, 2012	8	8
4	6th February, 2013	8	7

# International Travel House Limited

## REPORT ON CORPORATE GOVERNANCE

Directors' attendance at the Board Meetings during the financial year and the last Annual General Meeting (AGM) as also their other Directorships and Committee Memberships are given below:

Sl. No.	Director	Category	No. of Board Meetings attended	Attendance at last AGM	No. of other Directorship(s)*	No. of Membership(s) [including Chairmanship(s)] of Board Committees of other companies**
1	Nakul Anand	Chairman & Non-Executive Director	4	Yes	8	1
2	Anil Baijal	Non-Executive Independent Director	2	No	4	2 (including 1 as Chairman)
3	H P Ranina	Non-Executive Independent Director	4	Yes	1	Nil
4	K L Thapar	Non-Executive Independent Director	4	Yes	Nil	Nil
5	O P Vaish	Non-Executive Independent Director	3	No	5	3 (including 1 as Chairman)
6	Anil Rajput	Non-Executive Director	2	Yes	Nil	Nil
7	S C Sekhar	Non-Executive Director	4	Yes	8 (including 1 as Managing Director)	5 (including 2 as Chairman)
8	Jehangir J Ghadiali	Managing Director	4	Yes	Nil	Nil

\* Excludes Directorships in Indian Private Limited Companies & Foreign Companies, Membership of Managing Committees of Chambers of Commerce/ Professional Bodies and Alternate Directorship.

\*\* Represent Membership/Chairmanship of Audit Committee and/ or Investors Grievance Committee of Indian Public Limited Companies.

### COMMITTEES OF THE BOARD

The Board of Directors have constituted three Committees of the Board - the Audit Committee, the Investor Services Committee and the Nominations & Remuneration Committee. The terms of reference of the Board Committees are determined by the Board from time to time. Meetings of each Board Committee are convened by the respective Committee Chairman. Signed minutes of Board Committee meetings are placed for the information of the Board. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

#### A. AUDIT COMMITTEE

The Audit Committee of the Board, inter alia, provides reassurance to the Board on the existence of an effective internal control environment that ensures:

- efficiency and effectiveness of the operations;
- safeguarding of assets and adequacy of provisions for all liabilities;

- reliability of financial and other management information and adequacy of disclosures;
- compliance with all relevant statutes.

The Audit Committee is empowered, pursuant to its terms of reference, inter alia, to:

- investigate any activity within its terms of reference and to seek any information it requires from any employee;
- obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

The role of the Committee includes the following:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending the appointment and removal of external auditors, fixation of audit fee and approval of payment of fees for any other services rendered by the auditors;

# International Travel House Limited

## REPORT ON CORPORATE GOVERNANCE

- Reviewing with the management the financial statements before submission to the Board, focusing primarily on:
  - Any changes in accounting policies and practices
  - Major accounting entries based on exercise of judgement by management
  - Qualifications, if any, in draft audit report
  - Significant adjustments arising out of audit
  - The going concern assumption
  - Compliance with Accounting Standards
  - Compliance with Stock Exchange and legal requirements concerning financial statements
  - Related party transactions
  - Report of the Directors & Management Discussion and Analysis:
- Reviewing with the management, external and internal auditors, the adequacy of internal control systems and the Company's statement on the same prior to endorsement by the Board;
- Reviewing the adequacy of the internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
- Reviewing reports of internal audit and discussion with internal auditors on any significant findings and follow-up thereon;
- Reviewing the findings of any internal investigations by the internal auditors and the executive management's response on matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with external auditors, before the audit commences, on nature and scope of audit, as well as after conclusion of the audit, to ascertain any areas of concern and review the comments contained in their management letter;
- Reviewing the Company's financial and risk management policies;
- Looking into the reasons for substantial defaults, if any, in payment to shareholders (in case of non payment of declared dividends) and creditors;
- Considering such other matters as may be required by the Board;
- Reviewing any other areas which may be specified as role of the Audit Committee under the Listing Agreement, Companies Act and other statutes, as amended from time to time.

### Composition

The Audit Committee presently comprises four Non-Executive Directors, three of whom are Independent Directors. The Chairman of the Committee is an Independent Director. The Managing Director, the Chief Financial Officer, the Head of Internal Audit and the representative of the Statutory Auditors are Invitees to the Audit Committee, and the Company Secretary is the Secretary to the Committee.

All members of the Committee are financially literate and two members have accounting and financial management expertise. The names of the members of the Audit Committee, including its Chairman, are provided under the section 'Board of Directors & Committees' in the Report and Accounts.

### Meetings and Attendance

During the financial year ended 31st March, 2013, four meetings of the Audit Committee were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	27th April, 2012	4	3
2	13th August, 2012	4	4
3	6th November, 2012	4	4
4	6th February, 2013	4	4

Attendance at Audit Committee Meetings held during the financial year:

Director	No. of meetings attended
K L Thapar	4
H P Ranina	4
S C Sekhar	4
O P Vaish	3

## B. INVESTOR SERVICES COMMITTEE

The Investor Services Committee of the Board oversees redressal of shareholder and investor grievances, and, inter alia, approves sub-division/ transmission of shares, issue of duplicate share certificates etc.

### Composition

The Investor Services Committee presently comprises three Directors, two of whom are Non-Executive Directors. The Chairman of the Committee is an Independent Director.

# International Travel House Limited

## REPORT ON CORPORATE GOVERNANCE

The names of the members of the Investor Services Committee, including its Chairman, are provided under the section 'Board of Directors & Committees' in the Report and Accounts.

### Meetings and Attendance

During the financial year ended 31st March, 2013, four meetings of Investor Services Committee were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	27th April, 2012	3	2
2	13th August, 2012	3	3
3	6th November, 2012	3	3
4	6th February, 2013	3	3

Attendance at Investor Services Committee Meetings held during the financial year:

Director	No. of meetings attended
O P Vaish	3
Jehangir J Ghadiali	4
S C Sekhar	4

## C. NOMINATIONS & REMUNERATION COMMITTEE

The Nominations & Remuneration Committee of the Board, inter alia, recommends to the Board of Directors the compensation terms of the Managing Director and the senior most level of management immediately below the Managing Director. It also makes recommendations to the Board regarding top level successions and appointments viz. the membership of the Board, the Corporate Management Committee and the senior most level of executive management one level below the Board.

### Composition

The Nominations & Remuneration Committee comprises all Non-Executive Directors. The Chairman of the Company is the Chairman of this Committee.

The names of the members of the Nominations & Remuneration Committee, including its Chairman, are provided under the section 'Board of Directors & Committees' in the Report and Accounts.

### Meetings and Attendance

During the financial year ended 31st March, 2013, two meetings of Nominations & Remuneration Committee were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	6th November, 2012	7	7
2	6th February, 2013	7	6

Attendance at Nominations & Remuneration Committee Meetings held during the financial year:

Director	No. of meetings attended
Nakul Anand	2
Anil Baijal	2
Anil Rajput	1
H P Ranina	2
S C Sekhar	2
K L Thapar	2
O P Vaish	2

### Remuneration Policy

The Company's remuneration strategy aims at attracting and retaining high calibre talent. The remuneration policy, therefore, is market-led and takes into account the competitive circumstance of each business so as to attract and retain quality talent and leverage performance significantly.

### Remuneration of Directors

The remuneration of the Managing Director is determined by the Board, on the recommendation of the Nominations & Remuneration Committee. The recommendations of the Committee are considered and approved by the Board subject to the approval of the Shareholders and other

# International Travel House Limited

## REPORT ON CORPORATE GOVERNANCE

approvals as may be necessary. The Managing Director is entitled to a Performance Bonus for each financial year up to a maximum of 50% of his consolidated salary, as may be determined by the Board on the recommendation of the Nominations & Remuneration Committee.

Non-Executive Directors are entitled to sitting fees for attending meetings of the Board and Committees thereof. The sitting fees as determined by the Board are presently ₹ 7,500/- and ₹ 5,000/- for each meeting of the Board and Committee respectively.

Details of Remuneration paid to the Directors during the financial year ended 31st March, 2013:

(₹ in Lakhs)

Director	Consolidated Salary	Supplementary Allowance	Perquisites and other Benefits	Performance Bonus	Total	Sitting Fees
<b>Executive Director</b>						
Jehangir J Ghadiali	14.92	13.35	15.33	7.29	50.89	-
<b>Non-Executive Directors</b>						
Nakul Anand	-	-	-	-	-	-
Anil Baijal	-	-	-	-	-	0.25
Anil Rajput	-	-	-	-	-	-
H P Ranina	-	-	-	-	-	0.60
S C Sekhar	-	-	-	-	-	-
K L Thapar	-	-	-	-	-	0.60
O P Vaish	-	-	-	-	-	0.63

Presently, the Company does not have a scheme for grant of stock options.

Note: Disclosure with respect to Non-Executive Director - Pecuniary relationship: None

### Directors' Shareholding

Shareholding of the Directors in the Company as on 31st March, 2013:

Director	No. of Equity Shares of ₹10/- each held singly/ jointly
Nakul Anand	100
Anil Baijal	Nil
Jehangir J Ghadiali	Nil
Anil Rajput	Nil
H P Ranina	Nil
S C Sekhar	Nil
K L Thapar	Nil
O P Vaish	Nil

### Service Contracts and Severance Fees

The appointment of the Managing Director is governed by the resolution passed by the Board of Directors and the Shareholders of the Company, which cover the terms and conditions of such appointment read with the rules of the Company. There is no separate provision for payment of severance fee under the resolution governing the appointment of the Managing Director.

### CORPORATE MANAGEMENT COMMITTEE

The primary role of the Corporate Management Committee is strategic management of the Company's businesses within Board approved direction/ framework.

#### Composition

The Corporate Management Committee comprises the Managing Director and three or four key senior members of management. The Managing Director of the Company is the Chairman of this Committee. The composition of

# International Travel House Limited

## REPORT ON CORPORATE GOVERNANCE

the Corporate Management Committee is determined by the Board based on the recommendation of the Nominations & Remuneration Committee.

The names of the members of the Corporate Management Committee, including its Chairman, are provided under the section 'Board of Directors & Committees' in the Report and Accounts.

### Meetings and Attendance

During the financial year ended 31st March, 2013, twelve meetings of the Corporate Management Committee were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	3rd April, 2012	4	4
2	7th May, 2012	4	3
3	30th May, 2012	4	4
4	24th July, 2012	4	4
5	25th July, 2012	4	4
6	7th September, 2012	4	4
7	10th October, 2012	4	4
8	30th October, 2012	4	4
9	29th November, 2012	3	3
10	28th December, 2012	3	3
11	29th January, 2013	3	3
12	6th March, 2013	3	3

Attendance at Corporate Management Committee Meetings held during the financial year:

Member	No. of meetings attended
Jehangir Jal Ghadiali	12
Ghanshyam Arora	11
Sidhartha Roy*	8
Raghupati Wahi	12

\* Retired on 10th November, 2012.

### DISCLOSURES

- Materially significant related party transactions which may have potential conflict with the interests of the Company at large:

**None**

- Details of non-compliances, penalties, strictures by Stock Exchanges/ SEBI/ Statutory Authorities on any matter related to capital markets during the last three years:

**None**

- Inter-se relationships between Directors of the Company:

**None**

- Material financial and commercial transactions of senior management, where they may have had personal interest, and which had potential conflict with the interests of the Company at large;

**None**

- The Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under Clause 49 of the Listing Agreement with Stock Exchanges.

### MEANS OF COMMUNICATION

Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance. Towards this end, the quarterly results of the Company were announced within forty five days of the end of each quarter for the first three quarters. The audited annual results alongwith the results for the fourth quarter were announced within sixty days of the end of the financial year. Such results are normally published in 'The Financial Express' (all editions) and in a vernacular newspaper, 'Jansatta' from New Delhi. All these results, including the entire Report and Accounts, information relating to shareholding pattern, compliance with corporate governance norms etc. are posted on Company's website [www.travelhouseindia.com](http://www.travelhouseindia.com).

The Report of the Directors, forming part of the Report and Accounts, includes all aspects of the Management Discussion and Analysis Report.

### ITH CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The ITH Code of Conduct for Prevention of Insider Trading, as approved by the Board of Directors, inter alia, prohibits purchase/ sale of securities of the Company by Directors and employees while in possession of unpublished price sensitive information in relation to the Company. The said Code is available on the Company's website.

