

INTERNATIONAL TRAVEL HOUSE LIMITED



TRAVEL HOUSE
We make travel simple



**World Travel Services
from India since 1981**

Report and Accounts 2017

International Travel House (ITH), an ISO 9001:2008 company, is a complete travel management organisation with a presence in 17 cities. It was also the first travel company to be listed on the Stock Exchange in India.

Travel House offers a diverse range of services which include corporate travel, air ticketing, car rental, destination management services, leisure holidays, MICE, hotel travel counters and foreign exchange.

ITH is a leader in the corporate travel segment in India. The ITH car rental division alone manages a fleet of approximately 1,000 vehicles. It also a partner in the network alliance of GlobalStar Travel Management, a worldwide travel management company owned and managed by local entrepreneurs. GlobalStar has over 85 market leading enterprises, representing over US\$14 billion in sales in 74 countries, thereby extending the ITH reach to almost all the major travel destinations of the world.

The ITH network consisting of 28 Travel Offices and 15 Hotel Travel Counters handles clients like Grohe India, Ikea India, Vodafone, Facebook India, Deloitte, ABB India, Infosys and Sony, amongst others.

ITH is recognised and approved as a travel agent and tour operator by International Air Transport Association (IATA) and the Department of Tourism, Government of India. It is affiliated with key professional bodies including the American Society of Travel Agents (ASTA), International Convention Promotion Bureau (ICPB), Pacific Area Travel Association (PATA), Indian Association of Tour Operators (IATO), Federation of Hotel & Restaurant Associations of India (FHRAI) and the Travel Agents Association of India (TAAI). It is also a member of various industry associations like CII, FICCI, and FIEO, amongst others.

Driven by its philosophy of excellence in operations and customer service and in order to augment its vision, ITH is constantly developing its platforms, with an aim to reach its customers anywhere, anytime, backed by experienced product and service delivery capabilities. As a measure of its commitment to customer service and satisfaction, ITH operates an easily accessible 24X7 helpdesk to assist customers with their travel requirements.

In recognition of its commitment to excellence, ITH is also the recipient of several awards from industry associations, industry publications and the Government of India.

Please visit our site: www.travelhouseindia.com

CONTENTS

Board of Directors & Committees	1	CEO & CFO Compliance Certificate	49
Notice of Annual General Meeting	2	Balance Sheet	50
Your Directors	6	Statement of Profit and Loss	51
Report on Corporate Governance	9	Statement of Change in Equity	52
Shareholder Information	17	Cash Flow Statement	53
Report of the Board of Directors & Management Discussion and Analysis	21	Notes to the Financial Statements	55
		Auditor's Report	86

BOARD OF DIRECTORS & COMMITTEES

Chairman and Non-Executive Director

Nakul Anand

Non-Executive Directors

Sudha Pillai
Anil Rajput
Homi Phiroze Ranina
Jagdish Singh
Krishan Lal Thapar

BOARD COMMITTEES

Audit Committee

K L Thapar	Chairman
S Pillai	Member
H P Ranina	Member
J Singh	Member
C S Khaitan (Head of Internal Audit)	Invitee
A Kumar	Invitee
S Sequeira	Invitee
Representative of Statutory Auditors	Invitee
J Aggarwal	Secretary

Corporate Social Responsibility Committee

A Rajput	Chairman
S Pillai	Member
J Singh	Member
J Aggarwal	Secretary

Nominations & Remuneration Committee

H P Ranina	Chairman
N Anand	Member
S Pillai	Member
A Rajput	Member
J Singh	Member
K L Thapar	Member
J Aggarwal	Secretary

Stakeholders Relationship Committee

A Rajput	Chairman
J Singh	Member
J Aggarwal	Secretary

KEY MANAGERIAL PERSONNEL

Chief Executive Officer

Ajay Kumar

Chief Financial Officer

Savio Sequeira

Company Secretary

Janaki Aggarwal

CORPORATE MANAGEMENT COMMITTEE

A Kumar	Chairman	G Arora	Member
S Sequeira	Member	A Bhattacharjee	Member
		J Aggarwal	Secretary

Registered Office

'Travel House', T-2, Community Centre
Sheikh Sarai, Phase-I, New Delhi-110 017
Phone: 011-26017808, Fax: 011-26015113

Statutory Auditors

S R Batliboi & Associates LLP
Chartered Accountants
Gurugram

CIN: L63040DL1981PLC011941
Website: www.travelhouseindia.com
E-mail: travelhouse@ith.co.in

REPORT AND ACCOUNTS 2017



International Travel House Limited

CIN : L63040DL1981PLC011941

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

Tel: 011 26017808 ● Fax: 011 26015113 ● E-mail : investor_TH@ith.co.in ● Website : www.travelhouseindia.com

NOTICE IS HEREBY GIVEN that the Thirty Sixth 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 Friday, the 4th day of August, 2017 at 9:30 a.m. for the transaction of the following businesses:-

ORDINARY BUSINESS

1. To consider and adopt the Financial Statements of the Company for the financial year ended 31st March, 2017, and the Reports of the Board of Directors and the Auditors.
2. To declare dividend for the financial year ended 31st March, 2017.
3. To appoint a Director in place of Mr Anil Rajput (DIN: 00022289) who retires by rotation and, being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“Resolved that, in accordance with the provisions of Sections 139 and 142 of the Companies Act, 2013, or any amendment thereto or modification thereof, Messrs Deloitte Haskins & Sells LLP, Chartered Accountants (Registration No. 117366W / W-100018), be and are hereby appointed as the Auditors of the Company from the conclusion of this Annual General Meeting to hold such office for a period of five years till the conclusion of the Forty First Annual General Meeting, subject to ratification at every Annual General Meeting, at a remuneration of ₹ 15,00,000/- to conduct the audit for the financial year 2017-18, plus applicable taxes, and reimbursement of out-of-pocket expenses incurred.”

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“Resolved that, in accordance with the provisions of Sections 196 and 203 read with Schedule V and

other applicable provisions, if any, of the Companies Act, 2013, or any amendment thereto or modification thereof, appointment of Mr Ghanshyam Arora, Senior Executive Vice President – Operations, as the Manager of the Company for the period from 6th February, 2017 to 4th April, 2017 and his remuneration for the aforesaid period, as set out in the Explanatory Statement annexed to the Notice convening this Meeting, be and is hereby approved.”

The Register of Members of the Company will remain closed from Wednesday, 26th July, 2017 to Friday, 4th August, 2017, both days inclusive. Share Transfers received in order at the Company's Registrar and Share Transfer Agents, Messrs MCS Share Transfer Agent Limited, F-65, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi -110 020 by 5:30 p.m. on Tuesday, 25th July, 2017, 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 Monday, 14th August, 2017 to those Members entitled thereto and whose names will appear in the Register of Members of the Company on 4th August, 2017, or to their mandatees, subject however to the provisions of Section 126 of the Companies Act, 2013, or any amendment thereto or modification thereof. In respect of dematerialised shares, the dividend will be paid on the basis of beneficial ownership as on 25th July, 2017, 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
Date: 22nd April, 2017

J Aggarwal
Company Secretary



NOTES:

1. **A Member entitled to attend and vote at the Annual General Meeting ('AGM') may appoint a proxy to attend and vote 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 i.e. by 9.30 a.m. on 2nd August, 2017.
2. Corporate Members are required to send to the Registered Office of the Company a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013 ('the Act'), authorising their representative(s) to attend and vote at the AGM.
3. Explanatory Statement, pursuant to Section 102 of the Act, relating to the Special Business to be transacted at this AGM, is annexed.
4. In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions for consideration at this AGM will be transacted through remote e-voting (facility to cast vote from a place other than the venue of the AGM) for which purpose the Board of Directors of the Company ('the Board') have engaged the services of CDSL.
The facility for voting through ballot paper will be available at the AGM venue for those Members who do not cast their votes by remote e-voting prior to the AGM. Members, who cast their votes by remote e-voting, may attend the meeting but will not be entitled to cast their votes once again. The Board has appointed Mr Girish Nathani (Membership No.: 088716), Partner, Girish Neelam & Associates, Chartered Accountants, as the Scrutinizer to scrutinize the process of remote e-voting and voting through ballot paper at the AGM venue.
5. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on **28th July, 2017 (cut-off date)**. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or voting through ballot paper at the AGM venue. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purposes only.
6. Unclaimed dividend for the financial year ended 31st March, 2010 and the corresponding Equity Shares of the Company in respect of which dividend entitlements have remained unclaimed for seven consecutive years from the financial year ended 31st March, 2010 will be due for transfer to the Investor Education and Protection Fund of the Central Government ('IEPF') on 16th September, 2017, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'). In respect of the said dividend and corresponding shares, it will not be possible to entertain any claim received by the Company after 14th September, 2017.

Details of the unclaimed dividend and particulars with respect to corresponding shares due for transfer to the IEPF are available on the Company's website **www.travelhouseindia.com** under the section 'Investor Relations' in 'Shareholder Value'.

Dividend and corresponding shares, as stated above, once transferred to the IEPF by the Company, may be claimed only from the IEPF Authority by following the procedure prescribed under the IEPF Rules.

Ms J Aggarwal, Company Secretary, is the Nodal Officer of the Company for the purpose of verification of such claims.
7. Members who wish to update or register their e-mail addresses with the Company or with the Depositories may use the Form for updation / registration which can be downloaded from the Company's website www.travelhouseindia.com under the section 'Investor Relations' in 'Shareholder Value'.
8. Members are required to bring their admission slips to the AGM. Duplicate admission slips or copies of the Report and Accounts will not be made available at the AGM venue.
9. Members may visit the Company's website to view the Financial Statements or access information pertaining to the Company. Queries, if any, should be sent at least 10 days before the AGM to the Company Secretary at the Registered Office of the Company.
10. The procedure with respect to remote e-voting is provided below:
 - (i) **The period for remote e-voting begins on Monday, 31st July, 2017 at 9.00 a.m. and ends on Thursday, 3rd August, 2017 at 5.00 p.m. During this period, Members of the Company, holding shares either in certificate form or in dematerialised form, as on the cut-off date i.e. 28th July, 2017, may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter.**
 - (ii) The Members should log on to the e-voting website **www.evotingindia.com**.
 - (iii) Click on '**Members**'.
 - (iv) Now enter your user ID as under:
 - (a) For CDSL: 16 digits beneficiary ID,
 - (b) For NSDL: 8 character DP ID followed by 8 digit Client ID,
 - (c) Members holding shares in certificate form should enter Folio Number registered with the Company.
 - (v) Thereafter enter the image verification code as displayed and Click on '**Login**'.
 - (vi) If you are holding shares in dematerialised form and had logged on to www.evotingindia.com and casted your vote earlier for any company, then your existing



user ID and password are to be used. If you have forgotten the password then enter user ID and the image verification code and click on forgot password & enter the details as prompted by the system.

(vii) If you are a first time user, follow the steps given below:

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable to shareholders holding shares in both certificate form and dematerialised form).</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company / Depository Participant are requested to use first two letters of their name in CAPITAL letters and the 8 digits of the sequence number in the PAN field as provided in the Admission Slip or on email. In case the sequence number is less than 8 digits, enter the applicable number of 0s before the number and after the first two characters of the name, e.g. if your name is Ramesh Kumar with sequence number 1, then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <p>If both the details are not recorded with the Depository or Company, please enter your user ID in the Dividend Bank details field as mentioned in instruction (iv).</p>

- (viii) After entering these details appropriately, click on **'Submit'**.
- (ix) Members holding shares in certificate form will then reach directly to the Company selection screen. The above details can be used by them only for remote e-voting on the resolutions contained in this Notice.
- (x) Members holding shares in dematerialised form will then reach 'Password Creation' menu wherein they are required to mandatorily change their login password in the new password field. Kindly note that this password can be used for voting for resolutions of any other company on which you are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) Now select the relevant 'Company Name' on which you choose to vote.
- (xii) On the voting page, you will see **'Resolution Description'** and against the same the option **'Yes / No'** for voting. Select the option Yes or No as desired. The option 'Yes' implies that you assent to the

Resolution and option 'No' implies that you dissent to the Resolution.

- (xiii) Click on the **'Resolutions File Link'** if you wish to view the entire Resolution details.
- (xiv) After selecting the Resolution you have decided to vote on, click on **'Submit'**. A confirmation box will be displayed. If you wish to confirm your vote, click on **'Ok'**, else to change your vote, click on **'Cancel'** and accordingly modify your vote.
- (xv) Once you **'Confirm'** your vote on the 'Resolution', you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on **'Click here to print'** option on the Voting page.
- (xvii) Members can also cast their vote using CDSL's mobile app 'CDSL m-Voting' available for Android, Apple and Windows based mobiles. This app can be downloaded from Google Play Store, App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) **Note for Non-Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- (xix) Those who become Members of the Company after despatch of the Notice but on or before **28 July, 2017 (cut-off date)** may follow the steps from Sl. Nos. (ii) to (xviii) mentioned above for casting of vote.
- (xx) In case you have any queries or issues regarding e-voting, you may refer to the Frequently Asked Questions and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com. You may also address your queries / grievances relating to remote



e-voting or voting at the meeting to Ms J Aggarwal, the Compliance Officer of the Company at e-mail ID investor_TH@ith.co.in or at telephone nos.: 011 26017808 / 117 / 119.

(xxi) **General Information**

- (a) There will be one vote for every Client ID No./ Registered Folio No. irrespective of the number of joint holders.
- (b) **The Results of voting will be declared within 48 hours from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes.** The declared Results, along with the Scrutinizer's Report, will be available forthwith on the Company's website www.travelhouseindia.com under the section 'Investor Relations' and on the website of CDSL; such Results will also be forwarded to BSE Limited.

EXPLANATORY STATEMENT

Annexed to the Notice convening the Thirty Sixth Annual General Meeting to be held on Friday, 4th August, 2017.

Item 5

Mr Jehangir Jal Ghadiali who was on deputation from ITC Limited (ITC), stepped down as Managing Director of the Company with effect from 27th January, 2017, consequent to his reversion to ITC. In order to strengthen the executive management of the Company and as an interim arrangement, the Board of Directors of the Company ('the Board') at the meeting held on 6th February, 2017, on the recommendation of the Nominations & Remuneration Committee, appointed Mr Ghanshyam Arora, Senior Executive Vice President – Operations, as also the Manager of the Company with effect from 6th February, 2017 on the following remuneration, subject to the approval of the Members of the Company:

- i) Consolidated Salary : ₹ 1,14,375/- per month with annual increments as applicable to his Grade.
- ii) Consolidated Allowance : ₹ 82,756/- per month.
- iii) House Rent Allowance : ₹ 53,788/- per month.
- iv) Performance Bonus : Not exceeding ₹ 1,80,000/- per annum.
- v) Perquisites - In addition to the aforesaid remuneration, Mr Arora shall be entitled to perquisites like medical reimbursement, leave travel allowance for self and family, reimbursement for residential telephone, group mediclaim insurance etc. in accordance with the Rules of the Company, the monetary value of such perquisites being limited to ₹ 1,45,000/- per annum, for the purposes of which limit, perquisites shall be valued as per the provisions of the Income-tax Act / Rules, wherever

applicable, and in 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) Contributions to Provident Fund and Superannuation Fund up to 27% of Consolidated Salary and contribution to Gratuity Fund up to 8.33% of Consolidated Salary, as defined in the Rules of the respective Funds, or up to such other limit as may be prescribed under the Income-tax Act and the Rules thereunder for this purpose.
- b) Use of Company car for official purposes.
- c) Encashment of unavailed leave at the end of the tenure or cessation of service, as per the Rules of the Company.

Mr Arora stepped down as Manager of the Company with effect from close of work on 4th April, 2017, consequent to appointment of Mr Ajay Kumar as the Chief Executive Officer of the Company with effect from 5th April, 2017.

The aggregate of the remuneration and perquisites / benefits, including contributions towards Provident Fund, Superannuation Fund and Gratuity Fund, paid to Mr Arora as the Manager of the Company has not exceeded the limits prescribed under the Companies Act, 2013.

Brief resume of Mr Arora is provided below.

Mr Arora (58), is a Commerce Graduate having over 34 years of experience in travel trade.

Mr Arora has been associated with the Company since 1982. As Senior Executive Vice President (Operations), he has provided directions to all business verticals viz. Travel, Transport and Leisure. He has also played a supportive role towards the respective branch managers, maintained public relations with clients and suppliers and represented the Company in various trade fora.

He neither holds any share in the Company nor is he related to any Director or Key Managerial Personnel of the Company.

Mr Arora and his relatives are interested in this Resolution. None of the Directors and Key Managerial Personnel of the Company, or their relatives, 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
Date : 22nd April, 2017

J Aggarwal
Company Secretary

YOUR DIRECTORS

N Anand

Nakul Anand (60), DIN: 00022279, 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 & Tourism and Lifestyle Retailing 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 close to four decades, Anand has been acknowledged in the hotels and tourism industry 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, securing 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. His dynamic leadership and passion for the business is recognised and acknowledged by his peers. He is the Chairman of the Federation of Associations in Indian Tourism & Hospitality and also a member of the National Tourism Advisory Council constituted by the Ministry of Tourism, Government of India. Anand has been a past President of the Hotel Association of India and past Chairman of the CII National Tourism Committee.

Other Directorships

Name of the Company	Position
Gujarat Hotels Limited	Chairman & Director
Landbase India Limited	Chairman & Director
Fortune Park Hotels Limited	Chairman & Director
WelcomHotels Lanka (Private) Limited*	Chairman & Director
Srinivasa Resorts Limited	Vice Chairman & Director
ITC Limited	Executive Director
Bay Islands Hotels Limited	Director
Maharaja Heritage Resorts Limited	Director

Committee Membership of other Companies

Name of the Company	Committee	Position
Gujarat Hotels Limited	Nominations & Remuneration Committee	Member
Landbase India Limited	Nominations & Remuneration Committee	Member
Fortune Park Hotels Limited	Corporate Social Responsibility Committee	Chairman
Srinivasa Resorts Limited	Nominations & Remuneration Committee	Chairman

S Pillai

Sudha Pillai (66), DIN: 02263950, was appointed as a Non-Executive Independent Director of the Company on 10th March, 2014. She holds Masters Degrees in Psychology and Public Administration. She joined the Indian Administrative Services in 1972 in the Kerala Cadre and in her illustrious career she has held eminent positions as Principal Secretary (Finance) - Govt. of Kerala, Under Secretary - Department of Supply, Joint Secretary - Department of Company Affairs, Additional Secretary - Ministry of Mines and Rural Development & Panchayati Raj and Secretary - Ministry of Labour and Employment & the Planning Commission. After her superannuation in 2010 she was elevated as Member Secretary Planning Commission with the rank of Minister of State.

She has contributed immensely in promoting reforms and legal systems in India and notable amongst these were liberalising the industrial licensing regime, historic amendment of MRTP Act, drafting of the Companies Bill, 1993, Panchayats Extension to Scheduled Areas Act, 1996, processing amendment of the Constitution of India, enactment of Unorganised Workers' Social Security Law, 2008, implementation of Bundelkhand Package 2009-12, formulation and implementation of New Land Use Policy for Mizoram 2009-12 and implementation of the Integrated Action Plan for Naxal affected districts 2010-12.

Pillai has rich experience in policy formulation relating to Technology Transfer, Foreign Investment and Competition Law, National Skill Development Policy and National Policy on Occupational Safety and Health. She also has served as a member of high powered bodies on infrastructure development.

International Travel House Limited

YOUR DIRECTORS

Other Directorships

Name of the Company	Position
Jubilant Life Sciences Limited	Director
Fullerton India Credit Company Limited	Director
Dalmia Cement (Bharat) Limited	Director
Dalmia Bharat Limited	Director
OCL India Limited	Director
Jubilant Generics Limited	Director

Committee Membership of other Companies

Name of the Company	Committee	Position
Jubilant Life Sciences Limited	Nomination, Remuneration and Compensation Committee	Chairman
	Audit Committee	Member
	Sustainability & CSR Committee	Member
Fullerton India Credit Company Limited	Audit Committee CSR Committee	Member Member
Jubilant Generics Limited	Nomination & Remuneration Committee	Chairman
	Audit Committee	Member
Dalmia Cement (Bharat) Limited	Audit Committee	Member

A Rajput

Anil Rajput (61), DIN: 00022289, 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 41 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 and 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 and is the head of Corporate Affairs as Senior Vice President. 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 ASSOCHAM CSR Committee and member of Corporate Law Committee and Executive Committees of FICCI and International Chamber of Commerce, India. Recently he has

become Non-Official Member of Managing Body of Indian Red Cross Society (Delhi Branch) and the Executive Council of St. John's Ambulance (India) Delhi Center.

Other Directorships

Name of the Company	Position
PHD Chamber of Commerce and Industry	Member, Executive Committee

Committee Membership of other Companies:

Nil

H P Ranina

Homi Phiroze Ranina (70), DIN: 00024753, was appointed as a Non-Executive Director of the Company on 1st August, 1983 and is an 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 the Reserve Bank of India on 27th November, 2000 and was re-appointed for a further period of five years in June 2006. He was Chairman of the Inspection and Audit Committee of the Reserve Bank of India for twelve years. He also served for six years on the Board of Payment and Settlement Systems.

Other Directorships

Name of the Company	Position
Pennwalt Limited	Director
Dover India Private Limited	Alternate Director

Committee Membership of other Companies:

Nil

YOUR DIRECTORS

J Singh

Jagdish Singh (51), DIN: 00042258, was appointed as a Non-Executive Director of the Company on 5th September, 2016. A Commerce graduate and a Chartered Accountant, Singh joined ITC Limited in the year 1990. During these 26 years, he has held various positions in the finance function. He started his career in Treasury and moved as Corporate Accountant, Commercial Manager at Cigarette factory at Munger, and Head of Finance at ITC Essentra Limited. He was then the Head of Treasury between 2005 and 2015 and presently is Head of Finance at ITC's Hotels Division.

Other Directorships

Name of the Company	Position
Gujarat Hotels Limited	Director
Fortune Park Hotels Limited	Director
Bay Islands Hotels Limited	Director
Srinivasa Resorts Limited	Director
Maharaja Heritage Resorts Limited	Director
Mimec (India) Limited	Director
Logix Developers Private Limited	Additional Director

Committee Membership of other Companies

Name of the Company	Committee	Position
Gujarat Hotels Limited	Stakeholders Relationship Committee	Chairman
	Audit Committee	Member
	Nominations and Remuneration Committee	Member
Fortune Park Hotels Limited	Corporate Social Responsibility Committee	Member
Srinivasa Resorts Limited	Audit Committee	Chairman

K L Thapar

Krishan Lal Thapar (84), DIN: 00022283, was appointed as a Non-Executive Independent Director of the Company on 9th March, 2004. He is a former Principal Advisor 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.

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 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:

- Other Directorships and Committee Memberships of Directors are as on 22nd April, 2017.
- Committee Memberships cover Committees under the Companies Act, 2013 viz, Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and CSR Committee of Indian Companies.

*Denotes Foreign Company

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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, judgment 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 ('the Board');
- 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 / Manager / Chief Executive Officer (CEO).

This three-tier structure enables the Board 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 / Manager / CEO.

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 is balanced, comprising entirely of Non-Executive Directors, including independent professionals. The present strength of the Board is six.

Composition of the Board as on 31st March, 2017

Category	No. of Directors	Percentage to total no. of Directors
Non-Executive Independent Directors	3	50
Other Non-Executive Directors	3	50
Total	6	100

Meetings and Attendance

During the financial year ended 31st March, 2017, five meetings of the Board were held, as follows:

Sl. No.	Date	Board Strength	No. of Directors present
1	16th April, 2016	8	6
2	11th August, 2016	8	8
3	28th October, 2016	8	7
4	23rd January, 2017	7	7
5	6th February, 2017	6	5

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) / Chairmanship(s) of Audit Committee / Stakeholders Relationship Committee of other Indian public limited companies
1	N Anand	Chairman & Non-Executive Director	5	Yes	8	Nil
2	A Baijal ¹	Non-Executive Independent Director	3	No	NA	NA
3	S Pillai	Non-Executive Independent Director	5	Yes	6	4
4	H P Ranina	Non-Executive Independent Director	3	Yes	2	Nil
5	K L Thapar	Non-Executive Independent Director	5	Yes	Nil	Nil
6	A Pathak ²	Non-Executive Director	NA	NA	NA	NA
7	A Rajput	Non-Executive Director	4	Yes	Nil	Nil
8	J Singh ³	Non-Executive Director	5	Yes	7	3 (Including 2 as Chairman)
9	JJ Ghadiali ⁴	Managing Director	4	Yes	NA	NA

1. Ceased to be Non-Executive Independent Director w.e.f. 30th December, 2016.

2. Ceased to be Non-Executive Director w.e.f. 15th April, 2016.

3. Appointed Non-Executive Director w.e.f. 16th April, 2016.

4. Ceased to be Managing Director w.e.f. 27th January, 2017.

COMMITTEES OF THE BOARD

Currently, there are four Committees of the Board - the Audit Committee, the Stakeholders Relationship Committee, the Nominations & Remuneration Committee and the Corporate Social Responsibility 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, provides reassurance to the Board on the existence of an effective internal control environment that ensures:

- efficiency and effectiveness of 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 role of the Committee includes the following:

- To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- To recommend the appointment, remuneration, terms of appointment and removal of Statutory Auditors, and to review the manner of rotation of Statutory Auditors;
- To approve transactions of the Company with related parties, including modifications thereto;
- To review and monitor the Statutory Auditor's independence and performance, and effectiveness of the audit process;
- To evaluate the Company's internal financial controls and risk management systems;
- To review with the management the following:
 - Annual financial statements and Auditor's Report thereon before submission to the Board for approval;

REPORT ON CORPORATE GOVERNANCE

- Quarterly financial statements before submission to the Board for approval;
- To review the following:
 - Management discussion and analysis of financial condition and results of operations;
 - Adequacy of internal control systems and the Company's statement on the same prior to endorsement by the Board, such review to be done in consultation with the management, Statutory and Internal Auditors;
 - Reports of Internal Audit and discussion with Internal Auditors on any significant findings and follow-up thereon;
 - System for storage, retrieval, security etc. of books of account maintained in the electronic form;
 - Functioning of Whistleblower mechanism in the Company.

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 / Chief Executive Officer, the Chief Financial Officer, the Head of Internal Audit and the representative of the Statutory Auditors are Invitees to the meetings of Audit Committee. The Head of Internal Audit, who reports to the Audit Committee, is the Coordinator, 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, 2017, four meetings of the Audit Committee were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	16th April, 2016	3	3
2	11th August, 2016	4	4
3	28th October, 2016	4	3
4	23rd January, 2017	4	4

Attendance at Audit Committee Meetings held during the financial year:

Member	No. of meetings attended
K L Thapar	4
S Pillai	4
H P Ranina	3
J Singh ⁱ	3

i. Appointed Member w.e.f. 16th April, 2016.

B. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Board oversees redressal of shareholder and investor grievances and, inter alia, approves sub-division / consolidation / renewal / issue of duplicate share certificates etc.

Composition

The Stakeholders Relationship Committee presently comprises two Non-Executive Directors. The Company Secretary is the Secretary to the Committee.