### ITHL CODE OF CONDUCT

The ITHL Code of Conduct, as adopted by the Board of Directors, is applicable to Directors, senior management and employees of the Company. The Code is derived from three interlinked fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary personal conduct. The Code covers ITHL's commitment to sustainable development, concern for occupational health, safety and environment, transparency and auditability, legal compliance and the philosophy of leading by personal example. The Code is available on the Company's website.

#### Declaration as required under Clause 49 of the Listing Agreement

All Directors and senior management of the Company have affirmed compliance with the ITHL Code of Conduct for the financial year ended 31st March, 2013.

New Delhi  
25th April, 2013

Jehangir J Ghadiali  
Managing Director

### NON-MANDATORY RECOMMENDATIONS UNDER CLAUSE 49 OF THE LISTING AGREEMENT

The status of compliance with the non-mandatory recommendations of Clause 49 of the Listing Agreement with Stock Exchanges is provided below:

- 1. Non-Executive Chairman's Office:** The Company has a Non-Executive Chairman but he does not maintain any separate office, hence no expense in this regard is being incurred by the Company.
- 2. Tenure of Independent Directors:** No maximum tenure for Independent Directors has been prescribed by the Board.
- 3. Remuneration Committee:** The Company has a 'Nominations and Remuneration Committee', comprising of all the Directors except the Managing Director. The Chairman of the Company is the Chairman of this Committee.
- 4. Shareholder Rights:** The quarterly, half-yearly and annual financial results of the Company are published in newspapers on an all India basis and are also posted

on the Company's website [www.travelhouseindia.com](http://www.travelhouseindia.com). The complete Annual Report is sent to every Shareholder of the Company.

- 5. Audit Qualifications:** It has always been the Company's endeavour to present unqualified financial statements. There are no audit qualifications in the Company's financial statements for the year ended 31st March, 2013.
- 6. Training of Board Members:** The Board is equipped to perform its role of business assessment through inputs from time to time. Directors are fully briefed on all business related matters, risk assessment & minimisation procedures, and new initiatives proposed by the Company.
- 7. Mechanism for evaluation of Non-Executive Directors:** The role of the Board of Directors is to provide direction and exercise overall supervision to ensure that the Company is managed in a manner that fulfills stakeholder's aspirations and societal expectations. The Company does not have any formal system for evaluating Non-Executive Directors.
- 8. Whistle-Blower Policy:** The Company encourages an open door policy where employees have access to the Head of the Business/ Function. In terms of the ITH Code of Conduct, any instance of non-adherence to the Code/ any other observed unethical behaviour is to be brought to the attention of the immediate reporting authority, who is required to report the same to the Head, Human Resources.

### GENERAL SHAREHOLDER INFORMATION

Provided in the 'Shareholder Information' section of the Report and Accounts.

### COMPLIANCE CERTIFICATE OF THE AUDITORS

The Statutory Auditors' Certificate, as stipulated in Clause 49 of the Listing Agreement with Stock Exchanges, that the Company has complied with the conditions of Corporate Governance is annexed to the Report of the Directors & Management Discussion and Analysis.

This Certificate will be forwarded to the Stock Exchanges along with the Annual Report of the Company.

# International Travel House Limited

## SHAREHOLDER INFORMATION

### AGM Details

Date	Tuesday, 3rd September, 2013
Venue	Air Force Auditorium, Subroto Park, New Delhi-110 010
Time	9.30 a.m.
Book Closure Dates	Tuesday, 20th August, 2013 to Tuesday, 3rd September, 2013 (both days inclusive)
Dividend Payment Date	Tuesday, 10th September, 2013

### Registrars & Share Transfer Agents (RTA)

Messrs MCS Limited are the Registrars and Share Transfer Agents of the Company for carrying out share registration and other related activities of the Company.

### Address for Correspondence

MCS Limited  
F-65, 1st Floor  
Okhla Industrial Area, Phase - I, New Delhi - 110 020  
Telephone Nos. : 41406149-52, 41609386  
Facsimile No. : 41709881  
E-mail : admin@mcsdel.com

Shareholders holding shares in the electronic form should address their correspondence, except those related to dividend, to their respective Depository Participants.

### Compliance Officer

Janaki Aggarwal, Company Secretary, is the Compliance Officer under Clause 47 of the Listing Agreement with Stock Exchanges.

### Share Transfer Committee

The Share Transfer Committee of the Company generally meets once in ten days for approving share transfers. The processing activities with respect to requests received for share transfer are completed within 15 days from the date of receipt of request. There were no share transfers pending as on 31st March, 2013. The Committee met 20 times during the financial year.

The Share Transfer Committee comprises the following:

Janaki Aggarwal Company Secretary	Member
Asish Bhattacharjee Vice President, Finance	Member
Raghupati Wahi, Chief Financial Officer	Member

### Dematerialisation of Shares and Liquidity

The shares of the Company are available for trading in dematerialised form under both the Depository Systems in India - NSDL and CDSL. The International Securities Identification Number (ISIN) allotted to the Company's shares under the Depository System is INE262B01016. The annual custody fees for the financial year 2013-14 have been paid to NSDL and CDSL, the Depositories.

As on 31st March, 2013, 75,92,447 shares of the Company, constituting 94.97% of the subscribed and paid-up Share Capital stand dematerialised. The processing activities with respect to requests received for dematerialisation are completed within 15 days.

### Shareholder/ Investor Complaints

The Company attends to Shareholder/ Investor complaints, queries and other correspondence generally within a period of 15 days except where constrained by disputes or legal impediments. There are some pending cases relating to disputes over title to shares in which the Company has been made a party. These cases however are not material in nature.

The Company received 2 complaints during the financial year ended 31st March, 2013 which were duly resolved by the Company.

The e-mail ID earmarked for investor complaints:

investor\_TH@ith.co.in

### Distribution of Shareholding as on 31st March, 2013

No. of Shares Slab	No. of Shareholders		No. of Equity Shares	
	Total	% to Shareholders	Total	% to Share Capital
1-500	12,686	93.94	11,71,418	14.65
501-1000	443	3.28	3,51,520	4.40
1001-2000	203	1.50	2,90,478	3.63
2001-3000	68	0.50	1,76,420	2.21
3001-4000	26	0.19	94,575	1.18
4001-5000	20	0.15	92,551	1.16
5001-10000	31	0.23	2,20,089	2.75
10001-50000	21	0.16	4,32,248	5.41
50001-100000	2	0.02	1,24,752	1.56
100001 & above	4	0.03	50,40,449	63.05
<b>Total</b>	<b>13,504</b>	<b>100.00</b>	<b>79,94,500</b>	<b>100.00</b>

# International Travel House Limited

## SHAREHOLDER INFORMATION

### Categories of Shareholders as on 31st March, 2013

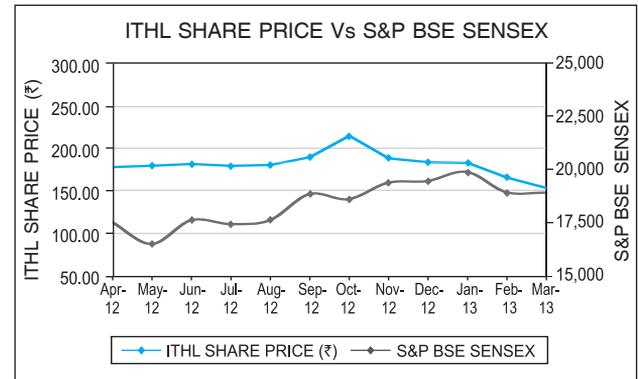
Sl. No.	Category	No. of Shares held	% to Share holding
<b>A Promoters Holding</b>			
1 Indian Promoters			
	ITC Limited	2,87,600	3.60
	Russell Credit Limited	36,26,638	45.36
2 Persons acting in Concert			
	Russell Investments Limited	10,17,663	12.73
	Sub Total	49,31,901	61.69
<b>B Non Promoter Holding</b>			
3 Institutional Investors			
a	Mutual Funds and UTI	Nil	Nil
b	Banks	300	0.01
c	Foreign Institutional Investors	200	0.00
	Sub Total	500	0.01
4 Others			
a	Private Corporate Bodies	2,71,293	3.40
b	Indian Public	25,99,035	32.51
c	NRIs/ OCBs	1,85,622	2.32
d	Any Other	6,149	0.08
	Sub Total	30,62,099	38.30
	<b>Grand Total</b>	<b>79,94,500</b>	<b>100.00</b>

### Monthly High and Low Quotes and Volume of Shares traded on Bombay Stock Exchange (BSE)

Bombay Stock Exchange				
Year	Month	High (₹)	Low (₹)	Volume (Nos.)
2012	April	197.90	176.45	1,53,744
	May	194.00	165.95	73,991
	June	205.95	171.10	1,42,547
	July	187.00	175.00	1,14,871
	August	195.95	177.70	79,822
	September	192.85	176.90	46,445
	October	236.00	189.20	1,47,565
	November	230.00	188.15	79,228
2013	December	205.90	183.35	89,752
	January	190.10	180.00	73,189
	February	188.00	162.00	48,483
	March	169.80	150.00	51,020

Note - There was no trading in the Company's Shares on the Delhi Stock Exchange during the financial year 2012-13.

### Performance in comparison to broad based indices such as S&P BSE SENSEX



Note - Indicates monthly closing positions.

### Listing of Shares on Stock Exchanges with Stock Code

Delhi Stock Exchange Limited (109092)  
 'DSE House', 3/1, Asaf Ali Road, New Delhi- 110 002  
 Telephone no. : 011-46470000/ 80  
 Facsimile no. : 011-46470053/ 54  
 E-mail : contact@dseindia.org.in  
 Website : www.dseindia.org.in

BSE Limited (500213)  
 Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001  
 Telephone no. : 022-22721233/ 34  
 Facsimile no. : 022-22721919  
 Email : is@bseindia.com  
 Website : www.bseindia.com

The Listing Fees for the financial year 2013-2014 have been paid to the aforesaid Stock Exchanges.

### Financial Calendar

Financial Year 2013-2014		
1.	First Quarter Results	14th August, 2013
2.	Second Quarter and Half Year Results	14th November, 2013
3.	Third Quarter Results	14th February, 2014
4.	Fourth Quarter and Annual Results	30th May, 2014

# International Travel House Limited

## SHAREHOLDER INFORMATION

### Particulars of past three AGMs

AGM	Financial Year	Venue	Date	Time	Special Resolution(s) Passed
31st	2011-12	Air Force Auditorium	22-08-12	9.30 a.m.	—
30th	2010-11	Subroto Park New Delhi	06-09-11		—
29th	2009-10	Pin-110 010	10-08-10		<ul style="list-style-type: none"> <li>Appointment of Managing Director</li> </ul>

### Postal Ballot

No special resolution requiring a postal ballot was proposed last year. No special resolution requiring a postal ballot is being proposed for the ensuing AGM.

## SHAREHOLDER REFERENCER

### Unclaimed Dividend

Unclaimed dividend for the years prior to and including the financial year 2004-05 has been transferred to the General Revenue Account of the Central Government/ the Investor Education and Protection Fund established by the Central Government (IEPF), as applicable.

Shareholders who have not encashed their dividend warrant(s) relating to the financial year(s) upto and including 1994-1995 may claim such dividend (transferred to the General Revenue Account) from the Registrar of Companies, NCT of Delhi and Haryana, B- Block, Paryavaran Bhawan, CGO Complex, Lodhi Road, New Delhi -110 003, by applying in the prescribed form, which can be furnished by the Company on request.

The dividend for the undernoted years, if remaining unclaimed for 7 years, will be statutorily transferred by the Company in accordance with the schedule given below, to IEPF. Once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof.

Financial Year	Date of Declaration/ Payment of Dividend	Due for transfer to IEPF on
2005-2006	28th September, 2006	3rd November, 2013*
2006-2007	18th September, 2007	24th October, 2014
2007-2008	21st August, 2008	25th September, 2015
2008-2009	31st August, 2009	7th October, 2016
2009-2010	10th August, 2010	16th September, 2017
2010-2011	6th September, 2011	12th October, 2018
2011-2012	22nd August, 2012	28th September, 2019

\*It will not be possible to entertain claims received by the Company after 1st November, 2013.

Shareholders who have not so far encashed their dividend warrant(s) or have not received the same are requested to seek issue of duplicate warrant(s) by writing to the Company confirming non-encashment/ non-receipt of dividend warrant(s).

### Service of documents through Electronic Mode

In furtherance of the Green Initiative in Corporate Governance announced by the Ministry of Corporate Affairs, Government of India, the Company has sent a communication to all Shareholders requesting them to register their e-mail addresses with the Company for receiving the Report and Accounts, Notices etc. in electronic mode. Shareholders who have not yet registered their e-mail addresses are requested to register the same with the Company. The form for such registration is being sent herewith and can be downloaded from the Company's website under the section 'Investor Relations' in 'Shareholder Value'. The same can also be furnished by the Company on request.