The names of the members of the Stakeholders Relationship 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, 2017, eleven meetings of the Stakeholders Relationship Committee were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	16th April, 2016	3	2
2	11th May, 2016	3	3
3	15th June, 2016	3	3
4	11th August, 2016	3	3
5	28th October, 2016	3	3
6	30th November, 2016	3	3
7	20th December, 2016	3	3
8	23rd January, 2017	3	3
9	6th February, 2017	2	2
10	27th February, 2017	2	2
11	30th March, 2017	2	2

REPORT ON CORPORATE GOVERNANCE

Attendance at Stakeholders Relationship Committee Meetings held during the financial year:

Member	No. of meetings attended
A Rajput	10
J J Ghadiali ¹	8
J Singh ²	11

1. Ceased to be Member w.e.f. 27th January, 2017.

2. Appointed Member w.e.f. 16th April, 2016.

C. NOMINATIONS & REMUNERATION COMMITTEE

The Nominations & Remuneration Committee of the Board, inter alia, identifies persons qualified to become Directors and formulates criteria for evaluation of performance of the Independent Directors & the Board. The Committee's role also includes recommending to the Board the appointment, remuneration and removal of Directors & Corporate Management Committee Members.

Composition

The Nominations & Remuneration Committee presently comprises six Non-Executive Directors. The Chairman of the Committee is an Independent Director. The Company Secretary is the Secretary to the 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, 2017, four meetings of the Nominations & Remuneration Committee were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	16th April, 2016	6	4
2	28th October, 2016	7	6
3	23rd January, 2017	6	6
4	6th February, 2017	6	5

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

Member	No. of meetings attended
H P Ranina	2
N Anand	4
A Baijal ¹	1
S Pillai	4
A Rajput	3
J Singh ²	3
K L Thapar	4

1. Ceased to be Member w.e.f. 30th December, 2016.

2. Appointed Member w.e.f. 16th April, 2016.

Remuneration Policy

The Company's remuneration policy 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.

The Policy on remuneration of Directors, Key Managerial Personnel and other employees of the Company is provided in the Annexure forming part of this Report.

Remuneration of Directors

The remuneration of the Managing Director was determined by the Board, on the recommendation of the Nominations & Remuneration Committee. The recommendation of the Committee was considered and approved by the Board subject to the approval of the Shareholders and other approvals as may be necessary. The Managing Director was entitled to 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 / Committees thereof, the quantum of which is determined by the Board. The sitting fees as determined by the Board are ₹ 20,000/- and ₹ 10,000/- for each meeting of the Board and Committee respectively.

REPORT ON CORPORATE GOVERNANCE

Details of Remuneration paid to the Directors during the financial year ended 31st March, 2017:

(₹ in Lakhs)

Director	Consolidated Salary	Supplementary Allowance	Perquisites and other Benefits	Performance Bonus	Total	Sitting Fees
Executive Director						
J J Ghadiali ¹	19.31	14.12	36.20	9.66	79.14	–
Non-Executive Directors						
N Anand	–	–	–	–	–	–
A Bajjal ²	–	–	–	–	–	0.50
A Pathak ³	–	–	–	–	–	–
S Pillai	–	–	–	–	–	2.00
A Rajput	–	–	–	–	–	–
H P Ranina	–	–	–	–	–	1.20
J Singh ⁴	–	–	–	–	–	–
K L Thapar	–	–	–	–	–	1.90

1. Ceased to be Managing Director w.e.f. 27th January, 2017.
2. Ceased to be Non-Executive Independent Director w.e.f. 30th December, 2016.
3. Ceased to be Non-Executive Director w.e.f. 15th April, 2016.
4. Appointed Non-Executive Director w.e.f. 16th April, 2016.

Note: Disclosure with respect to Non-Executive Directors - Pecuniary relationship or transaction: None

Performance Evaluation of Directors

The Nominations & Remuneration Committee has approved the Policy on Board evaluation, evaluation of Board Committee's functioning and individual Director evaluation, synopsis of which is provided in the 'Report of the Board of Directors & Management Discussion and Analysis' in the Report and Accounts.

Directors' Shareholding

Shareholding of the Directors in the Company as on 31st March, 2017:

Director	No. of Equity Shares of ₹10/- each held singly / jointly
N Anand	100
S Pillai	Nil
A Rajput	Nil
H P Ranina	Nil
J Singh	Nil
K L Thapar	Nil

Service Contracts, Severance Fee and Notice Period

The appointment of the Managing Director was governed by the resolution passed by the Board and the Shareholders of the Company, which covered the terms and conditions

of such appointment read with the rules of the Company. Letters of appointment have been issued by the Company to the Independent Directors, incorporating their roles, duties, responsibilities etc., which have been accepted by them. There is no separate provision for payment of severance fee under the resolution governing the appointment of the Managing Director. With respect to notice period of Directors, the statutory provisions will apply.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee of the Board reviews, monitors and provides strategic direction to the Company's CSR practices with liberty to consider and undertake activities as provided in Schedule VII to the Companies Act, 2013. The Committee formulates & monitors the CSR Policy and recommends to the Board the annual CSR Plan of the Company in terms of the Companies Act, 2013.

Composition

The CSR Committee presently comprises three Non - Executive Directors, one of whom is an Independent Director. The Company Secretary is the Secretary to the Committee.

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

REPORT ON CORPORATE GOVERNANCE

Meetings and Attendance

During the financial year ended 31st March, 2017, one meeting of the CSR Committee was held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	6th February, 2017	3	3

Attendance at CSR Committee Meeting held during the financial year:

Member	No. of meeting attended
A Rajput ¹	1
A Baijal ²	N.A.
S Pillai	1
J Singh ³	1

1. Appointed Chairman w.e.f. 23rd January, 2017.

2. Ceased to be Member w.e.f. 30th December, 2016.

3. Appointed Member w.e.f. 23rd January, 2017.

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 presently comprises the Chief Executive Officer (CEO) of the Company and key senior members of management. The CEO is the Chairman of the Committee. The composition of the Corporate Management Committee is determined by the Board based on the recommendation of the Nominations & Remuneration Committee. The Company Secretary is the Secretary to the 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, 2017, twelve meetings of the Corporate Management Committee were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	15th April, 2016	3	3
2	3rd June, 2016	3	3
3	1st July, 2016	3	3

Sl. No.	Date	Committee Strength	No. of Members present
4	2nd August, 2016	3	3
5	26th August, 2016	3	3
6	27th September, 2016	3	3
7	26th October, 2016	3	3
8	5th December, 2016	3	3
9	23rd December, 2016	3	3
10	25th January, 2017	3	3
11	1st March, 2017	3	3
12	31st March, 2017	3	3

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

Member	No. of meetings attended
J J Ghadiali ¹	10
G Arora ²	12
A Bhattacharjee ³	2
S Datta ⁴	7
S Sequeira ⁵	5

1. Ceased to be Member and Chairman w.e.f. 27th January, 2017.

2. Appointed Chairman w.e.f. 6th February, 2017.

3. Appointed Member w.e.f. 6th February, 2017.

4. Ceased to be Member w.e.f. 1st November, 2016.

5. Appointed Member w.e.f. 1st November, 2016.

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 and Key Managerial Personnel 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

- Information with respect to commodity price risk or foreign exchange risk and hedging activities:

None

REPORT ON CORPORATE GOVERNANCE

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 from the end of the quarter. The Audited annual results alongwith the results for the fourth quarter were announced within sixty days from the end of the financial year. Such results were 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 etc. are posted on Company's website www.travelhouseindia.com

The Report of the Board of Directors, forming part of the Report and Accounts, includes all aspects of 'Management Discussion and Analysis' as required under the Listing Regulations.

ITH CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING - 2015

The ITH Code of Conduct for Prevention of Insider Trading - 2015, 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.

ITHL CODE OF CONDUCT

The ITHL Code of Conduct, 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 in relation to the Company's business and reputation. The Code covers ITHL's commitment to sustainable development, concern for occupational health, safety and environment, a gender friendly workplace, 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 the Listing Regulations

All Directors and senior management of the Company have affirmed compliance with the ITHL Code of Conduct for the financial year ended 31st March, 2017.

New Delhi
22nd April, 2017

A Kumar
CEO

WHISTLEBLOWER POLICY

Synopsis of the Whistleblower Policy of the Company is provided in the 'Report of the Board of Directors & Management Discussion and Analysis' in the Report and Accounts. The Whistleblower Policy is also available on the Company's website.

FAMILIARISATION PROGRAMME

ITH believes that a Board, which is well informed / familiarised with the Company and its affairs, can contribute significantly to effectively discharge its role of trusteeship in a manner that fulfills stakeholders' aspirations and societal expectations. In pursuit of this, the Directors are updated on changes / developments in the domestic / global corporate and industry scenario including those pertaining to statutes / legislations and economic environment and on matters affecting the Company, to enable them to take well informed and timely decisions.

Further details may be accessed on the Company's website https://www.travelhouseindia.com/policies/Directors_Familiarisation_Programme.pdf.

POLICY ON RELATED PARTY TRANSACTIONS

The Policy may be accessed on the Company's website at https://www.travelhouseindia.com/policies/Related_Party.pdf.

DISCRETIONARY REQUIREMENTS UNDER THE LISTING REGULATIONS

The status of compliance with the discretionary requirements under the Listing Regulations is provided below:

- 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.
- 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. The complete Report and Accounts is sent to every Shareholder of the Company.
- Audit Opinion:** It has always been the Company's endeavour to present financial statements with unmodified audit opinion. The Statutory Auditors have issued an unmodified audit opinion on the Company's financial statements for the year ended 31st March, 2017.

REPORT ON CORPORATE GOVERNANCE

4. **Separate posts of Chairman and Managing Director:** The Company has appointed a Non-Executive Chairman and has a Managing Director / Manager / CEO.

GENERAL SHAREHOLDER INFORMATION

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

CONFIRMATION OF COMPLIANCE

As required under the Listing Regulations –

- It is confirmed that the Company has complied with the requirements under Regulations 17 to 27 and clauses (b) to (i) of sub - regulation (2) of Regulation 46 of the Listing Regulations.
- The Statutory Auditors' Certificate that the Company has complied with the conditions of Corporate Governance is annexed to the 'Report of the Board of Directors & Management Discussion and Analysis'.

ANNEXURE TO THE REPORT ON CORPORATE GOVERNANCE

Remuneration Policy

The Company's Remuneration Policy is designed to attract and retain quality talent that gives its business a competitive advantage and enables the Company to achieve its objectives.

The Company's Remuneration Policy, whilst focusing on remuneration and related aspects of performance management, is aligned with and reinforces the employee value proposition of superior quality of work life, that includes an enabling work environment, an empowering and engaging work culture and opportunities to learn and grow.

The approach endeavours to align remuneration of each employee with the Company's goals.

a) Objectives

1. To ensure that the Company's remuneration practices support and encourage meritocracy.
2. To ensure that remuneration is market related and takes into account the competitive context of the Company's business.
3. To leverage remuneration as an effective instrument to enhance performance and therefore to link the remuneration to both individual and collective performance outcomes.
4. To adopt a comprehensive approach to remuneration in order to support a superior quality of personal and work life, in a manner so as to judiciously balance short term with long term priorities.

5. To design remuneration practices such that they reinforce the Company's values and culture and to implement them in a manner that complies with all relevant regulatory requirements.

b) Remuneration of Key Managerial Personnel (KMPs)

1. Remuneration of KMPs is determined and recommended by the Nominations & Remuneration Committee and approved by the Board. Remuneration of the Managing Director and Manager is also subject to approval by the shareholders.
2. Remuneration is reviewed and revised periodically, when such a revision is warranted.
3. Apart from fixed elements of remuneration and benefits, KMPs are also eligible for Variable Pay / Performance Bonus, which is linked to individual performance.
4. Remuneration of KMPs on deputation from ITC Limited is aligned to the Remuneration Policy of that company.

c) Remuneration of Independent Directors

Independent Directors are entitled to sitting fees for attending meetings of the Board and Board Committees, the quantum of which is determined by the Board within the limits prescribed under the Companies Act, 2013, and the rules thereunder. The expenses of the Independent Directors for attending meetings of the Board and Board Committees and General Meetings are also to be borne by the Company.

d) Remuneration of employees other than KMPs

1. Remuneration of employees in Grade XV and above, other than KMPs, is also approved by the Board through the recommendations of the Nominations & Remuneration Committee.
2. Remuneration of employees in Grade XIV and below is approved by the Corporate Management Committee.
3. Remuneration of employees largely consists of basic remuneration, perquisites and allowances. The components of remuneration vary for different employee grades and are governed by industry pattern, qualification and experience of the employee, responsibilities handled, individual performance etc.
4. Remuneration is reviewed and revised periodically, when such a revision is warranted. The quantum of revision is linked to market trends, the competitive context of the Company's business, as well as the track record of the individual employee.

SHAREHOLDER INFORMATION

AGM Details

Date	Friday, 4th August, 2017
Venue	Air Force Auditorium, Subroto Park, New Delhi-110 010
Time	9.30 a.m.
Book Closure Dates	Wednesday, 26th July, 2017 to Friday, 4th August, 2017 (both days inclusive)
Dividend Payment Date	Monday, 14th August, 2017

Registrar & Share Transfer Agents

Messrs MCS Share Transfer Agent Limited are the Registrar and Share Transfer Agents (RTA) of the Company for carrying out share registration and other related activities of the Company.

Address for Correspondence

MCS Share Transfer Agent Limited
F-65, 1st Floor
Okhla Industrial Area, Phase - I, New Delhi - 110 020
Telephone Nos. : 011 41406149-52, 41609386
Facsimile No. : 011 41709881
E-mail : helpdeskdelhi@mcsregistrars.com

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

Compliance Officer

J Aggarwal, Company Secretary, is the Compliance Officer under Regulation 6(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 transfers are completed within 15 days from the date of receipt of request. There were no share transfers pending as on 31st March, 2017. The Committee met 15 times during the financial year ended 31st March, 2017.

The Share Transfer Committee presently comprises the following:

J Aggarwal Company Secretary	Member
A Bhattacharjee Vice President, Finance	Member
S Sequeira Chief Financial Officer	Member

Dematerialisation of Shares and Liquidity

The shares of the Company are available for trading in the 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.

As on 31st March, 2017, 76,52,995 shares of the Company, constituting 95.73% 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 no Shareholder / Investor complaint during the financial year.

The e-mail ID earmarked by the Company for this purpose: **investor_TH@ith.co.in**

Distribution of Shareholding as on 31st March, 2017

No. of Shares Slab	No. of Shareholders		No. of Equity Shares	
	Total	% to Shareholders	Total	% to Share Capital
1-500	13,531	93.48	11,64,456	14.57
501-1000	515	3.56	4,17,004	5.22
1001-2000	231	1.60	3,36,217	4.21
2001-3000	90	0.62	2,28,959	2.86
3001-4000	25	0.17	86,584	1.08
4001-5000	26	0.18	1,21,067	1.51
5001-10000	37	0.26	2,73,081	3.42
10001-50000	14	0.10	3,19,771	4.00
50001-100000	2	0.01	1,15,465	1.44
100001 & above	3	0.02	49,31,896	61.69
Total	14,474	100.00	79,94,500	100.00

International Travel House Limited

SHAREHOLDER INFORMATION

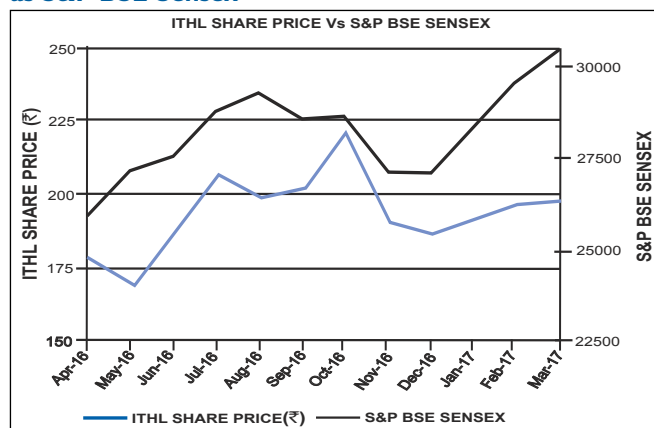
Categories of Shareholders as on 31st March, 2017

Sl. No.	Category	No. of Shares held	% to Share holding
A	Promoters Holding		
1	Promoter and Promoter Group		
	ITC Limited	2,87,600	3.60
	Russell Credit Limited	36,26,638	45.36
	Russell Investments Limited	10,17,663	12.73
	Sub Total	49,31,901	61.69
B	Non Promoter Holding		
2	Institutional Investors		
a	Mutual Funds	Nil	Nil
b	Banks	300	0.01
c	Foreign Institutional Investors and Foreign Portfolio Investors	200	0.00
	Sub Total	500	0.01
3	Others		
a	Private Corporate Bodies	3,65,386	4.57
b	Indian Public	26,39,263	33.01
c	NRIs	54,300	0.68
d	Others	3,150	0.04
	Sub Total	30,62,099	38.30
	Grand Total	79,94,500	100.00

Monthly High and Low Quotes and Volume of Shares traded on BSE Limited (BSE)

Year	Month	High (₹)	Low (₹)	Volume (Nos.)
2016	April	184.90	167.20	1,04,673
	May	177.00	168.00	1,07,808
	June	193.00	167.20	1,91,888
	July	218.95	178.10	3,65,874
	August	218.45	193.00	1,89,094
	September	219.50	190.00	2,35,074
	October	233.90	199.00	2,35,931
	November	219.00	179.50	1,27,733
	December	190.00	180.00	25,433
2017	January	205.00	180.00	2,09,301
	February	204.80	187.20	1,26,676
	March	197.75	185.25	76,623

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



Note – Indicates monthly closing positions.

Listing of Shares on Stock Exchange (with Stock Code)

BSE Limited (500213)

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001

Telephone Nos.: 022-22721233 / 34

Facsimile No. : 022-22721919

E-mail : is@bseindia.com

Website : www.bseindia.com

The Listing Fees for the financial year 2017-18 has been paid to BSE Limited.

Financial Calendar

Financial Year 2017-18 (1st April - 31st March)

1	First Quarter Results	August 2017
2	Second Quarter and Half Year Results	November 2017
3	Third Quarter Results	February 2018
4	Fourth Quarter and Annual Results	May 2018

Particulars of past three AGMs

AGM	Financial Year	Venue	Date	Time	Special Resolutions Passed
35th	2015-16		05-09-16		-
34th	2014-15		05-09-15		-
33rd	2013-14	Air Force Auditorium Subroto Park New Delhi 110 010	10-09-14	9.30 a.m.	<ul style="list-style-type: none"> Mortgaging / charging the assets of the Company u/s 180 (1)(a) Borrowing money over and above the aggregate paid up share capital and free reserves of the Company u/s 180 (1)(c)

SHAREHOLDER INFORMATION

Postal Ballot

No special resolution requiring postal ballot was neither proposed last year nor is being proposed for the ensuing AGM.

SHAREHOLDER REFERENCER

Transfer of Dividend and corresponding Equity Shares to the Investor Education and Protection Fund

Unclaimed dividend for the years prior to and including the financial year 2008-09 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, except where the Company was restrained from such transfer by injunction orders from Courts. Corresponding Equity Shares of the Company in respect of which such dividend entitlements were unclaimed for seven consecutive years or more will be due for transfer to the IEPF on 31st May, 2017 or such other date as may be notified, pursuant to the provisions of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

Shareholders / legal heir(s) of deceased Shareholders who have not encashed their dividend warrants relating to the aforesaid financial year(s) may claim such dividend and corresponding shares from the IEPF Authority by applying in the prescribed Form. This Form can be downloaded from the website of the IEPF Authority www.iepf.gov.in.

The unclaimed dividend for the undernoted years and the corresponding Equity Shares will be transferred by the Company to IEPF in accordance with the schedule given below. Communication has been sent to the concerned Shareholders advising them to write to the Company to claim their dividend. Notices in this regard have also been published in newspapers. Details of such unclaimed dividend and particulars with respect to corresponding shares are available on the Company's website under the section 'General Information'. Attention is drawn that the unclaimed dividend for the financial year 2009-10 and the corresponding shares will be due for transfer to IEPF on 16th September, 2017.

Financial Year	Date of Declaration of Dividend	Due for transfer to IEPF on
2009-10	10th August, 2010	16th September, 2017*
2010-11	6th September, 2011	12th October, 2018
2011-12	22nd August, 2012	28th September, 2019
2012-13	3rd September, 2013	9th October, 2020
2013-14	10th September, 2014	16th October, 2021
2014-15	5th September, 2015	11th October, 2022
2015-16	5th September, 2016	11th October, 2023

*It will not be possible to entertain claims received by the Company after 14th September, 2017.

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

The Notice, along with the Report and Accounts, has been sent in electronic mode to those Shareholders who have registered their e-mail addresses with the Company or with the Depositories and in physical mode to the other Shareholders. Shareholders who wish to update or register their e-mail addresses with the Company or with the Depositories may use the Form for updation / registration; the Form can also be downloaded from the Company's website under the section 'Investor Relations'.

Depository Services

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

Address for Correspondence with Depositories

National Securities Depository Limited
Trade World, 'A' Wing, 4th & 5th Floors,
Kamala Mills Compound, Senapati Bapat Marg, Lower Parel,
Mumbai 400 013
Telephone No. : 022-24994200
Facsimile No. : 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 No. : 022-22723333
Facsimile No. : 022-22723199
E-mail : helpdesk@cdslindia.com
Website : www.cdslindia.com

Remittance of Dividend through Electronic Mode

The Company provides 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 opted for remittance of dividend through electronic mode and wish to avail the same, are required to provide their bank details, including MICR (Magnetic Ink Character Recognition) and IFSC (Indian Financial System Code) to the respective Depository Participants (DPs) or RTA where shares are held in the dematerialised form and in the certificate form, respectively. A mandate form for such updation can be downloaded from the Company's website www.travelhouseindia.com.

SHAREHOLDER INFORMATION

Bank Details

Shareholders holding shares in the certificate form are requested to advise RTA of change in their address / mandate / bank details to facilitate better servicing.

Shareholders are advised that their bank details, or where such details are not available, their addresses, as furnished by them to RTA or to the Depositories, will be printed on the dividend warrants as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as a measure of protection against fraudulent encashment.

Permanent Account Number (PAN)

Attention is drawn that Shareholders holding shares in the certificate form are mandatorily required to furnish copy of PAN

Card in the following cases:

- i) Transferees' and Transferors' PAN Cards for transfer of shares,
- ii) Legal heirs' / Nominees' PAN Cards for transmission of shares,
- iii) Surviving joint holders' PAN Cards for deletion of name of deceased Shareholders, 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, should submit to the RTA the prescribed Form; such Form can be downloaded from the Company's website under the section 'Investor Relations' in 'Shareholder Value'.

International Travel House Limited

REPORT OF THE BOARD OF DIRECTORS & MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors submit their Report for the financial year ended 31st March, 2017.

BUSINESS ENVIRONMENT

The global economy continued to lose pace in 2016 growing by 3.1% compared to 3.4% in 2015. The growth in US and the Euro Areas also slowed down and were in the range of 1.6% to 1.7%. However, it is anticipated that the global economy will be stronger in 2017 and will outpace the growth seen in 2015.

The Indian economy too witnessed another challenging year, with the real GDP growth at 7.1%, a significant decline over 2015-16 (7.9%). The Industry and Services sectors decelerated further during the year, recording the slowest growth over the last few years. However, India still remains the fastest growing major economy in the world.

Inflation remained largely within the comfort zone of the RBI during the year. While growth in Wholesale Price Index (WPI) for 2016-17 stood at 1.7% compared to a decline of 3.7% in 2015-16, this was mainly attributable to the base effect of low fuel and commodity prices. Consumer Price Index (CPI) for 2016-17 declined to 4.5% against 4.9% in 2015-16 with Core CPI remaining stable at 4.7% in 2016-17 (4.6% in 2015-16).

FINANCIAL PERFORMANCE

Your Company recorded revenue from operations of ₹ 201.54 crores (previous year ₹ 195.91 crores) registering a 2.9% growth over last year. Other income at ₹ 4.20 crores (previous year ₹ 4.14 crores) registered a growth of 1.4% as your Company's treasury operations continued to focus on deployment of temporary surplus liquidity within a well-defined risk management framework. Pre-tax profits at ₹ 18.30 crores (previous year ₹ 16.10 crores) grew by 13.67% and post-tax profits at ₹ 11.17 crores (previous year ₹ 9.61 crores) grew by 16.23% over last year. This was mainly on account of managing a higher total income without corresponding increase in costs.

During the financial year 2016-17, your Company earned ₹ 20.24 crores (previous year ₹ 23.82 crores) in foreign exchange from its Travel, Tours and Car Rental Services. Your Company's expenditure in foreign currency amounted to ₹ 0.39 crores (previous year ₹ 0.31 crores). Details of foreign exchange earnings and outflow are provided in Additional Notes 32 (vii) and (viii) to the Financial Statements.

PROFITS, DIVIDEND AND SURPLUS

The financial results of your Company, summarised, are as under:

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Profits	(₹)	(₹)
a. Profit Before Tax	18,30,90,993	16,09,94,901
b. Tax Expense		
Current Tax	7,82,78,663	5,99,54,032
Deferred Tax	(69,11,694)	49,78,444
c. Profit for the year	11,17,24,024	9,60,62,425
d. Other Comprehensive Income	(71,02,013)	(12,92,482)
e. Total Comprehensive Income	10,46,22,011	9,47,69,943
Statement of Retained Earnings		
At the beginning of the year	1,18,82,77,215	1,13,44,00,858
Add: Profit for the year	11,17,24,024	9,60,62,425
Less:		
Other Comprehensive Income (Net of Tax)	71,02,013	12,92,482
Dividend paid including Income Tax on Dividend paid	4,08,93,586	4,08,93,586
At the end of the year	1,25,20,05,640	1,18,82,77,215

Your Directors are pleased to recommend a dividend of ₹ 4.25 per Equity Share of ₹ 10/- each for the year ended 31st March, 2017, thereby maintaining last year's dividend.

BUSINESS SEGMENTS

Air Travel

India's domestic travel market grew by 23% during the year 2016. Domestic airlines carried 999 lac passengers in 2016 against 811 lacs in the previous year. The growth drivers were from retail segment and mainly due to low air fares and additional capacity added by the airlines. The Indian aviation industry was estimated at USD 16 billion in the year 2015 and is expected to become the world's third largest market by 2020.

India's international outbound business travel spending have shown a subdued growth in the 5-6 percent per year range. However, in overall terms, a double digit business travel spending growth continues for India, and has been predicted at 11.6%. The country continues to position itself to become a world leader in business travel.

Despite an increase in volume of tickets sold during the year, your Company's top line showed a marginal growth due to lower domestic tariffs as average ticket price was down. This adversely impacted performance linked bonuses which are received from the airlines. A further depletion of airline commissions kept the earnings under pressure during the year. However, your

Company has been able to sustain growth over the previous year with various initiatives.

Your Company received performance excellence awards from Singapore Airlines, Air Mauritius, Sri Lankan Airlines, Thai Airways, Hahn Airlines, Oman Air and GoAirways.

Car Rental Business

The car rental market in India was estimated at USD 9 billion in the year 2015, with a major part of the market being dominated by the unorganised sector. This market is expected to grow at a CAGR of 24.6% till the financial year 2019.

Disruption from aggregators continued during the year, with their entry into the corporate sector. Also the low pricing by the app based companies put pressure on margins with tariffs being flat and input costs increasing.

Despite the increased competition and price wars, your Company showed a marginal decline over the previous year. Focus on technology adaption continued for safety with multilevel tracking. Chauffeur training and grooming continued with redefined focus on safety.

During the year, your Company opened an office at Indore to attract new clients and gain market share. Plans to commence operations in other tier II cities continue to be pursued.

Forex

Your Company holds a valid full-fledged money changers (FFMC) licence issued by the Reserve Bank of India and runs FFMC business in eight of its IATA offices across India in order to provide a one stop shop for all travel requirements of the tourist. Your Company had a significant growth in this business during the year.