Shareholders who have registered their e-mail addresses with the Company would still be entitled to receive physical copies of the Report and Accounts, Notices etc. on making a specific request for the same to the Company at any point of time.

# International Travel House Limited

## SHAREHOLDER INFORMATION

### Depository Services

Shareholders may write to our RTA or to their respective Depositories for guidance on depository services.

### Address for Correspondence with Depository

National Securities Depository Limited  
Trade World, 'A' Wing, 4th floor, Kamala Mills Compound  
Senapati Bapat Marg, Lower Parel, Mumbai 400 013  
Telephone : 022-24994200  
Facsimile : 022-24976351  
E-mail : info@nsdl.co.in  
Website : www.nsdl.co.in

Central Depository Services(India) Limited  
Phiroze Jeejeebhoy Towers  
17th floor, Dalal Street, Fort, Mumbai 400 001  
Telephone : 022-22723333  
Facsimile : 022-22723199/ 22722072  
E-mail : investors@cdslindia.com  
Website : www.cdslindia.com

### Remittance of Dividend through Electronic Mode

The Company will provide the facility for remittance of dividend to Shareholders through NECS (National Electronic Clearing Service)/ RTGS (Real Time Gross Settlement)/ NEFT (National Electronic Funds Transfer). Shareholders who have not yet availed the NECS/ RTGS/

NEFT facility and wish to avail the same may have their bank details, including MICR (Magnetic Ink Character Recognition) and IFSC (Indian Financial System Code) number updated with their respective Depository Participants (DPs) or RTA where shares are held in the dematerialised form and in the physical form, respectively. A mandate form for such updation can be downloaded from the Company's website [www.travelhouseindia.com](http://www.travelhouseindia.com) and is also being sent herewith.

### Permanent Account Number (PAN)

Shareholders holding shares in the certificate form are advised that it is mandatory to furnish copy of PAN Card in the following cases:

- i) Transferees' PAN Cards for transfer of shares,
- ii) Surviving joint holders' PAN Cards for deletion of name of deceased shareholder,
- iii) Legal heirs' PAN Cards for transmission of shares, and
- iv) Joint holders' PAN Cards for transposition of shares.

### Nomination Facility

Shareholders who hold shares in the certificate form and wish to make any nomination/ change nomination made earlier in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956, are requested to submit to the RTA the prescribed Form 2B for this purpose.

# International Travel House Limited

## REPORT OF THE DIRECTORS & MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2013

Your Directors submit their Report for the financial year ended 31st March, 2013.

### Financial Performance

Your Company recorded an operating income of ₹ 164.33 crores registering a 1% negative growth over last year. Pre and post tax profits decreased by over 6% to ₹ 25.91 crores and ₹ 17.92 crores respectively. Your Company earned ₹ 13.23 crores in foreign exchange and utilised foreign exchange of ₹ 0.38 crores. Details of foreign exchange earnings and outgo are provided in Note 20 to the Financial Statements.

Despite negative growth, your Directors are pleased to recommend a dividend of ₹ 4.25 per Equity Share of ₹ 10/- each for the year ended 31st March, 2013, thereby maintaining last year's dividend and involving a cash outflow of ₹ 3.98 crores, including Dividend Distribution Tax of ₹ 0.58 crores. Your Board further recommends a transfer to the General Reserve of ₹ 1.79 crores. Consequently, your Board recommends leaving an unappropriated balance in the Statement of Profit & Loss of ₹ 84.35 crores (previous year ₹ 72.20 crores).

### Business Environment

Domestic air travel grew an encouraging 18.7% in 2010 and 8% in 2011 but during the calendar year 2012 air traffic declined sharply by nearly 4% year on year.

Pressure on profitability, increasing input costs, regulatory uncertainty, a sluggish Indian economy and a difficult global environment continued to put pressure on India's airlines. Despite a shortage of seat capacity and soaring fares, most airlines continued to be in poor fiscal health.

India's GDP growth fell to 5%, the lowest in a decade. The slowdown in the pace of growth is largely attributable to weakness in Industry which grew by only 3.1% during the year and a 6.6% deceleration in the pace of growth in the Services sector – the key driver of economic growth over the past few years. The uncertain global economy has eventually had an effect on the Indian corporate sector, reflected by a slowdown in the rate of growth and a consequent exercise of prudence and caution concerning expenditure. The Index of Industrial Production (IIP) has been showing a decline in most months of the

financial year under consideration. Hyper inflation continues to be a major cause for concern.

Globally too, the overall economic picture continued to be gloomy and unpredictable.

### Business Operations

Despite the challenging economic conditions and de-growth in domestic travel your Company maintained its aggressive stance in the marketplace to garner its rightful share of the shrinking pie.

Your Company's consolidated billing grew by ₹ 100.20 crores, an increase of 14.28% over the previous year. Individual business verticals which contributed to the billing were corporate travel, meetings incentives conventions exhibitions (MICE) and outbound holidays. Transport services suffered a negative growth of 4% over the previous year mainly due to a fall in car rental billings.

Significant inflationary pressure on the cost of fuel and other inputs resulted in operating expenses going up by 8.84% over the previous year. When coupled with diminishing margins, this led to erosion in the profitability of various segments of your Company's business.

Considering the nature of business of your Company, no comment is required on conservation of energy and technology absorption.

Your Company continues to pursue and invest in its strategy of creating a best-in-class technology platform to deliver a differentiating experience to the customer while ensuring uniformity of work processes at its multiple locations.

Phase I of your Company's project for creating a sophisticated IT based integrated platform progressed well during the year and a few modules are up and running while others are at an advanced stage of development. This platform, once fully implemented, shall radically transform the manner in which your Company conducts its business.

### Awards & Recognition

Your Company received Performance Excellence awards from Singapore Airlines, British Air, Lufthansa German Airlines and Air Mauritius.

# International Travel House Limited

## REPORT OF THE DIRECTORS & MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2013

### Human Resource Development

Recognising the fact that in today's world dedicated and skilled manpower is a scarce commodity, your Company's commitment to nurturing and retaining talent continues unabated. The total number of employees as on 31st March, 2013 stood at 747.

The satisfactory results shown by your Company in these trying times are because of the sincere and concerted efforts of all your Company's employees and your Directors place on record their sincere appreciation of these efforts during the year under review.

### Directors

The Board of Directors at its meeting held on 6th February, 2013, reappointed, subject to the approval of the Members, Mr Jehangir J Ghadiali as the Managing Director of the Company for a period of two years effective 17th February, 2013. The resolution seeking your approval to such appointment appears in the Notice convening the 32nd Annual General Meeting of the Company.

In accordance with the provisions of Article 143 and 144 of the Articles of Association of the Company, Mr Krishan Lal Thapar, Mr Om Prakash Vaish and Mr Homi Phiroze Ranina will retire by rotation at the ensuing Annual General Meeting of your Company and being eligible, offer themselves for re-appointment. The Board has recommended their re-appointment.

### Particulars of Employees

None of the employees fall under the purview of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

### Auditors

The Company's Auditors, Messrs S R Batliboi & Associates LLP, Chartered Accountants (earlier known as Messrs S R Batliboi & Associates), retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

### Other Information

The certificate of the Auditors, Messrs S R Batliboi & Associates LLP confirming compliance of conditions

of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India is annexed.

The Audit Committee of the Company reviewed the Financial Statements for the year under review at its meeting held on 25th April, 2013 and recommended them for the approval of the Board of Directors.

### Directors' Responsibility Statement

As required under Section 217 (2AA) of the Companies Act, 1956, your Directors confirm having:

- (i) followed in the preparation of the Annual Accounts the applicable accounting standards with proper explanation relating to material departures if any;
- (ii) selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit of the Company for that period;
- (iii) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities; and
- (iv) prepared the Annual Accounts on a going concern basis.

### Future Prospects

The Indian economy has slowed down and is not expected to show a GDP growth of more than 5% during 2013-14. At the same time, inflation will probably continue to be a matter of concern.

Meanwhile, the economic problems in the Eurozone are far from over. The shadow of this uncertainty is unlikely to recede during the coming financial year.

Domestic air fares are likely to be higher by about 5-10% and could result in a further slowdown in air travel.

Outbound traffic from India continues to show a healthy growth with some 15.5 million Indians travelling abroad during the past year. According to the World Tourism Organisation, India's annual outbound traffic

## International Travel House Limited

### REPORT OF THE DIRECTORS & MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2013

should touch 50 million persons by 2020 and account for an annual spend of approximately US\$ 28 billion by then. Naturally, a fair share of this would be on account of corporate travel and incentive tours, where your Company is well represented.

From a long term perspective, on one hand, the Indian economy continues to have a great potential for growth and on the other, the travel and tourism industry has been recognised as having the fastest growth rate in the world. Your Company is distinctly poised to take advantage of emerging trends as soon as economic indices start improving. Many Indian states have commenced efforts to improve their tourism infrastructure and this is likely to have beneficial effects before long.

During 2013-14 your Company shall roll out Phase I of the IT based technology platform (ITH SMART)

across all its operational branches. Phase II of the programme, which comprises of the self-booking tool would be available for your Company's customers towards the end of the year. Based upon this, an integrated platform for distributing your Company's services to retail and individual customers would be developed. This would ensure that your Company continues to occupy its rightful place as a major player in the Industry and is able to exploit future growth opportunities.

On behalf of the Board

Jehangir Jal Ghadiali  
Managing Director

Chandrasekhar Subrahmoneyan  
Director

Place : New Delhi

Dated : 25th April, 2013

### CERTIFICATE OF COMPLIANCE FROM AUDITORS AS STIPULATED UNDER CLAUSE 49 OF THE LISTING AGREEMENT OF THE STOCK EXCHANGES IN INDIA

#### CERTIFICATE

To the Members of International Travel House Limited

We have examined the compliance of conditions of Corporate Governance by International Travel House Limited, for the year ended on March 31, 2013, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

for S R Batliboi & Associates LLP  
ICAI Firm Registration No. : 101049W  
Chartered Accountants

Place : Gurgaon  
Date : 25th April, 2013

per Yogesh Midha  
Partner  
Membership No. 94941

## International Travel House Limited

### CEO AND CFO CERTIFICATION

#### UNDER CLAUSE 49 (V) OF THE LISTING AGREEMENT

We, Jehangir Jal Ghadiali, Managing Director and Raghupati Wahi, Chief Financial Officer, responsible for the finance function certify that:

- a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2013 and to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2013 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
  - i) There has not been any significant change in internal control over financial reporting during the year under reference;
  - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

New Delhi  
25th April, 2013

Jehangir Jal Ghadiali  
Managing Director

Raghupati Wahi  
Chief Financial Officer

# International Travel House Limited

## BALANCE SHEET

AS AT 31st MARCH, 2013

	Note	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	7,99,45,000	7,99,45,000
Reserves and Surplus	2	1,09,51,88,680	95,57,60,423
		<u>1,17,51,33,680</u>	<u>1,03,57,05,423</u>
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	3	78,491	2,99,024
Deferred Tax Liabilities (Net)	4	38,64,103	34,95,066
Other Long-Term Liabilities	5	3,45,45,453	2,65,15,152
Long-Term Provisions	6	1,77,98,946	1,60,89,628
		<u>5,62,86,993</u>	<u>4,63,98,870</u>
<b>Current Liabilities</b>			
Trade Payables		38,86,48,895	38,35,34,732
Other Current Liabilities	7	8,71,45,639	7,70,79,033
Short-Term Provisions	8	5,76,14,840	6,48,96,306
		<u>53,34,09,374</u>	<u>52,55,10,071</u>
<b>TOTAL</b>		<u>1,76,48,30,047</u>	<u>1,60,76,14,364</u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	9	28,17,93,561	28,99,06,403
Intangible Assets		1,60,39,332	1,89,09,410
Capital Work-in-progress – Tangible Assets		34,27,716	44,25,204
Intangible Assets under Development		2,01,56,365	52,50,280
		<u>32,14,16,974</u>	<u>31,84,91,297</u>
Non-Current Investments	10	-	-
Long-Term Loans and Advances	11	3,38,45,464	3,49,59,819
		<u>35,52,62,438</u>	<u>35,34,51,116</u>
<b>Current Assets</b>			
Current Investments	10	36,27,94,001	27,32,47,076
Trade Receivables	12	89,19,54,121	83,12,12,702
Cash and Cash Equivalents	13	5,53,50,097	5,48,40,395
Short-Term Loans and Advances	14	9,94,69,390	9,48,63,075
		<u>1,40,95,67,609</u>	<u>1,25,41,63,248</u>
<b>TOTAL</b>		<u>1,76,48,30,047</u>	<u>1,60,76,14,364</u>

The accompanying notes 1 to 23 are an integral part of the Financial Statements.