MICE

Your Company maintained its position in this segment by being the sole official travel partner for many events and has successfully organised over 25 Trade Shows during the year. The major events organised by your Company were Bauma Conexpo, Renewable Energy and prestigious shows of ISHRAE, Messe Frankfurt, Nuernberg Messe, United Business Media, PDA Trade Fairs etc. Your Company had the distinction of being honoured with the Top Professional Conference Organisers (PCO) Award 2016 during the year.

Outbound and Domestic Tourism

Extensive efforts by the Government to promote India as a tourist destination coupled with the presence of a large number of Indian diaspora resulted in outbound tourism growing at a

CAGR of 10.46% over the last five years. Relaxation in forex rules and investor friendly business policies have added to the increase of business travellers – both inbound and outbound.

Your Company's focused approach in this segment resulted in significant growth despite demonetisation during the year. Your Company provides an online booking system to its customers to book hotels and tour packages.

Your Company has received an award from Hong Kong Tourism for year on year growth in the Meetings and Incentives segment.

Inbound and Domestic Tourism Scenario

The growth in the Foreign Tourist Arrivals (FTAs) into India, which is about 8 million (0.6% of the population) is quite low when compared to the Association of Southeast Asian Nations (ASEAN) (15.3%), the Organisation for Economic Co-operation and Development (OECD) nations (48.7%), the Gulf Cooperation Council (GCC) (85.5%) and other emerging economies (5.5%). This not only highlights abysmally low penetration levels, but also underlines the untapped potential that can be capitalised with the right mix of infrastructure, safety and security, and speed and convenience of the entire travel life-cycle from bookings to sharing feedbacks.

The explosive growth in Domestic Tourist Visits (DTV) that grew at a CAGR of 13.6% over the last 24 years – standing at 1.43 billion tourists is a testimony of the fact that with speed, safety and convenience of transaction from a traveller's perspective, the future growth would also continue to be on an exponential trajectory.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company does not have any subsidiary, associate or joint venture.

INTERNAL FINANCIAL CONTROLS

Corporate Governance in your Company operates at three interlinked levels with clearly defined roles, responsibilities and authorities across the three levels of the governance structure. Your Company also has a Code of Conduct which requires management to conform to the required financial and accounting policies, systems and processes, conduct business ethically and ensure strict compliance with all applicable laws and regulations. Both these policies have been widely communicated across the organisation and together with the 'Strategy of Organisation', Planning & Review Processes and the Risk Management Framework, create a control environment across the Company and provides the cornerstone for Internal Financial Controls with reference to your Company's Financial Statements.

Your Company's Financial Statements are prepared on the basis of the Significant Accounting Policies that are carefully

selected by management and approved by the Audit Committee and the Board. These Policies are supported by the Corporate Accounting, System and Policies that apply to the entity as a whole and are practiced uniformly across the Company. The Accounting Policies are reviewed and updated from time to time. These in turn are supported by a set of policies and Standard Operating Procedures (SOPs) that have been established for individual businesses. Your Company uses Information Technology Systems as a business enabler and also to maintain its books of accounts. The SOPs in tandem with the Information Management Policy reinforces the control environment. The whole gamut of controls, policies, procedures and systems, are reviewed by management and audited by Internal Audit whose findings and recommendations are reviewed by the Audit Committee and tracked through to implementation.

Your Company has in place adequate internal financial controls with reference to Financial Reporting. Such controls have been assessed during the year taking into consideration the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India. Based on the results of this assessment carried out by management, no reportable material weakness or significant deficiencies in the design or operation of internal financial controls were observed. Nonetheless your Company recognises that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

RISK MANAGEMENT

Your Company continues its emphasis on a systems-based approach to business risk management. Backed by strong internal control systems, the current Risk Management framework consists of the following key elements:

- The Corporate Governance Policy approved by the Board clearly lays down the roles and responsibilities of the various entities in relation to risk management covering a range of responsibilities, from the strategic to the operational. These role definitions provide the foundation for your Company's Risk Management Policy that is endorsed by the Board and is aimed at ensuring formulation of appropriate risk management procedures, their effective implementation and independent monitoring and reporting by Internal Audit.
- The Risk Assessment and Management Cell, through focused interactions with businesses, facilitates the identification and prioritisation of strategic and operational risks, development of appropriate mitigation strategies and conducts periodic

reviews of the progress on the management of identified risks.

- A combination of centrally issued policies and procedures, which are regularly reviewed and updated in the light of changing business and regulatory environment brings robustness to the process of ensuring that business risks are effectively addressed.
- Appropriate structures are in place to proactively monitor and manage the inherent risks in businesses with unique / relatively high risk profiles.
- Corporate Internal Audit is an independent function and carries out risk focused audits across all businesses, enabling identification of areas where risk management processes may need to be strengthened. The Audit Committee of the Board reviews Internal Audit findings, provides strategic guidance on internal controls and seeks feedback on implementation based on such guidance. The Audit Review Committee closely monitors the internal control environment within your Company including implementation of action plans emerging out of internal audit findings.
- A framework of strategic planning and performance management ensures realisation of business objectives based on effective strategy implementation. The annual planning exercise requires identification of top risks and sets out a mitigation plan with agreed timelines and accountability. Businesses are required to confirm periodically that all relevant risks have been identified, assessed, evaluated and that appropriate mitigation systems have been implemented.

The combination of policies and processes as outlined above adequately addresses the various risks associated with your Company's businesses.

AUDIT AND SYSTEMS

Your Company believes that internal control is a necessary adjunct of the principle of governance that freedom of management should be exercised within a framework of appropriate checks and balances. Your Company remains committed to ensuring an effective internal control environment that provides assurance and comfort on orderly and efficient conduct of operations, security of assets, prevention and detection of frauds / errors, accuracy and completeness of accounting records and the timely preparation of reliable financial information.

Your Company's independent and robust Internal Audit processes provide assurance on the adequacy and effectiveness of internal controls, compliance with operating systems, internal policies and regulatory requirements.

The Internal Audit function consisting of an in-house team and outsourced professional firms is resourced to deliver high standards audit assurances. In the context of the IT environment of your Company, systems and policies relating to Information Management are periodically reviewed and benchmarked for contemporariness. Compliance with the Information Management policies receives focused attention of the Internal Audit team.

The Audit Committee of your Board met four times during the year. The Terms of Reference of the Audit Committee included reviewing the adequacy and effectiveness of the internal control environment, monitoring implementation of the action plans emerging out of Internal Audit findings including those relating to strengthening of your Company's risk management systems, and discharge of statutory mandates.

HUMAN RESOURCE DEVELOPMENT

Your Company firmly believes that employees are the vital and most valuable assets and hence has created a favourable work environment that encourages innovation and meritocracy. Your Company has driven myriad changes in the way human resources are managed and developed, striking a balance between business needs & individual aspirations.

Your Company's Human Resource policies and procedures continue to evolve to stay ahead with the dynamic business environment and have enhanced organisational ability to remain compliant with the changing regulatory requirements.

Your Company is committed to achieve sustainable organisational performance as an overarching goal.

The Company provides a gender friendly workplace and no case of sexual harassment was reported during the year. The Company has put in place a Grievance Redressal Procedure and an Internal Complaints Committee to ensure that grievances in this regard, if any, are effectively addressed.

WHISTLEBLOWER POLICY

The Company's Whistleblower Policy encourages Directors and employees to bring to the Company's attention instances of unethical behaviour, actual or suspected incidents of fraud or violation of the ITHL Code of Conduct that could adversely impact the Company's operations, business performance and / or reputation. The Policy provides that the Company investigates such incidents, when reported, in an impartial manner and takes appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld. It is the Company's Policy to ensure that no employee is victimised or harassed for bringing such incidents to the attention of the Company.

The practice of the Whistleblower Policy is overseen by the Audit Committee and no employee has been denied access to the Committee. The Whistleblower Policy is available on the Company's website at https://www.travelhouseindia.com/policies/Whistleblower_Policy.pdf.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company's CSR Policy outlines the programmes and projects that fall within the purview of Schedule VII of the Companies Act, 2013 (the Act) read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The annual report on CSR activities as required under Sections 134 and 135 of the Act read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Rule 9 of the Companies (Accounts) Rules, 2014 is provided in the Annexure forming part of this Report.

DEPOSITS

Your Company has not accepted any deposit from the public / members under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 during the year.

DIRECTORS

Changes in Directors

Mr Jehangir Jal Ghadiali who was on deputation from ITC Limited (ITC), stepped down as Managing Director of the Company with effect from 27th January, 2017, consequent to his reversion to ITC. Mr Anil Bajjal ceased to be an Independent Director of your Company with effect from 30th December, 2016, consequent to his appointment as Lt. Governor of Delhi. Your Directors would like to record their appreciation for the services rendered by Messrs Ghadiali and Bajjal.

Retirement by Rotation

In accordance with the provisions of Section 152 of the Act read with Articles 143 and 144 of the Articles of Association of the Company, Mr Anil Rajput will retire by rotation at the ensuing Annual General Meeting (AGM) of your Company and being eligible, offers himself for re-appointment. Your Board recommends his re-appointment.

Number of Board Meetings

During the year ended 31st March, 2017, five meetings of the Board were held.

Attributes, Qualifications & Independence of Directors and their Appointment

The Nominations & Remuneration Committee of the Board had approved the criteria for determining qualifications, positive attributes and independence of Directors in terms of the Act and

the Rules thereunder, both in respect of Independent Directors and other Directors as applicable, as reported last year. The Governance Policy of the Company also, inter alia, requires that Non-Executive Directors, including Independent Directors, be drawn from amongst eminent professionals with experience in business / finance / law / public administration and enterprises.

The Board Diversity Policy of the Company requires the Board to have a balance of skills, experience and diversity of perspectives appropriate to the Company. The Articles of Association of the Company provide that the strength of the Board shall not be fewer than three nor more than twelve.

Directors are appointed / re-appointed with the approval of the members. All Directors, other than Independent Directors, are liable to retire by rotation, unless otherwise approved by the members. One-third of the Directors who are liable to retire by rotation, retire every year and are eligible for re-appointment.

The Independent Directors of your Company have confirmed that they meet the criteria of independence as prescribed under Section 149 of the Act and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company's Policy relating to remuneration of Directors, Key Managerial Personnel and other employees is provided under the section 'Report on Corporate Governance' in the Report and Accounts.

Board Evaluation

The Nominations & Remuneration Committee has approved the Policy on Board Evaluation, Evaluation of Board Committees' functioning and individual Director Evaluation. Board performance is assessed against the role and responsibilities of the Board as provided in the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Company's Governance Policy. The parameters for Board performance evaluation have been derived from the Board's core role of trusteeship to protect and enhance shareholder value as well as fulfill expectations of other stakeholders through strategic supervision of the Company. Evaluation of functioning of Board Committees is based on discussions amongst Committee members and shared by each Committee Chairman with the Board. Individual Directors are evaluated in the context of the role played by each Director as a member of the Board at its meetings and in assisting the Board in realising its role of strategic supervision of the functioning of the Company in pursuit of its purpose and goals.

While the Board evaluated its performance against the parameters laid down by the Nominations & Remuneration Committee, the evaluation of individual Directors was carried

out anonymously in order to ensure objectivity. The Board was briefed on functioning of Board Committees by the respective Committee Chairmen.

Key Managerial Personnel

Mr Sandip Datta stepped down as the Chief Financial Officer of your Company with effect from close of work on 31st October, 2016. The Board, on the recommendation of the Audit Committee and the Nominations & Remuneration Committee, appointed Mr Savio Sequeira as the Chief Financial Officer of your Company with effect from 1st November, 2016.

In order to strengthen the executive management of the Company and as an interim arrangement, your Board, on the recommendation of the Nominations & Remuneration Committee, appointed Mr Ghanshyam Arora, Senior Executive Vice President - Operations, as also the Manager of the Company with effect from 6th February, 2017, subject to the approval of the Members of the Company.

Thereafter, your Board, on the recommendation of the Nominations & Remuneration Committee, appointed Mr Ajay Kumar as the Chief Executive Officer of the Company effective 5th April, 2017. Consequently, Mr Arora stepped down as the Manager of the Company with effect from close of work on 4th April, 2017.

Appropriate resolution seeking your approval to Mr Arora's appointment as Manager for the period from 6th February, 2017 to 4th April, 2017 is appearing in the Notice convening the ensuing AGM of the Company.

AUDIT COMMITTEE & AUDITORS

The composition of the Audit Committee is provided under the section 'Board of Directors & Committees' in the Report and Accounts.

Statutory Auditors

The Company's present Auditors, Messrs S R Batliboi & Associates LLP, Chartered Accountants, were appointed with your approval at the Thirty Third AGM to hold such office for a period of three years till the conclusion of the Thirty Sixth AGM i.e. the ensuing AGM.

Your Board, on the recommendation of the Audit Committee, has recommended the appointment of Messrs Deloitte Haskins & Sells LLP, Chartered Accountants (DHS), as Auditors of the Company for a period of five years in accordance with Section 139(1) of the Act. DHS have given their consent and certificate for appointment as the Auditors of the Company. Appropriate resolution in respect of the above appears in the Notice convening the ensuing AGM of the Company.

Secretarial Auditors

Your Board appointed Messrs PB & Associates, Company Secretaries, to conduct the secretarial audit of the Company for the financial year ended 31st March, 2017. Their report is provided in the Annexure forming part of this Report, in terms of Section 204 of the Act.

RELATED PARTY TRANSACTIONS

All contracts or arrangements entered into by the Company with its related parties during the financial year were in accordance with the provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All such contracts or arrangements have been approved by the Audit Committee. No material contracts or arrangements with related parties were entered into during the year under review. Accordingly, no transactions are being reported in Form No. AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Act your Directors confirm having: -

- a) followed in the preparation of the Annual Accounts the applicable Accounting Standards with proper explanation relating to material departures, if any;
- b) 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 your Company for that period;
- c) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- d) prepared the Annual Accounts on a going concern basis;
- e) laid down internal financial controls to be followed by your Company and that such internal financial controls were adequate and operating effectively; and
- f) devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

OTHER INFORMATION

Compliance with conditions of Corporate Governance

The certificate of the Auditors, Messrs S R Batliboi & Associates

LLP, Chartered Accountants, confirming compliance of conditions of Corporate Governance as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed.

Going Concern Status

There is no significant or material order passed during the year by any regulator, court or tribunal impacting the going concern status of the Company or its future operations.

Extract of Annual Return

The information required under Section 134 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, is provided in the Annexure forming part of the Report.

Particulars of Loans, Guarantees or Investments

During the year ended 31st March, 2017, the Company has neither given any loan or guarantee nor has made any investment under the provisions of Section 186 of the Act.

Particulars relating to Conservation of Energy and Technology Absorption

Particulars as required under Section 134 of the Act relating to Conservation of Energy and Technology Absorption are provided below:

Conservation of Energy:

Steps taken on conservation of energy and impact thereof: NIL

Steps taken by the Company for utilising alternate sources of energy: NIL

Capital investment on energy conservation equipment: NIL

Technology Absorption:

- 1) Efforts, in brief, made towards technology absorption and benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.:

ITH SMART, the Company's reservations and booking platform has stabilised and is now the backbone for reservations and bookings. Further, the platform continues to be enhanced with contemporary features and new contents.

Your Company has also launched a Corporate Self Booking Tool allowing customers to book various travel products as per their own convenience and travel needs.

Benefits:

Improved customer service delivery, optimisation of fulfillment process, significant improvement in response time to customers and increased customer reach and connect.

- II) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:
- A) Details of technology imported - NIL
 - B) Year of import - NIL
 - C) Whether the technology been fully absorbed - NIL
 - D) If not fully absorbed, areas where absorption has not taken place, and the reasons therefore - NIL
- III) Expenditure incurred on research and development - NIL

Employees

The total number of employees as on 31st March, 2017 stood at 698.

There were no employees, who were employed throughout the year and were in receipt of remuneration aggregating ₹ 1.02 crores or more or were employed for part of the year and were in receipt of remuneration aggregating ₹ 8.5 lacs per month or more during the financial year ended 31st March, 2017. The information required under Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure forming part of this Report.

FORWARD-LOOKING STATEMENTS

This Report contains forward-looking statements that involve risks and uncertainties. When used in this Report, the words 'anticipate', 'believe', 'estimate', 'expect', 'intend', 'will' and other similar expressions as they relate to the Company and / or its businesses are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements

could differ materially from those expressed or implied in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates. This Report should be read in conjunction with the financial statements included herein and the notes thereto.

FUTURE PROSPECTS

As per India Aviation Outlook Report for the financial year 2017-18, the domestic air traffic could grow by nearly 25% and approach 130 million passengers in India. The next financial year is expected to be the third consecutive year of domestic growth above 20% but may be tempered by 3-5% because of the impact of demonetisation.

The Government of India has granted 'in-principle' approval for setting up of 14 Greenfield airports in various parts of the country and has signed an open skies agreement with six countries. These developments should boost passenger traffic to and from India apart from improving connectivity domestically.

The Union Cabinet has given its approval for liberalisation, simplification and rationalisation of the existing visa regime in India and for incremental changes in the visa policy. This will facilitate entry of foreigners for tourism, business and medical purposes with one single visa. According to a government release, this initiative is expected to stimulate economic growth, increase earnings from export of services like tourism, medical value travel and travel on account of business and to make 'Skill India', 'Digital India', 'Make in India' and other such flagship initiatives of the Government successful.

On behalf of the Board

Place : New Delhi
Date : 22nd April, 2017

A Rajput
Director

J Singh
Director

International Travel House Limited

ANNEXURE

Annual Report on CSR Activities of the Company for the financial year ended 31st March, 2017 [Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1.	A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken	The Corporate Social Responsibility (CSR) Policy provides that the Company may consider and undertake activities as provided in Schedule VII to the Companies Act, 2013 which inter-alia includes eradication of poverty, environmental sustainability, empowerment of women, enhancing vocational skills, protection of national heritage, promoting education, conservation of natural resources, contribution to PM's National Relief Fund, rural development projects and similar activities. The details of the CSR Policy may be accessed on the Company's website at https://www.travelhouseindia.com/policies/Corporate_Social_Responsibility.pdf The Company has focussed on Rural Development by contributing towards the ITC Rural Development Trust .
2.	Composition of CSR Committee	Mr A Rajput (Chairman) Ms S Pillai Mr J Singh
3.	Average Net Profits of the Company for last three financial years	₹ 24,57,40,085/-
4.	Prescribed CSR expenditure (two percent of the amount stated under 3 above)	₹ 49,14,802/-
5.	Details of CSR spent during the financial year 2016-17: Total amount spent for the financial year Total amount unspent	₹ 49,14,802/- Nil

Manner in which amount spent during the financial year 2016-17 is detailed below:

Sl. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programmes (1) Local area or other (2) State and district where projects or programmes was undertaken	Amount outlay (Budget) project or programmes wise	Amount spent on the projects or programmes Sub heads: 1. Direct expenditure on projects or programmes 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through Implementing Agency
1.	Contribution to ITC Rural Development Trust	Undertaking rural development projects [covered under clause (x) of Schedule VII to the Companies Act, 2013]	N.A.	₹ 49,14,802/-	₹ 49,14,802/-	₹ 49,14,802/-	Implementing Agency- ITC Rural Development Trust, Kolkata

6. The CSR Committee affirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR Policy and objectives of the Company.

On behalf of the Board

Place : New Delhi
Date : 22nd April, 2017

A Rajput
Chairman - CSR Committee

J Singh
Director

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on the Financial Year ended on 31st March, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

- | | | |
|--|---|--|
| i) CIN | : | L63040DL1981PLC011941 |
| ii) Registration Date | : | 29th June, 1981 |
| iii) Name of the Company | : | International Travel House Limited |
| iv) Category / Sub-Category of the Company | : | Public company - Limited by shares |
| v) Address of the Registered office and contact details | : | 'Travel House', T-2, Community Centre
Sheikh Sarai, Phase-I, New Delhi-110 017
Phone No. : 011 - 26017808
Fax No. : 011 - 26015113
e-mail ID : travelhouse@ith.co.in |
| vi) Whether Listed Company | : | Yes |
| vii) Name, Address and Contact details of Registrar and Transfer Agent, if any | : | MCS Share Transfer Agent Limited
F – 65, Okhla Industrial Area, Phase - I,
New Delhi-110 020
Phone Nos.: (011) 41406149-52 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sl. No.	Name and Description of main products / services	NIC Code of the products / services	% to total turnover of the Company
I.	Travel Agents and Tour Operators	79110 and 79120	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NIL

International Travel House Limited

ANNEXURE

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	49,31,896	5	49,31,901	61.69	49,31,896	5	49,31,901	61.69	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1)	49,31,896	5	49,31,901	61.69	49,31,896	5	49,31,901	61.69	0
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A)(2)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	49,31,896	5	49,31,901	61.69	49,31,896	5	49,31,901	61.69	0
B. Public Shareholding									
I. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	200	100	300	0.00	200	100	300	0.00	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	200	200	0.00	0	200	200	0.00	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	200	300	500	0.01	200	300	500	0.01	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	3,19,553	4,446	3,23,999	4.05	3,60,940	4,446	3,65,386	4.57	0.52
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	20,07,316	3,46,269	23,53,585	29.44	20,87,099	3,35,244	24,22,343	30.30	0.86

International Travel House Limited

ANNEXURE

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	2,56,218	0	2,56,218	3.20	2,16,920	0	2,16,920	2.71	(0.49)
c) Others (specify)									
i) Trust & Foundations	3,150	0	3,150	0.04	3,150	0	3,150	0.04	0
ii) Non Resident Individuals	1,24,647	500	1,25,147	1.57	52,790	1,510	54,300	0.68	(0.89)
Sub-total (B)(2)	27,10,884	3,51,215	30,62,099	38.30	27,20,899	3,41,200	30,62,099	38.30	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	27,11,084	3,51,515	30,62,599	38.31	27,21,099	3,41,500	30,62,599	38.31	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	76,42,980	3,51,520	79,94,500	100	76,52,995	3,41,505	79,94,500	100	0

(ii) Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares pledged / encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares pledged / encumbered to total Shares	
1.	Russell Credit Limited	36,26,638	45.36	Nil	36,26,638	45.36	Nil	Nil
2.	Russell Investments Limited	10,17,663	12.72	Nil	10,17,663	12.72	Nil	Nil
3.	ITC Limited	2,87,600	3.59	Nil	2,87,600	3.59	Nil	Nil

(iii) Change in Promoters' Shareholding (please specify, if there is no change):

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	No Change in Shareholding during the year			
	Increase / Decrease in Promoters Shareholding during the year				
	At the end of the year				

International Travel House Limited

ANNEXURE

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For each of the top ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Nitesh Arjun Thakkar				
	At the beginning of the year	N.A.	N.A.		
	Became a part of top ten Shareholders of the Company with effect from 16/09/2016	19,900	0.25		
	Increase / Decrease in Shareholding during the year w.e.f. 16/09/2016				
	23/09/2016	5,175	0.06	25,075	0.31
	30/09/2016	2,157	0.03	27,232	0.34
	14/10/2016	840	0.01	28,072	0.35
	21/10/2016	32,728	0.41	60,800	0.76
	28/10/2016	150	0.00	60,950	0.76
	At the end of the year			60,950	0.76
2.	Rajasthan Global Securities Private Limited				
	At the beginning of the year	98,826	1.23		
	Increase / Decrease in Shareholding during the year				
	23/09/2016	(5,092)	0.06	93,734	1.17
	30/09/2016	(1,218)	0.02	92,516	1.16
	21/10/2016	(16,352)	0.20	76,164	0.95
	28/10/2016	(7,601)	0.10	68,563	0.86
	18/11/2016	(127)	0.00	68,436	0.86
	25/11/2016	(30,413)	0.38	38,023	0.48
	03/03/2017	11,434	0.14	49,457	0.62
	10/03/2017	2,058	0.03	51,515	0.64
	17/03/2017	1,000	0.01	52,515	0.66
	24/03/2017	2,000	0.03	54,515	0.68
	At the end of the year			54,515	0.68
3.	Indian Syntans Investments (P) Ltd				
	At the beginning of the year	42,399	0.53		
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			42,399	0.53
4.	Amit Jain				
	At the beginning of the year	N.A.	N.A.		
	Became a part of top ten Shareholders of the Company with effect from 10/06/2016	35,000	0.44		

International Travel House Limited

ANNEXURE

Sl. No.	For each of the top ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	Increase / Decrease in Shareholding during the year w.e.f. 10/06/2016				
	08/07/2016	25,000	0.31	60,000	0.75
	21/10/2016	(20,000)	0.25	40,000	0.50
	03/02/2017	(5,000)	0.06	35,000	0.44
	At the end of the year			35,000	0.44
5.	JM Financial Services Limited				
	At the beginning of the year	N.A.	N.A.		
	Became a part of top ten Shareholders of the Company with effect from 31/03/2017	34,859	0.44		
	At the end of the year			34,859	0.44
6.	Aparnaa Sarees Private Limited				
	At the beginning of the year	N.A.	N.A.		
	Became a part of top ten Shareholders of the Company with effect from 23/09/2016	18,800	0.24		
	Increase / Decrease in Shareholding during the year w.e.f. 23/09/2016				
	30/09/2016	6,200	0.08	25,000	0.31
	14/10/2016	(5,080)	0.06	19,920	0.25
	21/10/2016	(226)	0.00	19,694	0.25
	04/11/2016	21,368	0.27	41,062	0.51
	11/11/2016	14,817	0.19	55,879	0.70
	27/01/2017	(13,078)	0.16	42,801	0.54
	03/02/2017	(4,041)	0.05	38,760	0.48
	10/02/2017	(5,217)	0.07	33,543	0.42
	At the end of the year			33,543	0.42
7.	Dhaval Arjun Thakkar				
	At the beginning of the year	N.A.	N.A.		
	Became a part of top ten Shareholders of the Company with effect from 23/09/2016	17,900	0.22		
	Increase / Decrease in Shareholding during the year w.e.f. 23/09/2016				
	30/09/2016	2,053	0.03	19,953	0.25
	07/10/2016	397	0.00	20,350	0.25
	14/10/2016	850	0.01	21,200	0.27
	21/10/2016	8,000	0.10	29,200	0.37
	28/10/2016	150	0.00	29,350	0.37
	At the end of the year			29,350	0.37

International Travel House Limited

ANNEXURE

Sl. No.	For each of the top ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
8.	Prithvi Vincom Private Limited				
	At the beginning of the year	N.A.	N.A.		
	Became a part of top ten Shareholders of the Company with effect from 24/02/2017	15,830	0.20		
	Increase / Decrease in Shareholding during the year w.e.f. 24/02/2017				
	03/03/2017	3,200	0.04	19,030	0.24
	17/03/2017	939	0.01	19,969	0.25
	31/03/2017	1,427	0.02	21,369	0.27
	At the end of the year			21,396	0.27
9.	Om Prakash Rawat				
	At the beginning of the year	20,000	0.25		
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			20,000	0.25
10.	Vincent Trading Private Limited				
	At the beginning of the year	N.A.	N.A.		
	Became a part of top ten Shareholders of the Company with effect from 29/07/2016	27,319	0.34		
	Increase / Decrease in Shareholding during the year w.e.f. 29/07/2016				
	16/09/2016	(4,001)	0.05	23,318	0.29
	23/09/2016	(2,000)	0.03	21,318	0.27
	07/10/2016 ⁱ	(8,247)	0.10	13,071	0.16
	14/10/2016 ⁱ	7,423	0.09	20,494	0.26
	21/10/2016	(1,944)	0.02	18,550	0.23
	At the end of the year			18,550	0.23
	i. Ceased to be part of the top ten Shareholders of the Company on 07/10/2016 and became part of the top ten Shareholders of the Company with effect from 14/10/2016.				
11.	Vijaya S				
	At the beginning of the year	70,289	0.88		
	Increase / Decrease in Shareholding during the year				
	15/04/2016	(521)	0.01	69,768	0.87
	13/05/2016	(1,707)	0.02	68,061	0.85
	20/05/2016	(835)	0.01	67,226	0.84
	27/05/2016	(20,817)	0.26	46,409	0.58
	03/06/2016 ⁱ	(13,310)	0.17	33,099	0.41
	At the end of the year			N.A.	N.A.
	i. Ceased to be part of the top ten Shareholders of the Company on 03/06/2016.				