In terms of our report of even date

for S R Batliboi & Associates LLP  
ICAI Firm Registration No. : 101049W  
Chartered Accountants

On behalf of the Board

per Yogesh Midha  
Partner  
Membership No. 94941

Jehangir Jal Ghadiali  
Managing Director

Chandrasekhar Subrahmoneyan  
Director

Janaki Aggarwal  
Company Secretary

Place : Gurgaon  
Date : 25th April, 2013

Place : New Delhi  
Date : 25th April, 2013

# International Travel House Limited

## STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31st MARCH, 2013

	Note	For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2012 ₹	For the year ended 31st March, 2012 ₹
<b>REVENUE FROM OPERATIONS</b>					
Sale of Services	15	1,60,02,72,767		1,63,95,73,838	
Other Operating Revenue		4,30,23,546	1,64,32,96,313	1,30,26,156	1,65,25,99,994
<b>OTHER INCOME</b>					
	16		3,30,28,414		2,05,95,894
<b>Total Revenue</b>			<b>1,67,63,24,727</b>		<b>1,67,31,95,888</b>
<b>EXPENSES</b>					
Employee Benefits Expense	17		34,57,22,704		31,43,01,674
Finance Costs	18		3,53,638		8,27,272
Depreciation and Amortisation Expense			11,04,70,740		10,61,21,143
Other Expenses	19		96,06,59,399		97,42,60,703
<b>Total Expenses</b>			<b>1,41,72,06,481</b>		<b>1,39,55,10,792</b>
<b>PROFIT BEFORE TAX</b>			<b>25,91,18,246</b>		<b>27,76,85,096</b>
<b>TAX EXPENSE :</b>					
Current Tax			7,95,70,000		8,70,29,000
Deferred Tax			3,69,037		30,200
<b>PROFIT FOR THE YEAR</b>			<b>17,91,79,209</b>		<b>19,06,25,896</b>
Earnings per Share (Face Value of ₹10/- each)					
Basic	20 (ii)		22.41		23.84
Diluted	20 (ii)		22.41		23.84

The accompanying notes 1 to 23 are an integral part of the Financial Statements.

In terms of our report of even date

for S R Batliboi & Associates LLP  
ICAI Firm Registration No. : 101049W  
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On behalf of the Board

per Yogesh Midha  
Partner  
Membership No. 94941

Jehangir Jal Ghadiali  
Managing Director

Chandrasekhar Subrahmoneyan  
Director

Janaki Aggarwal  
Company Secretary

Place : Gurgaon  
Date : 25th April, 2013

Place : New Delhi  
Date : 25th April, 2013

# International Travel House Limited

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31st MARCH, 2013

	For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2012 ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before Tax	25,91,18,246	27,76,85,096
Adjustments for:		
Depreciation and Amortisation Expense	11,04,70,740	10,61,21,143
Finance Costs	3,53,638	8,27,272
Interest Income	(28,913)	(2,50,224)
Dividend Income from Current Investments	(1,54,79,426)	(1,17,75,993)
Profit on Sale of Fixed Assets - Net	(1,74,99,172)	(84,82,993)
Provision for Doubtful and Bad Debts	12,10,211	10,86,434
Foreign Currency Translation and Transactions - Net	3,61,033	22,717
Liabilities no Longer Required Written Back (included in note 15)	(3,30,14,484)	(93,89,792)
Provision for Wealth Tax	(13,577)	-
<b>Operating Profit Before Working Capital Changes</b>	<b>30,54,78,296</b>	<b>35,58,43,660</b>
Adjustments for:		
Trade Receivables and Loans and Advances	(6,49,26,193)	(9,60,66,915)
Trade Payables, Other Liabilities and Provisions	5,66,79,408	3,64,31,954
<b>Cash Generated from Operations</b>	<b>29,72,31,511</b>	<b>29,62,08,699</b>
Income Tax Paid	(8,72,14,103)	(7,83,39,001)
<b>Net Cash Flow From Operating Activities</b>	<b>21,00,17,407</b>	<b>21,78,69,698</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(11,82,19,536)	(10,71,49,913)
Sale of Fixed Assets	2,23,22,291	1,02,29,915
Purchase of Current Investments	(1,38,54,79,427)	(1,45,68,41,103)
Sale/ Redemption of Current Investments	1,29,59,32,504	1,36,37,81,239
Dividend Income from Current Investments Received	1,54,79,426	1,17,75,993
Interest Received	28,913	2,50,224
<b>Net Cash Used in Investing Activities</b>	<b>(16,99,35,829)</b>	<b>(17,79,53,645)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Long Term Borrowings	(1,99,769)	(95,02,850)
Interest Paid	(3,53,638)	(8,27,272)
Net increase in Statutory Restricted Accounts Balances	4,15,523	4,95,966
Dividend Paid	(3,39,76,625)	(3,03,79,100)
Income Tax on Dividend Paid	(55,11,858)	(49,28,249)
<b>Net Cash Used in Financing Activities</b>	<b>(3,96,26,367)</b>	<b>(4,51,41,505)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>4,55,211</b>	<b>(52,25,452)</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>5,08,64,671</b>	<b>5,60,90,123</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>5,13,19,882</b>	<b>5,08,64,671</b>

# International Travel House Limited

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31st MARCH, 2013

For the year ended  
31st March, 2013  
₹

For the year ended  
31st March, 2012  
₹

### Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard – 3 on Cash Flow Statements.
2. CASH AND CASH EQUIVALENTS:

Cash and Cash Equivalents as above	<b>5,13,19,882</b>	5,08,64,671
Unrealised Gain on Foreign Currency Cash and Cash Equivalents	<b>(3,83,750)</b>	(22,717)
Balances in Statutory Restricted Accounts	<b>44,13,965</b>	39,98,441
Cash and Cash Equivalents (Note 13)	<b><u>5,53,50,097</u></b>	<u>5,48,40,395</u>

The accompanying notes 1 to 23 are an integral part of the Financial Statements.  
In terms of our report of even date

for S R Batliboi & Associates LLP  
ICAI Firm Registration No. : 101049W  
Chartered Accountants

On behalf of the Board

per Yogesh Midha  
Partner  
Membership No. 94941

Jehangir Jal Ghadiali  
Managing Director

Chandrasekhar Subrahmoneyan  
Director

Janaki Aggarwal  
Company Secretary

Place: Gurgaon  
Date: 25th April, 2013

Place : New Delhi  
Date : 25th April, 2013

# International Travel House Limited

## NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2013 (No. of Shares)	As at 31st March, 2013 ₹	As at 31st March, 2012 (No. of Shares)	As at 31st March, 2012 ₹
<b>I. SHARE CAPITAL</b>				
<b>Authorised</b>				
Equity Shares of ₹10/- each	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
Redeemable Cumulative Preference Shares of ₹100/- each	2,00,000	2,00,00,000	2,00,000	2,00,00,000
<b>Total</b>	<b>1,02,00,000</b>	<b>12,00,00,000</b>	<b>1,02,00,000</b>	<b>12,00,00,000</b>
<b>Issued</b>				
Equity Shares of ₹10/- each, fully paid	80,00,000	8,00,00,000	80,00,000	8,00,00,000
<b>Subscribed</b>				
Equity Shares of ₹10/- each fully paid	79,94,500	7,99,45,000	79,94,500	7,99,45,000
<b>Total</b>	<b>79,94,500</b>	<b>7,99,45,000</b>	<b>79,94,500</b>	<b>7,99,45,000</b>

### a. Reconciliation of the number of equity shares outstanding

At the beginning of the year	79,94,500	7,99,45,000	79,94,500	7,99,45,000
Add: Issued during the year	-	-	-	-
<b>As at the end of the year</b>	<b>79,94,500</b>	<b>7,99,45,000</b>	<b>79,94,500</b>	<b>7,99,45,000</b>

### b. Shareholders holding more than 5% of the equity shares in the Company

	As at 31st March, 2013 (No. of Shares)	As at 31st March, 2013 %	As at 31st March, 2012 (No. of Shares)	As at 31st March, 2012 %
Russell Credit Limited	36,26,638	45.36	36,26,638	45.36
Russell Investment Limited	10,17,663	12.73	10,17,663	12.73

### c. Rights, preferences and restrictions attached to the equity shares

The Equity Shares of the Company, having par value of ₹10/- per share, rank *pari passu* in all respects including voting rights and entitlement to dividend.

# International Travel House Limited

## NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2013 ₹	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹	As at 31st March, 2012 ₹
<b>2. RESERVES AND SURPLUS</b>				
<b>Capital Reserve</b>				
At the beginning and at the end of the year		<u>31,52,525</u>		<u>31,52,525</u>
		31,52,525		31,52,525
<b>Securities Premium Account</b>				
At the beginning and at the end of the year		<u>11,85,59,230</u>		<u>11,85,59,230</u>
		11,85,59,230		11,85,59,230
<b>General Reserve</b>				
At the beginning of the year	11,20,18,917		9,29,55,917	
Add: Transfer from Surplus in Statement of Profit & Loss	<u>1,79,18,000</u>	<u>12,99,36,917</u>	<u>1,90,63,000</u>	<u>11,20,18,917</u>
At the end of the year		12,99,36,917		11,20,18,917
<b>Surplus in Statement of Profit and Loss</b>				
At the beginning of the year	72,20,29,751		58,99,55,338	
Add: Profit for the year	17,91,79,209		19,06,25,896	
Less: Transfer to General Reserve	1,79,18,000		1,90,63,000	
Proposed Dividend [₹4.25 (2012 – ₹4.25) per share]	3,39,76,625		3,39,76,625	
Income Tax on Proposed Dividend	<u>57,74,327</u>	<u>84,35,40,008</u>	<u>55,11,858</u>	<u>72,20,29,751</u>
At the end of the year		84,35,40,008		72,20,29,751
<b>Total</b>		<u>1,09,51,88,680</u>		<u>95,57,60,423</u>

### 3. LONG-TERM BORROWINGS

#### Secured

From others	<u>78,491</u>	<u>2,99,024</u>
<b>Total</b>	<u>78,491</u>	<u>2,99,024</u>

Vehicle Loans from Non Banking Financial Company was taken during the financial year 2010–11 and carries interest @10.50% p.a. The Loan is repayable in 48 monthly installments of ₹ 20,032/- each including interest, from the date of loan. The loan is secured by hypothecation of vehicles of the Company.

As at Balance Sheet date 16 installments (2012 – 28 installments) were outstanding.