International Travel House Limited

ANNEXURE

Sl. No.	For each of the top ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
12.	Dr Sanjeev Arora				
	At the beginning of the year	62,212	0.78		
	Increase / Decrease in Shareholding during the year				
	06/05/2016	(6,000)	0.08	56,212	0.70
	13/05/2016	(2,000)	0.03	54,212	0.68
	27/05/2016	(2,000)	0.03	52,212	0.65
	17/06/2016	(8,000)	0.10	44,212	0.55
	24/06/2016	(8,000)	0.10	36,212	0.45
	30/06/2016	(6,000)	0.08	30,212	0.38
	08/07/2016	(6,000)	0.08	24,212	0.30
	15/07/2016	(5,649)	0.07	18,563	0.23
	22/07/2016 ¹	(2,000)	0.03	16,563	0.21
	At the end of the year			N.A.	N.A.
	1. Ceased to be part of the top ten Shareholders of the Company on 22/07/2016.				
13.	Vikram Chinubhai Shah				
	At the beginning of the year	25,500	0.32		
	Increase / Decrease in Shareholding during the year				
	10/6/2016 ¹	(500)	0.01	25,000	0.31
	At the end of the year			N.A.	N.A.
	1. Ceased to be part of the top ten Shareholders of the Company on 10/06/2016.				
14.	Shanthi Chandrasekhar				
	At the beginning of the year	25,019	0.31		
	Increase / Decrease in Shareholding during the year				
	08/04/2016	(1,644)	0.02	23,375	0.29
	22/04/2016	(2,275)	0.03	21,100	0.26
	08/07/2016	(2,302)	0.03	18,798	0.24
	15/07/2016 ¹	(1,798)	0.02	17,000	0.21
	At the end of the year			N.A.	N.A.
	1. Ceased to be part of the top ten Shareholders of the Company on 15/07/2016.				
15.	Chandrasekhar D				
	At the beginning of the year	23,527	0.29		
	Increase / Decrease in Shareholding w.e.f. 08/04/2016 ¹	(11,896)	0.15	11,631	0.15
	At the end of the year			N.A.	N.A.
	1. Ceased to be part of the top ten Shareholders of the Company on 08/04/2016.				

International Travel House Limited

ANNEXURE

Sl. No.	For each of the top ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
16.	S Shaym				
	At the beginning of the year	18,455	0.23		
	Increase / Decrease in Shareholding during the year 08/04/2016 ¹	(8,047)	0.10	10,381	0.13
	At the end of the year			N.A.	N.A.
	i. Ceased to be part of the top ten Shareholders of the Company on 08/04/2016.				
17.	Rajan Rakheja				
	At the beginning of the year	15,617	0.20		
	Increase / Decrease in Shareholding during the year				
	27/05/2016 ¹	0	0.00	15,617	0.20
	10/06/2016 ¹	0	0.00	15,617	0.20
	24/06/2016 ²	0	0.00	15,617	0.20
	08/07/2016 ²	0	0.00	15,617	0.20
	16/09/2016 ³	0	0.00	15,617	0.20
	At the end of the year			N.A.	N.A.
	1. Ceased to be part of the top ten Shareholders of the Company on 27/05/2016 and became part of the top ten Shareholders of the Company with effect from 10/06/2016.				
	2. Ceased to be part of top ten Shareholders of the Company on 24/06/2016 and became part of the top ten Shareholders of the Company with effect from 08/07/2016.				
	3. Ceased to be part of top ten Shareholders of the Company on 16/09/2016.				
18.	ASE Capital Markets Limited				
	At the beginning of the year	N.A.	N.A.		
	Became a part of top ten Shareholders of the Company with effect from 09/09/2016	48,300	0.60		
	Increase / Decrease in Shareholding during the year w.e.f. 09/09/2016				
	16/09/2016 ¹	(48,050)	0.60	250	0.00
	At the end of the year			N.A.	N.A.
	i. Ceased to be part of the top ten Shareholders of the Company on 16/09/2016.				
19.	Darshan Financial Services Pvt Ltd				
	At the beginning of the year	N.A.	N.A.		
	Became a part of top ten Shareholders of the Company with effect from 20/01/2017	26,907	0.34		
	Increase / Decrease in Shareholding during the year w.e.f. 20/01/2017				
	27/01/2017	(90)	0.00	26,817	0.34
	17/02/2017	4,792	0.06	31,609	0.40
	31/03/2017 ¹	(31,609)	0.40	0	0.00
	At the end of the year			N.A.	N.A.
	i. Ceased to be part of the top ten Shareholders of the Company on 31/03/2017.				

International Travel House Limited

ANNEXURE

Sl. No.	For each of the top ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
20.	Suprapti Finvest Pvt Ltd				
	At the beginning of the year	N.A.	N.A.		
	Became a part of top ten Shareholders of the Company with effect from 25/11/2016	25,000	0.31		
	Increase / Decrease in Shareholding during the year w.e.f. 25/11/2016				
	27/01/2017	(5,000)	0.06	20,000	0.25
	03/02/2017 ¹	(10,000)	0.13	10,000	0.13
	At the end of the year			N.A.	N.A.
	1. Ceased to be part of the top ten Shareholders of the Company on 03/02/2017.				
21.	Amit Mehta				
	At the beginning of the year	N.A.	N.A.		
	Became a part of top ten Shareholders of the Company with effect from 16/09/2016	19,758	0.25		
	Increase / Decrease in Shareholding during the year w.e.f. 16/09/2016				
	07/10/2016	(1,000)	0.01	18,758	0.23
	21/10/2016 ¹	(2,101)	0.03	16,657	0.21
	At the end of the year			N.A.	N.A.
	1. Ceased to be part of the top ten Shareholders of the Company on 21/10/2016.				
22.	Yogesh Rasiklal Doshi				
	At the beginning of the year	N.A.	N.A.		
	Became a part of top ten Shareholders of the Company with effect from 22/07/2016	16,828	0.21		
	Increase / Decrease in Shareholding during the year w.e.f. 22/07/2016				
	29/07/2016 ¹	(14,728)	0.18	2,100	0.03
	12/08/2016 ¹	1,000	0.01	14,737	0.18
	19/08/2016	1,463	0.02	16,200	0.20
	26/08/2016	168	0.00	16,368	0.20
	02/09/2016 ²	(6,333)	0.08	10,035	0.13
	16/09/2016 ²	34,607	0.43	45,000	0.56
	28/10/2016	(8,384)	0.10	36,616	0.46
	04/11/2016	6,915	0.09	43,531	0.54
	11/11/2016	1,469	0.02	45,000	0.56
	18/11/2016	3,201	0.04	48,201	0.60
	25/11/2016	11,263	0.14	59,464	0.74
	02/12/2016	(2,951)	0.04	56,513	0.71
	09/12/2016	810	0.01	57,323	0.72
	16/12/2016	(465)	0.01	56,858	0.71

International Travel House Limited

ANNEXURE

Sl. No.	For each of the top ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	23/12/2016	250	0.00	57,108	0.71
	31/12/2016	341	0.00	57,449	0.72
	06/01/2017	(6,618)	0.08	50,831	0.64
	13/01/2017	(20,704)	0.26	30,127	0.38
	20/01/2017 ³	(30,127)	0.38	0	0.00
	At the end of the year			N.A.	N.A.
	1. Ceased to be part of the top ten Shareholders of the Company on 29/07/2016 and became part of the top ten Shareholders of the Company with effect from 12/08/2016. 2. Ceased to be part of top ten Shareholders of the Company on 02/09/2016 and became part of the top ten Shareholders of the Company with effect from 16/09/2016. 3. Ceased to be part of top ten Shareholders of the Company on 20/01/2017.				
23.	Amit Jain				
	At the beginning of the year	N.A.	N.A.		
	Became a part of top ten Shareholders of the Company with effect from 13/05/2016	16,707	0.21		
	Increase / Decrease in Shareholding during the year w.e.f. 13/05/2016				
	20/05/2016	1,586	0.02	18,293	0.23
	27/05/2016	13,869	0.17	32,162	0.40
	03/06/2016	5,302	0.07	37,464	0.47
	10/06/2016 ¹	(28,259)	0.35	9,205	0.12
	24/06/2016 ¹	4,525	0.06	19,988	0.25
	30/06/2016	8,055	0.10	28,043	0.35
	08/07/2016 ²	(24,350)	0.30	3,693	0.05
	At the end of the year			N.A.	N.A.
	1. Ceased to be part of the top ten Shareholders of the Company on 10/06/2016 and became part of the top ten Shareholders of the Company with effect from 24/06/2016. 2. Ceased to be part of top ten Shareholders of the Company on 08/07/2016.				
24.	Jain Pal Jain				
	At the beginning of the year	N.A.	N.A.		
	Became a part of top ten Shareholders of the Company with effect from 08/07/2016	14,881	0.19		
	Increase / Decrease in Shareholding during the year w.e.f. 08/07/2016				
	29/07/2016 ¹	(14,881)	0.19	0	0
	At the end of the year			N.A.	N.A.
	1. Ceased to be part of the top ten Shareholders of the Company on 29/07/2016.				
25.	Adroit Fin Services Pvt Ltd				
	At the beginning of the year	N.A.	N.A.		
	Became a part of top ten Shareholders of the Company with effect from 08/04/2016	14,493	0.18		

International Travel House Limited

ANNEXURE

Sl. No.	For each of the top ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	Increase / Decrease in Shareholding during the year w.e.f. 08/04/2016				
	15/04/2016	(200)	0.00	14,293	0.18
	22/04/2016	100	0.00	14,393	0.18
	29/04/2016	682	0.01	15,075	0.19
	06/05/2014	(100)	0.00	14,975	0.19
	13/05/2016	500	0.01	15,475	0.19
	20/05/2016	1,020	0.01	16,495	0.21
	03/06/2016	100	0.00	16,595	0.21
	17/06/2016	700	0.01	17,295	0.22
	24/06/2016	(100)	0.00	17,195	0.22
	08/07/2016 ¹	(15,245)	0.19	1,950	0.02
	29/07/2016 ¹	19,117	0.24	20,970	0.26
	12/08/2016	(100)	0.00	20,870	0.26
	26/08/2016	1,070	0.01	21,940	0.27
	02/09/2016	100	0.00	22,040	0.28
	16/09/2016	(4,286)	0.05	17,754	0.22
	23/09/2016 ²	0	0.00	17,754	0.22
	At the end of the year			N.A.	N.A.
	1. Ceased to be part of the top ten Shareholders of the Company on 08/07/2016 and became part of the top ten Shareholders of the Company with effect from 29/07/2016. 2. Ceased to be part of top ten Shareholders of the Company on 23/09/2016.				
26.	Religare Securities Limited				
	At the beginning of the year	N.A.	N.A.		
	Became a part of top ten Shareholders of the Company with effect from 02/09/2016	14,319	0.18		
	Increase / Decrease in Shareholding during the year w.e.f. 02/09/2016				
	16/09/2016 ¹	(61)	0.00	14,258	0.18
	At the end of the year			N.A.	N.A.
	1. Ceased to be part of the top ten Shareholders of the Company on 16/09/2016.				
27.	Jainam Share Consultants Pvt. Ltd				
	At the beginning of the year	N.A.	N.A.		
	Became a part of top ten Shareholders of the Company with effect from 08/04/2016	14,010	0.18		
	Increase / Decrease in Shareholding during the year w.e.f. 08/04/2016				
	15/04/2014	100	0.00	14,110	0.18
	22/04/2016	1,050	0.01	15,160	0.19
	06/05/2016	50	0.00	15,210	0.19

International Travel House Limited

ANNEXURE

Sl. No.	For each of the top ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	13/05/2016 ¹	200	0.00	15,410	0.19
	27/05/2016 ¹	400	0.01	15,910	0.20
	03/06/2016	(153)	0.00	15,757	0.20
	17/06/2016	742	0.01	16,499	0.21
	24/06/2017	250	0.00	16,749	0.21
	30/06/2017	(20)	0.00	16,729	0.21
	15/07/2016	(83)	0.00	16,646	0.21
	22/07/2016	280	0.00	16,926	0.21
	29/07/2016	480	0.01	17,406	0.22
	05/08/2016	(223)	0.00	17,183	0.21
	12/08/2016	(124)	0.00	17,059	0.21
	19/08/2016	50	0.00	17,109	0.21
	26/08/2016	150	0.00	17,259	0.22
	09/09/2016	(100)	0.00	17,159	0.21
	16/09/2016 ²	(25)	0.00	17,134	0.21
	07/10/2016 ²	1,100	0.01	18,384	0.23
	14/10/2016 ³	200	0.00	18,584	0.23
	21/10/2016 ³	0	0.00	18,584	0.23
	28/10/2016	(1,000)	0.01	17,584	0.22
	04/11/2016	50	0.00	17,634	0.22
	11/11/2016 ⁴	70	0.00	17,704	0.22
	03/02/2017 ⁴	490	0.01	18,119	0.23
	10/02/2017	(390)	0.00	17,729	0.22
	17/02/2017	400	0.01	18,129	0.23
	24/02/2017 ⁵	(5,000)	0.06	13,129	0.16
	At the end of the year			N.A.	N.A.
	1. Ceased to be part of the top ten Shareholders of the Company on 13/05/2016 and became part of the top ten Shareholders of the Company with effect from 27/05/2016. 2. Ceased to be part of top ten Shareholders of the Company on 16/09/2016 and became part of the top ten Shareholders of the Company with effect from 07/10/2016. 3. Ceased to be part of top ten Shareholders of the Company on 14/10/2016 and became part of the top ten Shareholders of the Company with effect from 21/10/2016. 4. Ceased to be part of top ten Shareholders of the Company on 11/11/2016 and became part of the top ten Shareholders of the Company with effect from 03/02/2017. 5. Ceased to be part of top ten Shareholders of the Company on 24/02/2017.				