	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
<b>4. DEFERRED TAX LIABILITIES (NET)</b>		
<b>Deferred Tax Liabilities</b>		
On Fiscal Allowances on Fixed Assets	<u>1,66,06,374</u>	<u>1,51,39,810</u>
	1,66,06,374	1,51,39,810
<b>Deferred Tax Assets</b>		
On Employees' Separation and Retirement etc.	3,95,567	6,49,053
On Provision for Doubtful Debts/ Advances	33,07,961	30,67,133
Other Timing Differences	<u>90,38,743</u>	<u>79,28,558</u>
	1,27,42,271	1,16,44,744
<b>Total</b>	<u>38,64,103</u>	<u>34,95,066</u>

# International Travel House Limited

## NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
<b>5. OTHER LONG-TERM LIABILITIES</b>		
Advance received from Customers/ Suppliers	3,45,45,453	2,65,15,152
<b>Total</b>	<u>3,45,45,453</u>	<u>2,65,15,152</u>
<b>6. LONG TERM PROVISIONS</b>		
<b>Provisions for Employee Benefits</b>		
Retirement Benefits	26,40,093	24,77,536
Other Long Term Benefits	1,51,58,853	1,36,12,092
<b>Total</b>	<u>1,77,98,946</u>	<u>1,60,89,628</u>
<b>7. OTHER CURRENT LIABILITIES</b>		
Current Maturities of Long Term Debt	2,20,533	1,99,769
Unclaimed Dividend *	44,13,965	39,98,441
Other Payables	8,25,11,141	7,28,80,823
<b>Total</b>	<u>8,71,45,639</u>	<u>7,70,79,033</u>
* Represents dividend amounts either not claimed or kept in abeyance in accordance with Section 206A of the Companies Act, 1956, or such amounts which are subject matter of pending legal disputes.		
<b>Other Payables Comprise:</b>		
Statutory Liabilities	43,69,694	45,97,236
Advances received from customers/ suppliers	6,43,71,507	5,72,84,193
Others	1,37,69,940	1,09,99,394
<b>Total</b>	<u>8,25,11,141</u>	<u>7,28,80,823</u>
<b>8. SHORT TERM PROVISIONS</b>		
Current portion of Long-Term Employee Benefits		
Retirement Benefits	14,19,980	22,70,473
Other Long-Term Benefits	7,94,312	3,61,046
Current Taxation (net of advance payment)	87,51,496	1,58,78,204
Fringe Benefits Tax (net of advance payment)	68,98,100	68,98,100
Proposed Dividend	3,39,76,625	3,39,76,625
Income Tax on Proposed Dividend	57,74,327	55,11,858
<b>Total</b>	<u>5,76,14,840</u>	<u>6,48,96,306</u>

9. FIXED ASSETS

Particulars	GROSS BLOCK			DEPRECIATION AND AMORTISATION			NET BLOCK			
	As at 31/03/2012	Additions and Adjustments	Withdrawals and Adjustments	As at 31/03/2013	Upto 31/03/2012	For the Year	On Withdrawals and Adjustments	Upto 31/03/2013	As at 31/03/2013	As at 31/03/2012
<b>Tangible Assets</b>										
Buildings										
Free hold	42,72,589	-	-	42,72,589	4,81,818	69,643	-	5,51,461	37,21,128	37,90,771
Lease hold	2,49,54,702	-	-	2,49,54,702	58,00,559	4,06,762	-	62,07,321	1,87,47,381	1,91,54,143
Total Buildings	2,92,27,291	-	-	2,92,27,291	62,82,377	4,76,405	-	67,58,782	2,24,68,509	2,29,44,914
Plant & Equipment	5,93,95,146	51,86,507	36,04,138	6,09,77,515	4,16,38,497	46,49,873	35,31,132	4,27,57,238	1,82,20,277	1,77,56,649
Furniture & Fixtures	1,59,40,251	39,500	1,28,157	1,58,51,594	1,11,90,773	5,47,039	1,24,375	1,16,13,437	42,38,157	47,49,478
Motor Vehicles (Commercial)	53,12,35,835	9,40,13,376	9,76,49,411	52,75,99,800	30,62,02,636	9,43,89,025	9,34,55,939	30,71,35,722	22,04,64,078	22,50,33,199
Motor Vehicles (Non-Commercial)	1,68,39,718	20,33,897	11,17,301	1,77,56,314	87,42,428	25,80,401	6,14,054	1,07,08,775	70,47,539	80,97,290
Office Equipment	1,82,37,779	4,43,932	1,88,429	1,84,93,282	89,44,529	15,43,159	1,38,817	1,03,48,871	81,44,411	92,93,250
Improvements to Rented/ Leased Premises	2,28,28,215	-	78,330	2,27,49,885	2,07,96,592	8,21,033	78,330	2,15,39,295	12,10,590	20,31,623
Capital Work in progress	69,37,04,235	10,17,17,212	10,27,65,766	69,26,55,681	40,37,97,832	10,50,06,935	9,79,42,647	41,08,62,120	28,17,93,561	28,99,06,403
	44,25,204	1,00,000	10,97,488	34,27,716					34,27,716	44,25,204
<b>Total</b>	<b>6,981,29,439</b>	<b>10,18,17,212</b>	<b>10,38,63,254</b>	<b>6,960,83,397</b>	<b>40,37,97,832</b>	<b>10,50,06,935</b>	<b>9,79,42,647</b>	<b>41,08,62,120</b>	<b>28,52,21,277</b>	<b>29,43,31,607</b>
Previous Year	64,62,33,966	10,02,63,497	4,83,68,024	69,81,29,439	34,59,37,423	10,09,30,865	4,30,70,456	40,37,97,832	29,43,31,607	
<b>Intangible Assets (Acquired)</b>										
Computer Software	3,71,55,686	25,93,727	-	3,97,49,413	1,82,46,276	54,63,805	-	2,37,10,081	1,60,39,332	1,89,09,410
	3,71,55,686	25,93,727	-	3,97,49,413	1,82,46,276	54,63,805	-	2,37,10,081	1,60,39,332	1,89,09,410
Intangible Assets under development	52,50,280	1,49,06,085	-	2,01,56,365					2,01,56,365	52,50,280
<b>Total</b>	<b>4,24,05,966</b>	<b>1,74,99,812</b>	<b>-</b>	<b>5,99,05,778</b>	<b>1,82,46,276</b>	<b>54,63,805</b>	<b>-</b>	<b>2,37,10,081</b>	<b>3,61,95,697</b>	<b>2,41,59,690</b>
Previous Year	3,19,68,904	1,05,87,062	1,50,000	4,24,05,966	1,30,55,998	51,90,278	-	1,82,46,276	2,41,59,690	

# International Travel House Limited

## NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
<b>10. NON CURRENT INVESTMENTS</b>	<b>Unquoted</b>	<b>Unquoted</b>
(At cost unless stated otherwise)		
<b>Long-Term</b>		
Investment in Equity Instruments (Non Trade)		
Transglobal Impex Limited		
58,800 (2012 – 58,800) Equity Shares of ₹10/- each, fully paid	<u>5,88,000</u>	<u>5,88,000</u>
<b>Total Non-Current Investments</b>	<b>5,88,000</b>	<b>5,88,000</b>
Less: Provision for other than temporary diminution	<u>5,88,000</u>	<u>5,88,000</u>
<b>Total</b>	<u>-</u>	<u>-</u>
<b>CURRENT INVESTMENTS</b>	<b>Unquoted</b>	<b>Unquoted</b>
(At lower of cost and fair value)		
<b>Investment in Mutual Funds</b>		
HDFC Cash Management Fund – Savings Plan – Daily Dividend Reinvestment Nil (2012 – 51,74,542.751) Units of ₹10.00 each	-	5,50,38,507
JPLDI JP Morgan India Liquid Fund Super Institutional Daily Dividend Plan – Reinvestment 1,91,55,481.490 (2012 – 2,03,01,807.114) Units of ₹10.00 each	<b>19,17,06,144</b>	20,31,78,455
Birla Sun Life Floating Rate Fund – STP IP Daily Dividend – Reinvestment 2,56,852.592 (2012 – 1,50,271.081) Units of ₹100.00 each	<b>2,56,90,397</b>	1,50,30,114
Reliance Liquid Fund – Treasury Plan Daily Dividend Reinvestment 65,555.913 (2012 – Nil) Units of ₹1,000.00 each	<b>10,02,17,950</b>	-
Kotak Floater Short Term – Daily Dividend Reinvestment 44,660.554 (2012 – Nil) Units of ₹1,000.00 each	<b>4,51,79,510</b>	-
<b>Total Current Investments</b>	<u><b>36,27,94,001</b></u>	<u><b>27,32,47,076</b></u>

# International Travel House Limited

## NOTES TO THE FINANCIAL STATEMENTS

	As at 31/03/2013 ₹	As at 31/03/2013 ₹	As at 31/03/2012 ₹	As at 31/03/2012 ₹
<b>11. LONG-TERM LOANS AND ADVANCES</b>				
<b>Security Deposits</b>				
Unsecured, Considered Good		73,48,586		98,27,401
Advances recoverable in cash and kind		-		13,400
<b>Other Loans and Advances</b>				
Unsecured, considered good (Comprise Loans to Employees, Prepaid Expenses)		19,96,686		11,36,221
Advance Tax (net of provisions)	2,36,72,292		2,31,54,897	
Fringe Benefit Tax (net of provisions)	8,27,900	2,45,00,192	8,27,900	2,39,82,797
<b>Total</b>		<b>3,38,45,464</b>		<b>3,49,59,819</b>
<b>12. TRADE RECEIVABLES</b>				
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>				
Unsecured, Considered Good		1,64,92,542		1,17,23,571
Doubtful		96,75,855		93,97,026
Less: Provision for Doubtful Receivables		96,75,855		93,97,026
		<b>1,64,92,542</b>		<b>1,17,23,571</b>
<b>Others</b>				
Unsecured, Considered Good		87,54,61,579		81,94,89,131
		<b>87,54,61,579</b>		<b>81,94,89,131</b>
<b>Total</b>		<b>89,19,54,121</b>		<b>83,12,12,702</b>
Trade Receivables includes				
Dues from a Private Limited Company in which a Director is a Director		44,32,543		18,42,185
<b>13. CASH AND CASH EQUIVALENTS</b>				
Balances with Banks				
Current Account		2,54,70,323		1,52,96,398
Earmarked Balances		44,13,965		39,98,441
Cheques, Drafts on Hand		2,44,22,157		3,36,63,683
Cash on Hand		10,43,652		18,81,873
<b>Total</b>		<b>5,53,50,097</b>		<b>5,48,40,395</b>

# International Travel House Limited

## NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
<b>14. SHORT-TERM LOANS AND ADVANCES</b>		
<b>Unsecured - Considered Good unless otherwise stated</b>		
Security Deposits	1,37,07,617	1,08,53,586
Loans and Advances to related party as Security Deposits	8,87,240	8,87,240
<b>Others</b>		
With Statutory Authorities	43,08,662	34,92,990
Commercial Advances and Deposits	6,12,65,786	6,34,92,346
<b>Other Loans and Advances</b>		
(Comprise Loans to Employees, Prepaid Expenses)	1,93,00,085	1,61,36,913
<b>Total</b>	<b>9,94,69,390</b>	<b>9,48,63,075</b>
	<b>For the year ended 31st March, 2013 ₹</b>	<b>For the year ended 31st March, 2012 ₹</b>
<b>15. REVENUE FROM OPERATIONS</b>		
<b>Sale of Services</b>		
Commission		
Air Passage	19,83,81,212	20,81,68,097
Hotel Reservation	6,50,189	9,66,997
Shopping	66,60,360	73,78,619
Management Fees	6,92,35,896	6,51,71,034
Tours	2,32,89,869	2,05,39,100
Transport	1,24,36,38,057	1,27,92,27,371
Foreign Exchange	1,13,71,746	1,30,39,134
Other Travel Related Services	4,70,45,438	4,50,83,486
	<b>1,60,02,72,767</b>	<b>1,63,95,73,838</b>
<b>Other Operating Revenue</b>	<b>4,30,23,546</b>	<b>1,30,26,156</b>
<b>Total</b>	<b>1,64,32,96,313</b>	<b>1,65,25,99,994</b>
<b>16. OTHER INCOME</b>		
<b>Interest Income</b>		
Deposit with Banks	28,913	26,308
Others (from Statutory Authorities etc)	-	2,50,224
<b>Dividend Income</b>		
Unquoted Non Trade Current Investments	1,54,79,426	1,17,75,993
Profit on Fixed Assets Sold/ Discarded (net)	1,74,99,172	84,82,993
Other Non-Operating Income	20,903	60,376
<b>Total</b>	<b>3,30,28,414</b>	<b>2,05,95,894</b>
<b>17. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and Wages	25,26,81,826	23,20,30,838
Contribution to Provident and Other Funds	1,71,47,012	1,68,27,314
Staff Welfare Expenses	7,80,88,745	6,75,48,554
	<b>34,79,17,583</b>	<b>31,64,06,706</b>
Less: Recoveries	21,94,879	21,05,032
<b>Total</b>	<b>34,57,22,704</b>	<b>31,43,01,674</b>

# International Travel House Limited

## NOTES TO THE FINANCIAL STATEMENTS

	For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2012 ₹
<b>18. FINANCE COSTS</b>		
Interest Expense	3,53,638	8,27,272
<b>Total</b>	<b>3,53,638</b>	<b>8,27,272</b>

	For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2012 ₹	For the year ended 31st March, 2012 ₹
<b>19. OTHER EXPENSES</b>				
Car Fuel, Oil & Lubricants		9,55,41,822		9,95,53,418
Rent		3,30,78,519		3,07,71,638
Rates and Taxes		1,08,74,172		1,04,02,289
Insurance		1,02,60,019		79,56,578
Repairs				
Building		21,140		-
Commercial Cars		6,68,13,118		6,60,96,457
Others		1,08,03,889		94,77,969
Advertisement		3,66,590		27,40,576
Business Promotion & Marketing Expenses		20,47,427		29,66,956
Subscription		15,61,716		16,40,113
Travelling and Conveyance		1,49,94,044		1,46,93,428
Postage, Telephone etc.		1,92,10,098		1,83,20,881
Electricity Expenses		1,37,46,468		1,15,73,875
Car Hire Charges		43,86,41,892		46,23,69,208
Service Charges		17,39,54,918		17,26,53,783
Directors' Fees		2,07,500		2,02,500
Doubtful and Bad Debts		12,10,211		10,86,434
Doubtful and Bad Advances Written Off		-		3,75,001
Printing and Stationery		76,55,071		85,42,517
Auditors' Remuneration and Expenses (excluding taxes)				
Audit Fees	13,00,000		13,00,000	
Tax Audit Fees	3,15,000		3,15,000	
Fees for Limited Review	11,95,000		10,65,000	
Certification	95,000		1,39,000	
Reimbursement of Expenses	4,62,748		1,91,085	
Fees for Other Services (as advisory)	-	33,67,748	2,60,027	32,70,112
Legal and Consultancy/ Professional Fees		1,44,69,906		1,57,24,394
Bank and Credit Card Charges		1,90,36,352		1,46,31,313
Information Technology Services		1,89,30,750		1,60,86,807
Net Loss on Foreign Currency Transactions and Translation		2,79,525		1,81,067
Miscellaneous Expenses		35,86,504		29,43,389
<b>Total</b>		<b>96,06,59,399</b>		<b>97,42,60,703</b>

# International Travel House Limited

## NOTES TO THE FINANCIAL STATEMENTS

### 20. ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS

- (i) Contingent Liabilities and Commitments
- a) Contingent Liabilities
- Service tax demand of ₹ 23,61,528/- (2012 - ₹ 23,61,528/-) issued by Commissioner of Service Tax for the period from July, 2003 to March, 2009 for which Company has filed an appeal with Tribunal (Service Tax) and also deposited cumulative amount of ₹ 14,70,000/- (2012 - ₹ 14,70,000/-) under protest.
  - Guarantee outstanding ₹ 1,00,00,000/- (2012 - ₹ 1,00,00,000/-).
- b) Capital commitments (net of capital advances) ₹ 94,14,041/- (2012 - ₹ 1,61,74,518/-).

(ii) Earnings per share	2013	2012
Earnings per share has been computed as under		
(a) Profit for the year	₹ 17,91,79,209 /-	₹ 19,06,25,896 /-
(b) Weighted average number of Equity Shares outstanding	79,94,500	79,94,500
(c) Earnings per share on profit for the year (Face Value of ₹ 10/- per share) Basic and diluted [(a)/(b)]	₹ 22.41	₹ 23.84

- (iii) Trade Receivables include an amount of ₹ 46,70,033/- (2012 - ₹ 46,70,033/-) representing recoverable from certain customers on account of Value added Tax. Management is confident that the same is recoverable either through the process of law or from the said customers.

- (iv) Micro, Small and Medium scale business entities :

There are no Micro, Small and Medium enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at 31st March, 2013. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

- (v) The Company's significant leasing arrangements are in respect of operating leases for premises (residential, office, godowns etc). These leasing arrangements which are not non-cancellable range between 11 months and 5 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as "Rent" under Note 19.

With regard to certain other non-cancellable operating leases for premises, the future minimum rentals are as follows:

	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
Not later than one year	91,000	6,31,500
Later than one year and not later than five years	-	8,47,440
(vi) Expenditure in Foreign Currency during the year Subscription, Entrance Fees, Travel etc.	<u>37,78,768</u>	<u>38,12,891</u>
(vii) Earnings in Foreign Exchange during the year Receipts from Travel & Tours	5,98,95,709	5,69,95,356
Receipt by way of Car Rental Services	7,23,57,588	4,81,52,970
	<u>13,22,53,297</u>	<u>10,51,48,326</u>

- (viii) Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

20. Additional Notes to the Financial Statements (contd.)

(ix) Defined Benefit Plan/ Long Term Compensated Absences—as per Actuarial Valuation as on March 31, 2013 and recognised in the Financial Statements in respect of Employee Benefit Schemes:

	Pension		Gratuity		Leave		Medical	
	Funded	31/03/2012	Funded	31/03/2013	Encashment Unfunded	31/03/2012	Encashment Unfunded	31/03/2013
	₹	₹	₹	₹	₹	₹	₹	₹
<b>a) Components of Employer Expense</b>								
1. Current Service Cost	26,68,927	17,22,622	24,01,200	21,56,954	26,88,880	24,57,623	3,30,363	3,43,938
2. Interest Cost	23,06,899	22,34,827	15,44,072	12,01,388	11,17,851	9,93,475	2,19,803	2,09,667
3. Expected Return on Plan Assets	(23,06,899)	(21,03,367)	(14,95,270)	(11,02,456)	-	-	-	-
4. Curtailment Cost/(Credit)	-	-	-	-	-	-	-	-
5. Settlement Cost/(Credit)	-	-	-	-	-	-	-	-
6. Actuarial Losses/(Gains)	(10,62,548)	(3,34,251)	7,13,774	17,44,587	14,45,528	11,19,098	(4,01,405)	(2,72,743)
7. Total expense recognised in the Statement of Profit & Loss	16,06,379	15,19,831	31,63,776	40,00,473	52,52,259	45,70,196	1,48,761	2,80,862
The Pension and Gratuity Expenses have been recognised in "Contribution to Provident and Other Funds" and Leave Encashment and Medical in "Salaries, Wages and Bonus" and "Staff Welfare Expenses" under Note 17.								
<b>b) Actual Returns</b>	10,20,495	10,24,328	13,33,425	10,92,732	-	-	-	-
<b>c) Net Asset/ (Liability) recognised in Balance Sheet</b>								
1. Present Value of Defined Benefit Obligation	3,14,63,115	2,88,36,241	2,15,58,759	1,81,65,549	1,59,53,165	1,39,73,138	28,96,297	27,47,536
2. Fair Value of Plan Assets	3,14,63,115	2,88,36,241	2,03,94,983	1,61,65,076	-	-	-	-
3. Status [Surplus/ (Deficit)]	-	-	(11,63,776)	(20,00,473)	(1,59,53,165)	(1,39,73,138)	(28,96,297)	(27,47,536)
4. Unrecognised Past Service Cost	-	-	-	-	-	-	-	-
5. Net Asset/ (Liability) recognised in Balance Sheet	-	-	(11,63,776)	(20,00,473)	(1,59,53,165)	(1,39,73,138)	(28,96,297)	(27,47,536)

20. Additional Notes to the Financial Statements (contd.)

	Pension		Gratuity		Leave		Medical	
	Funded	31/03/2012	Funded	31/03/2012	Encashment	Unfunded	Unfunded	Unfunded
	₹	₹	₹	₹	₹	₹	₹	₹
<b>d) Change in Defined Benefit Obligations (DBO)</b>								
1. Present Value of DBO at the Beginning of Period	2,88,36,241	2,62,92,082	1,81,65,549	1,40,95,363	1,16,56,006	27,47,536	24,66,674	
2. Current Service Cost	26,68,927	17,22,622	24,01,200	21,56,954	26,88,880	3,30,363	3,43,938	
3. Interest Cost	23,06,899	22,34,827	15,44,072	12,01,388	11,17,851	2,19,803	2,09,667	
4. Curtailment Cost/(Credit)	-	-	-	-	-	-	-	
5. Settlement Cost/(Credit)	-	-	-	-	-	-	-	
6. Plan Amendments	-	-	-	-	-	-	-	
7. Acquisitions	-	-	-	-	-	-	-	
8. Actuarial (Gains)/Losses	(23,48,952)	(14,13,290)	5,51,929	17,34,863	14,45,528	(4,01,405)	(2,72,743)	
9. Benefits Paid	-	-	(11,03,991)	(10,23,019)	(32,72,232)	-	-	
10. Present Value of DBO at the End of Period	3,14,63,115	2,88,36,241	2,15,58,759	1,81,65,549	1,59,53,165	28,96,297	27,47,536	
<b>e) Change in fair Value of Assets</b>								
1. Plan Assets at the Beginning of Period	2,88,36,241	2,62,92,082	1,61,65,076	1,19,18,448	-	-	-	
2. Acquisition Adjustment	-	-	-	-	-	-	-	
3. Expected Return on Plan Assets	23,06,899	21,03,367	14,95,270	11,02,456	-	-	-	
4. Actuarial Gains/(Losses)	(12,86,404)	(10,79,039)	(1,61,845)	(9,724)	-	-	-	
5. Actual Company Contributions	16,06,379	15,19,831	40,00,473	41,76,915	-	-	-	
6. Benefits Paid	-	-	(11,03,991)	(10,23,019)	-	-	-	
7. Plan Assets at the End of Period	3,14,63,115	2,88,36,241	2,03,94,983	1,61,65,076	-	-	-	
<b>f) Actuarial Assumptions</b>								
1. Discount Rate (%)	8.00	8.50	8.00	8.50	8.00	8.50	8.50	
2. Expected Return on Plan Assets (%)	8.00	8.00	9.25	9.25	-	-	-	

The estimates of future salary increases, considered in actuarial valuations take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

20. Additional Notes to the Financial Statements (contd.)

	Pension Funded		Pension Funded		Pension Funded		Gratuity Funded		Gratuity Funded	
	31/03/2013	31/03/2012	31/03/2011	31/03/2010	31/03/2009	31/03/2013	31/03/2012	31/03/2011	31/03/2010	31/03/2009
<b>g) Net Asset/(Liability) recognised in Balance Sheet (including experience adjustment impact)</b>	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
1. Present Value of Defined Benefit Obligation	3,14,63,115	2,88,36,241	2,62,92,082	2,39,10,407	2,18,29,503	2,15,58,759	1,81,65,549	1,40,95,363	1,13,31,993	1,06,25,547
2. Fair Value of Plan Assets	3,14,63,115	2,88,36,241	2,62,92,082	2,39,10,407	2,18,29,503	2,03,94,983	1,61,65,076	1,19,18,448	1,09,55,788	82,74,882
3. Status [Surplus/(Deficit)]	-	-	-	-	-	(11,63,776)	(20,00,473)	(21,76,915)	(3,76,205)	(23,50,665)
4. Experience Adjustment of Plan Assets(Gain)/Loss	-	-	-	-	8,16,354	-	-	67,810	-	92,919
5. Experience Adjustment of Obligation (Gain)/Loss	(24,93,133)	(12,81,830)	(12,20,382)	5,15,725	9,03,750	6,42,757	18,05,533	13,43,087	(7,43,053)	4,21,552
	<b>Leave encashment Unfunded</b>	<b>Medical Unfunded</b>								
	31/03/2013	31/03/2012	31/03/2011	31/03/2010	31/03/2009	31/03/2013	31/03/2012	31/03/2011	31/03/2010	31/03/2009
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
<b>Net Asset/(Liability) recognised in Balance Sheet (including experience adjustment impact)</b>										
1. Present Value of Defined Benefit Obligation	1,59,53,165	1,39,73,138	1,16,56,006	93,97,091	87,60,815	28,96,297	27,47,536	24,66,674	21,62,067	18,95,411
2. Fair Value of Plan Assets	-	-	-	-	-	-	-	-	-	-
3. Status [Surplus/(Deficit)]	(1,59,53,165)	(1,39,73,138)	(1,16,56,006)	(93,97,091)	(87,60,815)	(28,96,297)	(27,47,536)	(24,66,674)	(21,62,067)	(18,95,411)
4. Experience Adjustment of Plan Assets(Gain)/Loss	-	-	-	-	-	-	-	-	-	-
5. Experience Adjustment of Obligation (Gain)/Loss	13,75,662	11,77,538	18,70,698	1,14,692	(8,67,699)	-	-	-	-	-
Amounts towards Defined Contribution Plans have been recognised under "Contribution to Provident and Other Funds" in Note 17 ₹1,21,40,686/- (2012 - ₹1,10,78,242/-)										

h) Major Category of Plan Assets as a % of the Total Plan Assets

	Pension Funded	Pension Funded	Gratuity Funded
	31/03/2013	31/03/2012	31/03/2013
1. Government Securities	1.97%	2.15%	-
2. High Quality Corporate Bonds	14.21%	15.50%	-
3. Insurance Companies*	-	-	100%
4. Mutual Funds	32.04%	34.96%	-
5. Fixed Deposits	51.56%	47.24%	-
6. Cash and Cash Equivalents	0.22%	0.15%	-

\*In the absence of detailed information regarding plan assets which is funded with insurance companies, the composition of each major category of plan assets, the percentage or amount of each category to the fair value of plan assets has not been disclosed.

i) Basis used to determine the Expected Rate of Return on Plan Assets

The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.

j) The impact on service cost, interest cost and projected benefit obligations due to one percent point increase or decrease of medical costs is ₹ Nil as the benefits are subject to monetary limit.

k) Contributions expected to be made in plans in the next year will be disclosed as soon as it can be reasonably determined.

# International Travel House Limited

## NOTES TO THE FINANCIAL STATEMENTS

### 21. RELATED PARTY DISCLOSURE

Companies with respect to which International Travel House Limited (ITHL) is an Associate: ITC Limited and Russell Credit Limited

#### Key Management Personnel (KMP)

Board of Directors	Designation	Corporate Management Committee Members
Mr Nakul Anand	Non Executive Chairman	Mr Ghanshyam Arora
Mr Jehangir Jal Ghadiali	Managing Director	Mr Sidhartha Roy (till 10th November, 2012)
Mr Anil Baijal	Non Executive Independent Director	Mr Raghupati Wahi
Mr Anil Rajput	Non Executive Director	
Mr Homi Phiroze Ranina	Non Executive Independent Director	
Mr Chandrasekhar Subrahmoneyan	Non Executive Director	
Mr Krishan Lal Thapar	Non Executive Independent Director	
Mr Om Prakash Vaish	Non Executive Independent Director	

#### Relatives of Key Management Personnel

Mrs Timsy Anand (wife of Mr Nakul Anand)  
Mrs Mala Baijal (wife of Mr Anil Baijal)  
Mrs Vandana Ghadiali (wife of Mr Jehangir Jal Ghadiali)  
Mrs Lalitha Sekhar (wife of Mr Chandrasekhar Subrahmoneyan)  
Mrs Aban Homi Ranina (wife of Mr Homi Phiroze Ranina)  
Mrs Praveen Thapar (wife of Mr Krishan Lal Thapar)

#### Enterprise on which KMP/ relatives of KMP exercise significant influence

Vaish Associates  
Asian Institute of Transport Development

#### Employee Trust where there is significant influence

Travel House Superannuation Fund  
International Travel House Limited Gratuity Fund

21. Related Party Disclosure (contd.)

	Companies with respect to which ITHL is an associate		Key Management Personnel		Key Management Personnel Relatives/ Enterprises		Employee Trusts		Total
	31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013
<b>Sale of Services</b>									
ITC Limited	91,93,45,443	78,73,09,331	-	-	-	-	-	-	91,93,45,443
Others	-	-	-	-	48,10,999	48,47,330	-	-	48,10,999
Total	91,93,45,443	78,73,09,331	-	-	48,10,999	48,47,330	-	-	92,41,56,442
<b>Purchase of Goods and Services</b>									
ITC Limited	2,17,94,108	1,06,98,595	-	-	-	-	-	-	2,17,94,108
Others	-	-	-	-	5,72,166	3,31,870	-	-	5,72,166
Total	2,17,94,108	1,06,98,595	-	-	5,72,166	3,31,870	-	-	2,23,66,274
<b>Remuneration to Key Management Personnel</b>									
Mr Jehangir Jal Ghadiali	-	-	51,06,346**	49,27,740**	-	-	-	-	51,06,346
Mr Raghupati Wahi	-	-	46,28,458 #	44,56,397#	-	-	-	-	46,28,458
Mr Ghanshyam Arora	-	-	31,34,201 *	29,22,393*	-	-	-	-	31,34,201
Mr Sidhartha Roy	-	-	19,64,618	27,15,939*	-	-	-	-	19,64,618
Total	-	-	1,48,33,623	1,50,22,469	-	-	-	-	1,48,33,623
<b>Directors' Fees</b>									
Mr Krishan Lal Thapar	-	-	60,000	35,000	-	-	-	-	60,000
Mr Om Prakash Vaish	-	-	62,500	80,000	-	-	-	-	62,500
Mr Homi Phiroze Ranina	-	-	60,000	60,000	-	-	-	-	60,000
Mr Anil Bajjal	-	-	25,000	27,500	-	-	-	-	25,000
Total	-	-	2,07,500	2,02,500	-	-	-	-	2,07,500
<b>Rent Paid</b>									
ITC Limited	67,38,683	65,93,673	-	-	-	-	-	-	67,38,683
Total	67,38,683	65,93,673	-	-	-	-	-	-	67,38,683
<b>Rent Received</b>									
ITC Limited	-	1,58,700	-	-	-	-	-	-	1,58,700
Total	-	1,58,700	-	-	-	-	-	-	1,58,700
<b>Remuneration of Managers on Deputation Reimbursed</b>									
ITC Limited	93,33,552	85,76,507	-	-	-	-	-	-	93,33,552
Total	93,33,552	85,76,507	-	-	-	-	-	-	93,33,552

21. Related Party Disclosure (contd.)

	Companies with respect to which ITHL is an associate		Key Management Personnel		Key Management Personnel Relatives/ Enterprises		Employee Trusts		Total
	31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013
<b>Remuneration of Managers on Deputation Recovered</b>									
ITC Limited	24,82,230	23,33,276	-	-	-	-	-	-	24,82,230
Total	24,82,230	23,33,276	-	-	-	-	-	-	24,82,230
<b>Contribution to Employees' Benefit Plans</b>									
Travel House Superannuation Fund	-	-	-	-	16,06,379	15,19,831	16,06,379	15,19,831	16,06,379
International Travel House Limited Gratuity Fund	-	-	-	-	40,00,473	41,76,915	40,00,473	41,76,915	40,00,473
Total	-	-	-	-	56,06,852	56,96,746	56,06,852	56,96,746	56,06,852
<b>Dividend Payments</b>									
ITC Limited	12,22,300	10,92,880	-	-	-	-	-	-	12,22,300
Russell Credit Limited	1,54,13,212	1,37,81,224	-	-	-	-	-	-	1,54,13,212
Others	-	-	-	-	425	380	425	380	425
Total	1,66,35,512	1,48,74,104	-	-	425	380	1,66,35,937	1,48,74,484	1,66,35,937
<b>Expenses Recovered</b>									
ITC Limited	-	1,13,256	-	-	-	-	-	-	1,13,256
Total	-	1,13,256	-	-	-	-	-	-	1,13,256
<b>Expenses Reimbursed</b>									
ITC Limited	90,61,531	64,78,160	-	-	-	-	-	-	90,61,531
Total	90,61,531	64,78,160	-	-	-	-	-	-	90,61,531
<b>Balances as on 31<sup>st</sup> March</b>									
<b>Trade Receivables</b>									
ITC Limited	12,34,07,301	9,97,97,770	-	-	-	-	-	-	12,34,07,301
<b>Deposits Given</b>									
ITC Limited	8,87,240	8,87,240	-	-	-	-	-	-	8,87,240
<b>Trade Payables</b>									
ITC Limited	33,92,901	42,08,414	-	-	-	-	-	-	33,92,901
Others	-	-	-	-	41,170	51,920	41,170	51,920	41,170
<b>Employee Payables</b>									
Others	-	-	92,881	56,032	-	-	-	-	92,881
Total	12,76,87,442	10,48,93,424	92,881	56,032	41,170	51,920	12,78,21,493	10,50,01,376	12,78,21,493

\* As the Liability for Leave Encashment, Gratuity and Superannuation are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the Key Management Personnel are not included above.

\*\* As the Liability for Leave Encashment, is provided on an actuarial basis for the Company as a whole, the amounts pertaining to the Key Management Personnel are not included above.

# Paid through ITC Limited

### 22. Segment Reporting

#### **Business Segments**

The primary reporting of the Company has been performed on the basis of business segment. The Company has only one reportable business segment, which is 'Travel Related Services' that includes Air Ticketing, Car Rentals, Inbound Tourism, Overseas and Domestic Holiday Packages, Conferences, Events and Exhibition management and operates in a single business segment based on the nature of the products, the risks and returns, the organisation structure and the internal financial reporting systems. Accordingly, the figures appearing in these financial statements relate to the Company's single business segment.

#### **Geographical Segments**

Secondary Segmental reporting is performed on the basis of the geographical location of customers. The operations of the Company are confined to India. Accordingly, the figures appearing in these financial statements relate to the Company's single geographical segment.

### 23. Significant Accounting Policies

#### **It is Corporate Policy**

##### **Convention**

To prepare financial statements in accordance with applicable Accounting Standards in India. A summary of important accounting policies is set out below. The financial statements have also been prepared in accordance with relevant presentational requirements of the Companies Act, 1956.

##### **Basis of Accounting**

To prepare financial statements in accordance with the historical cost convention.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the revised Schedule VI to the Companies Act, 1956 based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

##### **Fixed Assets**

To state Fixed Assets at cost of acquisition inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. Expenses capitalised also include borrowing costs attributable to qualifying assets, if any.

To capitalise software where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and costs of implementation/ system integration services. The costs are capitalised in the year in which the relevant software is implemented for use.

To charge off as a revenue expenditure all up-gradation / enhancements unless they bring similar significant additional benefits.

##### **Depreciation**

To calculate depreciation on Fixed Assets and Intangible Assets in a manner that amortises the cost of the assets after commissioning, over their estimated useful lives or, where specified, lives based on the rates specified in Schedule XIV to the Companies Act, 1956, whichever is lower, by equal annual installments. Commercial and non-commercial vehicles are being depreciated at the rate of 20% which is higher than the rates specified in Schedule XIV. Leasehold properties are amortised on Straight Line Method over the period of the lease.

To amortise capitalised software costs over a period of five years.

### **Impairment of Assets**

To provide for impairment loss, if any, to the extent, the carrying amounts of assets exceed their recoverable amount. Recoverable amount is higher of an assets net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

### **Investments**

To state Current Investments at lower of cost and fair value; and Long Term Investments, at cost. Where applicable, provision is made to recognise a decline, other than temporary, in valuation of Long Term Investments.

### **Revenue Recognition**

To recognise revenue i.e. the commission received from airlines (other than Productivity Linked Bonus, which is accounted when ascertainable), hotels etc., transport income and income on tours and other services (net of charges) are accounted for on completion of service net of service tax recovered from the customers.

### **Investment Income**

To account for income from Dividends when the right to receive such dividends is established.

### **Proposed Dividend**

To provide for Dividends (including income tax thereon) in the books of account as proposed by the Directors, pending approval at the Annual General Meeting.

### **Employee Benefits**

To make regular monthly contributions to Provident Funds which are in the nature of defined contribution scheme and such paid/ payable amounts are charged to the statement of profit and loss. The Provident Fund and Family Pension contributions are statutorily deposited with the Government.

To administer through duly constituted and approved independent trusts, Gratuity and Pension Funds which are in the nature of defined benefit schemes. To determine the liabilities towards such schemes, as applicable, and towards employee leave encashment and Post employment Medical Benefit by an independent actuarial valuation as per the requirements of Accounting Standard - 15 (revised 2005) on Employee Benefits. To determine actuarial gains or losses and to recognise such gains or losses immediately in the statement of Profit and Loss as income or expense.

### **Lease Rentals**

Lease Rentals are recognised as expense and charged to the statement of profit and loss on a straight-line basis over the term of the lease.

### **Borrowing Cost**

Borrowing cost other than those directly attributable to the acquisition of a qualifying asset is recognised as an expense in the period in which they are incurred.

### **Taxes on Income**

To provide Current tax as the amount of tax payable in respect of taxable income for the period, measured using the applicable tax rates and tax laws.

# International Travel House Limited

## NOTES TO THE FINANCIAL STATEMENTS

To provide deferred tax on timing differences between taxable income and accounting income subject to consideration of prudence, measured using the tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date.

### Foreign Currency Translation

To account for transactions in foreign currency at the exchange rate prevailing on the date of transactions. Gains/ losses arising out of fluctuations in the exchange rates are recognised in the statement of Profit and Loss in the period in which they arise. To account for gains/ losses in the Statement of Profit and Loss on foreign exchange rate fluctuations relating to monetary items at the year end rates.

### Claims

To disclose claims against the Company not acknowledged as debts after a careful evaluation of the facts and legal aspects of the matter involved.

### Segment Reporting

To identify segments based on the dominant source and nature of risks and returns and the internal organisation and management structure.

As per our report of even date

Signature to Notes 1 to 23.

for S R Batliboi & Associates LLP  
ICAI Firm Registration No. : 101049W  
Chartered Accountants

On behalf of the Board

per Yogesh Midha  
Partner  
Membership No.: 94941

Jehangir Jal Ghadiali  
Managing Director

Chandrasekhar Subrahmoneyan  
Director

Janaki Aggarwal  
Company Secretary

Place: Gurgaon  
Date : 25th April, 2013

Place : New Delhi  
Date : 25th April, 2013

# International Travel House Limited

## INDEPENDENT AUDITORS' REPORT

### Report on the Financial Statements

We have audited the accompanying financial statements of International Travel House Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in

the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

for S R Batliboi & Associates LLP  
ICAI Firm Registration No. : 101049W  
Chartered Accountants

per Yogesh Midha

Place : Gurgaon  
Date : 25th April, 2013

Partner  
Membership No. 94941

# International Travel House Limited

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Annexure referred to in paragraph I under the heading "Report on other legal and regulatory environments" of our report of even date

Re: International Travel House Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There was no disposal of a substantial part of fixed assets during the year.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 4(ii) of the Order are not applicable to the Company.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) (a) to (d) of the Order are not applicable to the Company and hence not commented upon.
- (e) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) (e) to (g) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for rendering of services. The activities of the Company do not involve purchase of inventory and the sale of goods. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company of these areas.
- (v) (a) In our opinion, there are no contracts or arrangements that need to be entered into register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(v) (b) of the Order is not applicable to the Company and hence not commented upon.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- (viii) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 4(viii) of the Order are not applicable to the Company.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, cess and other material statutory dues applicable to it. The provisions relating to excise duty are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, custom duty, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to excise duty are not applicable to the Company.
- (c) According to the records of the Company, the dues outstanding of income- tax, and service tax on account of any dispute, are as follows:

## International Travel House Limited

### ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax demand on various incomes	₹1,50,75,458/-	Various Years	CESTAT
Income Tax Act, 1961	Income tax demand on various disallowances	₹1,54,06,435/- (₹1,54,06,435/- has been deposited under protest, pending assessment)	AY 2006-07	Commissioner of Income Tax (Appeals), New Delhi
Income Tax Act, 1961	Income tax demand on various disallowances	₹9,41,243/- (₹9,41,243/- has been deposited under protest, pending assessment)	AY 2008-09	Commissioner of Income Tax (Appeals), New Delhi
Service Tax	Service tax demand on various incomes	₹11,000/-	April 2008 to March 2009	Commissioner – Service Tax (Appeals)

There are no dues of sales tax, wealth tax, custom duty and cess which have not been deposited on account of any dispute.

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any bank. The Company has no outstanding dues in respect of a financial institution or debenture holders.
- (xii) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised money by public issues during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

for S R Batliboi & Associates LLP  
ICAI Firm Registration No. : 101049W  
Chartered Accountants

per Yogesh Midha

Place : Gurgaon  
Date : 25th April, 2013

Partner  
Membership No. 94941



## INTERNATIONAL TRAVEL HOUSE LIMITED

Regd. Office : 'Travel House', T - 2, Community Centre, Sheikh Sarai, Phase - I, New Delhi 110 017

Dear Shareholder,

In continuation of the Green Initiative in Corporate Governance of Ministry of Corporate Affairs, Government of India, the Shareholders of the Company are requested to register their e-mail addresses with the Company for receiving Report and Accounts, Notices etc. through electronic mode by filling in the below mentioned details and sending the same to the registered office of the Company as mentioned below.

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**Company Secretary**  
**International Travel House Limited**  
**'Travel House', T-2, Community Centre**  
**Sheikh Sarai, Phase - I**  
**New Delhi - 110 017**

### Sending of Report and Accounts & other documents through Electronic Mode

Dear Sir,

I hereby register my e-mail address provided below for receiving Report and Accounts, Notices and other documents from your Company viz., International Travel House Limited through electronic mode:-

Email Address: \_\_\_\_\_

Name of the Sole/ First Holder: \_\_\_\_\_

DPID/ Client ID/ Folio No.: \_\_\_\_\_

\*Contact Nos./ Mobile No.: \_\_\_\_\_

\*Land Line No. (With STD code): \_\_\_\_\_

Date: \_\_\_\_\_ Signature of the First Holder: \_\_\_\_\_

\*Optional



# INTERNATIONAL TRAVEL HOUSE LIMITED

Regd. Office : 'Travel House', T - 2, Community Centre, Sheikh Sarai, Phase - I, New Delhi 110 017

Dear Shareholder,

The Company will provide the facility for remittance of dividend to Shareholders through NECS (National Electronic Clearing Service)/ RTGS (Real Time Gross Settlement)/ NEFT (National Electronic Funds Transfer).

Shareholders who have not yet availed the NECS/ RTGS/ NEFT facility and wish to avail the same may have their bank details, including MICR (Magnetic Ink Character Recognition) and IFSC (Indian Financial System Code) number updated with their respective Depository Participants (DPs) or RTA where shares are held in the dematerialised form and in the physical form, respectively.

**Shareholders holding shares in physical form may fill up the Mandate Form as below and send the same to the registered office of the Company as mentioned below.**

**Company Secretary  
International Travel House Limited  
'Travel House', T-2, Community Centre  
Sheikh Sarai, Phase - I, New Delhi - 110 017**

## NECS/ RTGS/ NEFT MANDATE FORM

1. Shareholder's Name (In Block Letters) : \_\_\_\_\_
2. Folio No. : \_\_\_\_\_
3. No. of Shares : \_\_\_\_\_
4. Bank Name : \_\_\_\_\_
5. Branch Name , Address and Telephone No. : \_\_\_\_\_
6. Bank Account Number  
(10- Digit or more number only) : \_\_\_\_\_
7. Ledger Folio No. of the Bank Account  
(if appearing on Cheque Book) : \_\_\_\_\_
8. Bank Account type [Please tick ✓ ]  
(S.B. Account/ Current Account or  
Cash Credit) with Code 10/11/13 : 

10 - S.B.	11 - Current	13 - Cash Credit
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9. 9- Digit Code Number of the Bank & Branch  
appearing on the MICR cheque issued by the Bank : \_\_\_\_\_
10. IFSC No. : 

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I agree to avail the NECS/ RTGS/ NEFT facility extended by RBI with respect to payment of dividend to me by the Company. I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons beyond the control of the Company, I would not hold International Travel House Limited responsible.

\_\_\_\_\_  
Signature of the Sole / First Shareholder

Date \_\_\_\_\_

\_\_\_\_\_  
Attestation by Bank (with seal)

**(Please attach (i) self-attested photocopies of any two of your Passport/ PAN Card/ Driving License/ Voter Identity Card towards proof of identification & (ii) a blank cancelled original cheque leaf issued by your Bank)**

# Travel House Network



★	Corporate Office
▲	Travel Ticketing Branches
■	Car Rental Services Branches
●	Travel Counters

## Travel Counters

### AGRA

ITC Mughal  
Taj Ganj  
Agra - 282 001  
Tel: 0562 403 0601

### BENGALURU

ITC Gardenia  
1, Residency Road  
Bengaluru - 560 025  
Tel: 080 4345 5193

ITC Windsor  
25, Windsor Square Golf Course Road  
Bengaluru - 560 052  
Tel: 080 4123 5555

Fortune Select JP Cosmos  
49, Cunningham Crescent Road  
Bengaluru - 560 052  
Tel: 080 3988 4422

### CHANDIGARH

SCO No. 48-49  
Sector 8 D  
Chandigarh - 160 009  
Tel: 0172 488 9701-04

### CHENNAI

ITC Grand Chola  
63, Mount Road  
Guindy, Chennai - 600 032  
Tel: 044 4217 5555

My Fortune  
Cathedral Road  
Chennai - 600 086  
Tel: 044 2811 0101

### FARIDABAD

The Claridges  
Shooting Range Road  
Faridabad - 121 001  
Tel: 0129 419 0000

### HYDERABAD

ITC Kakatiya  
6-3-1187, Begumpet  
Hyderabad - 500 016  
Tel: 040 2341 2850

### JAIPUR

ITC Rajputana  
Palace Road  
Jaipur - 302 006  
Tel: 0141 401 2020

### KOLKATA

ITC Sonar  
1, JBS Haldane Avenue  
Kolkata - 700 046  
Tel: 033 2345 4545

The Park  
17, Park Street  
Kolkata - 700 016  
Tel: 033 2249 3121

### MUMBAI

ITC Maratha  
Sahar Andheri (E)  
Mumbai - 400 099  
Tel: 022 2831 7942/29

ITC Grand Central  
287, Dr B Ambedkar Road  
Parel, Mumbai 400 012  
Tel: 022 4017 5057-58

### NEW DELHI

ITC Maurya  
Sardar Patel Marg  
New Delhi - 110 021  
Tel: 011 4109 5555

Eros - Managed by Hilton  
International Trade Tower  
Nehru Place New Delhi - 110 019  
Tel: 011 4108 5555

Sheraton New Delhi Hotel  
District Centre, Saket  
New Delhi - 110 017  
Tel: 011 4107 5555

### VADODARA

WelcomHotel Vadodara  
R C Dutt Road, Alkapuri  
Vadodara - 390 007  
Tel: 0265 231 2706

# IATA Offices

## BENGALURU – I

ITC Infotech Park  
18, Banaswadi Main Road  
Pulikeshinagar  
Bengaluru – 560 005  
Tel: 080 4181 8181

## BENGALURU – II

148, 1st Floor, HSR Layout  
Sector V, Outer Ring Road  
Bengaluru – 560 102  
Tel: 080 4190 9090

## CHENNAI

Tarapore Towers  
826, Anna Salai  
Chennai – 600 002  
Tel: 044 4397 0000

## GURGAON

ITC Green Centre  
10, Institutional Area  
Sector 32  
Gurgaon – 122 002  
Tel: 0124 417 5055-56

## HYDERABAD

ITC Bhadrachalam House  
106, Sardar Patel Road  
Secunderabad – 500 003  
Tel: 040 4023 3200-01

## KOLKATA

ITC Centre, 4th Floor  
37, J L Nehru Road  
Kolkata – 700 071  
Tel: 033-4001 3157-60

## MUMBAI

287/14, Millsquare  
Dr E Borges Road  
Parel  
Mumbai – 400 012  
Tel: 022 4077 4077

## NEW DELHI

T-2, Community Centre  
Sheikh Sarai, Phase – 1  
New Delhi – 110 017  
Tel: 011 4605 9000

## PUNE

B-8 & 9, Fifth Avenue  
Plot 177/3  
Dhole Patil Road  
Pune – 411 001  
Tel: 020 4011 2233

## VADODARA

WelcomHotel Vadodara  
R C Dutt Road, Alkapuri  
Vadodara – 390 007  
Tel: 0265 231 2706

# Car Rental Offices

## BENGALURU – I

85, Sheriff House  
Richmond Road  
Bengaluru – 560 025  
Tel: 080 4147 7788

## BENGALURU – II

148, 1st Floor, HSR Layout  
Sector V, Outer Ring Road  
Bengaluru – 560 102  
Tel: 080 4190 9090

## BENGALURU – III

ITC Infotech Park  
18, Banaswadi Main Road  
Pulikeshinagar  
Bengaluru – 560 005  
Tel: 080 4181 8181

## CHANDIGARH

SCO No. 48-49  
Sector 9 D  
Chandigarh – 160 009  
Tel: 0172 468 9705-06

## CHENNAI

My Fortune  
Cathedral Road  
Chennai - 600 086  
Tel: 044 4208 8412 -13

## GURGAON

112, DLF Qutab Plaza  
Phase – 1  
Gurgaon – 122 002  
Tel: 0124 438 1460-62

## HYDERABAD

ITC Bhadrachalam House  
106, Sardar Patel Road  
Secunderabad – 500 003  
Tel: 040 4023 3244

## KOLKATA

2/ 1, Russel Street,  
Aradhana Building  
Kolkata – 700 016  
Tel: 033 4070 1416

## MUMBAI - I

301/302, Crescent Business Park  
Andheri Kurla Road  
Saki Naka Telephone Exchange Lane  
Andheri (E), Mumbai – 400 072  
Tel: 022 6789 6000-05

## MUMBAI - II

287/14, Millsquare  
Dr E Borges Road,  
Parel  
Mumbai – 400 012  
Tel: 022 4077 4071-72

## NEW DELHI

SU – 1, UGF Bhikaiji Cama Bhawan  
Bhikaiji Cama Place  
New Delhi – 110 066  
Tel: 011 4165 9466-68

## NOIDA

9 & 10, Lower Ground Floor  
Ansal Fortune Arcade  
Sector 18, Noida - 201 301  
Tel: 0120 475 5600-05

## PUNE

B-8 & 9, Fifth Avenue  
Plot 177/3  
Dhole Patil Road  
Pune – 411 001  
Tel: 020 4011 2288