Note: The dates of increase / decrease in shareholding, as indicated above, are based on downloads of beneficial ownership provided by the Depositories, generally every Friday.

International Travel House Limited

ANNEXURE

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares held singly / jointly	% of total Shares of the Company	No. of Shares held singly / jointly	% of total Shares of the Company
I.	N Anand (Chairman)				
	At the beginning of the year	100	0		
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			100	0

Mr A Rajput, Mr H P Ranina, Mr K L Thapar, and Ms S Pillai, Directors, and Ms J Aggarwal, Company Secretary, did not hold any Shares of the Company, either at the beginning or at the end of the year or at any time during the year.

Mr J Singh, Director, and Mr S Sequeira, Chief Financial Officer, did not hold any Shares of the Company either at the time of their appointment or at the end of the year or at any time since their appointment till 31st March, 2017.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment: **NIL**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Wholetime Directors and / or Manager:

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration of Mr G Arora (Manager) #	Total Amount
1.	Gross Salary	
	(i) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	4.43
	(ii) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	0.17
	(iii) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	0.00
2.	Stock Option	0.00
3.	Sweat Equity	0.00
4.	Commission	
	- as % of profit	0.00
	- others, specify	0.00
5.	Others, please specify	0.00
	Total (A)	4.60
	Ceiling as per the Act (Being 5% of the Net Profits of the Company as calculated under Section 198 of the Companies Act, 2013)	96.18

Appointed as Manager w.e.f 6th February 2017.

International Travel House Limited

ANNEXURE

B. Remuneration to the other Directors:

(₹ in Lakhs)

Sl. No.	Directors	Particulars of Remuneration			Total Amount
		Fee for attending Board and Board Committee Meetings	Commission	Independent Directors' Meeting Fees	
1.	Independent Directors				
	S Pillai	1.90	0.00	0.10	2.00
	H P Ranina	1.10	0.00	0.10	1.20
	K L Thapar	1.80	0.00	0.10	1.90
	Total (B)(1)				5.10
2.	Other Non-Executive Directors				
	N Anand	0.00	0.00	0.00	0.00
	A Rajput	0.00	0.00	0.00	0.00
	J Singh	0.00	0.00	0.00	0.00
	Total (B)(2)				0.00
	Total Amount (B) = (B)(1) + (B)(2)				5.10
	Total Managerial Remuneration (A+B)				9.70
	Overall Ceiling as per the Act				211.60
	<i>(Being 11% of the Net Profits of the Company as calculated under Section 198 of the Companies Act, 2013)</i>				

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD:

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		S Sequeira* Chief Financial Officer	J Aggarwal Company Secretary	
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	20.46	30.02	50.48
	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	3.59	1.73	5.32
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00
4.	Commission			
	- as % of profit	0.00	0.00	0.00
	- others, specify	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00
	Total	24.05	31.75	55.80

* Appointed as Chief Financial Officer w.e.f. 1st November, 2016.

Mr S Sequeira and Ms J Aggarwal are on deputation from ITC Limited (ITC) and have been granted Stock Options by ITC under its Employee Stock Option Schemes at 'market price' [within the meaning of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014]. Since such Options are not tradeable, no perquisite or benefit is immediately conferred upon them by such grant of Options, and accordingly the said grant has not been considered as remuneration.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

against the Company, Directors and other Officers in Default under the Companies Act, 2013: NONE

On behalf of the Board

Place : New Delhi
Date : 22nd April, 2017

A Rajput
Director
J Singh
Director

International Travel House Limited

ANNEXURE

A. Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name of Directors & Key Managerial Personnel	Designation	Ratio of Remuneration to Median Remuneration of all Employees	Increase in Remuneration over LY (%)
N Anand	Non-Executive Chairman	–	–
S Pillai	Independent Director	0.50:1	74 #
A Rajput	Non-Executive Director	–	–
H P Ranina	Independent Director	0.30:1	17 #
J Singh	Non-Executive Director	–	–
K L Thapar	Independent Director	0.48:1	31 #
A Baijal	Independent Director (resigned on 30th December, 2016)	0.13:1	(41)
J J Ghadiali	Managing Director (resigned on 27th January, 2017)	19:1	19 *
G Arora	Senior Executive Vice President-Operations & Manager (w.e.f. 6th February, 2017)	1.2:1	–
J Aggarwal	Company Secretary	8:1	6
S Sequeira	Chief Financial Officer (w.e.f. 1st November, 2016)	6:1	–
S Datta	Chief Financial Officer (resigned on 1st November, 2016)	9:1	(26)

#Reflects increase in sittings fees with effect from 23rd July, 2015.

*Reflects payment towards leave encashment on resignation.

Notes

1. The number of permanent employees as on 31st March, 2017 was 698.
2. Compared to the previous year 2015-16, the figures for the current year 2016-17 reflect that:
 - i) Median remuneration and average remuneration of employees have increased by 6.20% and 7.06% respectively.
 - ii) Average remuneration of employees excluding Key Managerial Personnel (KMPs) has increased by 11.10%.
 - iii) Increase in remuneration of KMPs by 21.4% is primarily towards leave encashment of the Managing Director and change in Chief Financial Officer.
3. The remuneration of the Directors, KMPs and other employees is in accordance with the Remuneration Policy of the Company.

ANNEXURE

B. Information pursuant to Section 197 of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Names of Employees	Age	Designation	Gross Remuneration (₹)	Net Remuneration (₹)	Qualifications	Experience (Years)	Date of Commencement of Employment / Deputation	Previous Employment / Position Held
1	2	3	4	5	6	7	8	9
Chandra Sekhar Khaitan	48	Head of Internal Audit	44,26,126	27,20,199	B.Sc., A.C.A.	22	01.11.2015	*ITC Limited Manager - Audit
Koushik Choudhury	50	Head - Information Technology	39,04,951	19,84,278	Diploma in Hotel Management DOEACC "A"	28	01.02.2013	*ITC Limited Sr. Manager - IT
Ghanshyam Arora	59	Senior Executive Vice President-Operations & Manager	35,50,498	22,94,638	B.Com	37	01.11.1982	Taj Trade & Transport Company Ltd. Accounts Assistant
Janaki Aggarwal	56	Company Secretary	33,01,104	19,76,038	B.Com(Hons), F.C.S., LL.B.	30	01.10.2000	*ITC Limited Assistant Secretary
Vikas Saxena	52	General Manager - HR	29,13,961	17,26,612	M.Com, Diploma in Public Administration	28	04.01.2009	*ITC Limited Manager - HR
Asish Bhattacharjee	61	VP Finance	26,18,236	17,03,829	B.Com, A.C.A.	35	03.05.1993	I.B.&VW Communications Pvt. Ltd. Commercial Manager
Savio Sequeira	44	Chief Financial Officer	24,64,569	13,68,655	B.Com, A.C.A., C.W.A.	19	01.11.2016	*ITC Limited Manager - Finance
Ravindra Chaudhary	39	General Manager, CRD & HTS	15,66,934	12,50,421	B. Tech, P.G.D.M.	14	07.01.2014	Antaeus Rent Car Pvt. Ltd. General Manager
Gurinder Bawa	49	General Manager - Leisure	13,86,232	10,56,178	B.A, P.G. Tourism	28	19.05.1992	Joy Travel Pvt. Ltd. Sales Executive
M C Sreepad	53	Regional Financial Controller	13,56,671	9,45,791	B.Sc., A.C.A.	33	04.04.1984	Rashtriya Chemical & Fertilizer Ltd. Sr.Accounts Officer

* On deputation from ITC Limited

Notes:

- In respect of employees on deputation, gross remuneration disclosed as above is the deputation cost which is borne by the Company.
- For the other employees, gross remuneration includes salary, variable pay, Company's contribution to provident fund, allowances & other benefits / applicable perquisites except provisions for gratuity and leave encashment which are actuarially determined on an overall Company basis. The term 'remuneration' has the meaning assigned to it under the Companies Act, 2013.
- Net remuneration comprises cash income less income tax & education cess deducted at source and employee's own contribution to provident fund.
- Employees who are on deputation from ITC Limited (ITC) have been granted Stock Options by ITC under its Employee Stock Option Schemes at 'market price' [within the meaning of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014]. Since such Options are not tradeable, no perquisite or benefit is immediately conferred upon them by such grant of Options, and accordingly the said grant has not been considered as remuneration.
- All appointments (except in case of employees on deputation) are contractual in accordance with terms and conditions as per Company's rules.
- None of the above employees is a relative of any Director / Manager of the Company.
- Mr-Asish Bhattacharjee holds one share in the Company and no other employee listed above holds any share in the Company.

On behalf of the Board
A Rajput Director
J Singh Director

Place : New Delhi
Date : 22nd April, 2017

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,

International Travel House Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by International Travel House Limited, a Company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at "Travel House", T-2, Community Centre, Sheikh Sarai, Phase-I, New Delhi -110017 (hereinafter referred to as the 'Company') for the period commencing from 1st April, 2016 till 31st March, 2017 (hereinafter referred to as the 'Audit Period'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinions thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
- (vi) The other laws as informed and certified by the Management of the Company which are specifically applicable to the Company based on their sector / industry are:
 1. The Motor Vehicles Act, 1988;
 2. Rent a Cab Scheme, 1989

We have also examined compliance with the applicable clauses of the following:

- (i) The Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meeting.
- (ii) The Listing Agreement entered into by the Company with BSE Limited read with SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with provisions of the Act.

Adequate notice is given to all Directors for the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has had no specific events / actions that have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

for P B & Associates
Company Secretaries

Place : New Delhi
Date : 22nd April, 2017

Pooja Bhatia
FCS: 7673 CP: 6485

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure : A

The Members,
International Travel House Limited
“Travel House”, T-2 Community Centre,
Sheikh Sarai, Phase-I New Delhi - 110 017

Our report of the even date is to be read along with this letter

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on the random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

for P B & Associates
Company Secretaries

Place : New Delhi
Date : 22nd April, 2017

Pooja Bhatia
FCS: 7673 CP: 6485

CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE

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, 2017, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to 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 Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchange(s).

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/E300004
Chartered Accountants

per Yogesh Midha
Partner
Membership No.: 94941

Place : New Delhi
Date : 22nd April, 2017

We, A Kumar, Chief Executive Officer and S Sequeira, Chief Financial Officer, certify that:

- a) We have reviewed the financial statements including cash flow statement for the year ended 31st March, 2017 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 Indian 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, 2017 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) The changes in the Significant Accounting Policies arising from the adoption of the Indian Accounting Standards have been discussed with the auditors and have been approved by the Audit Committee; 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.

Place : New Delhi
Date : 22nd April, 2017

S Sequeira
Chief Financial Officer

A Kumar
Chief Executive Officer

International Travel House Limited

BALANCE SHEET

AS AT 31ST MARCH, 2017

Balance Sheet as at

	Note	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	3A	36,54,45,181	45,49,23,510	42,49,33,457
Capital Work-in-progress	3B	36,51,405	58,29,582	39,40,787
Other Intangible Assets	3C	3,92,42,799	4,59,98,292	4,86,64,880
Intangible Assets Under Development	3D	13,33,375	2,43,025	9,82,962
Financial Assets				
Investments	4	-	-	-
Loans	5	34,617	68,783	1,45,715
Other Financial Assets	6	2,86,73,609	2,18,25,213	1,90,11,914
Income Tax Asset (Net)	7	2,55,07,477	2,73,43,402	2,63,44,641
Other Non-Current Assets	8	14,67,707	20,04,215	69,84,678
Total Non-Current Assets		46,53,56,170	55,82,36,022	53,10,09,034
Current Assets				
Financial Assets				
Investments	9	41,01,17,292	23,02,56,067	26,78,62,225
Trade Receivables	10	1,05,74,67,190	94,20,23,316	94,47,48,959
Cash and Cash Equivalents	11	3,43,97,198	8,33,29,973	4,13,18,383
Bank Balances other than (I I) above	12	5,18,83,254	6,12,21,678	5,75,34,177
Loans	13	2,08,481	1,75,447	5,74,866
Other Financial Assets	14	1,36,37,547	1,34,66,317	1,93,68,734
Other Current Assets	15	9,70,22,781	12,39,20,858	8,52,25,869
Total Current Assets		1,66,47,33,743	1,45,43,93,656	1,41,66,33,213
Total Assets		2,13,00,89,913	2,01,26,29,678	1,94,76,42,247
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	16	7,99,45,000	7,99,45,000	7,99,45,000
Other Equity		1,54,01,40,312	1,50,22,60,031	1,42,25,35,530
Total Equity		1,62,00,85,312	1,58,22,05,031	1,50,24,80,530
LIABILITIES				
Non-Current Liabilities				
Provisions	17	2,74,13,426	2,26,24,778	1,95,32,482
Deferred Tax Liabilities (Net)	18	2,26,33,411	2,95,45,104	2,45,66,661
Other Non-Current Liabilities	19	-	91,33,573	1,51,94,421
Total Non-Current Liabilities		5,00,46,837	6,13,03,455	5,92,93,564
Current Liabilities				
Financial Liabilities				
Trade Payables	20	34,78,48,252	27,93,88,853	28,60,76,636
Other Financial Liabilities	21	57,33,254	54,09,140	50,34,177
Other Current Liabilities	22	6,19,24,584	6,59,54,407	7,63,85,856
Provisions	23	1,99,17,567	1,11,35,866	81,76,871
Current Tax Liabilities (Net)	24	2,45,34,107	72,32,926	1,01,94,613
Total Current Liabilities		45,99,57,764	36,91,21,192	38,58,68,153
Total Equity and Liabilities		2,13,00,89,913	2,01,26,29,678	1,94,76,42,247

The accompanying notes 1 to 36 are an integral part of the Financial Statements.

In terms of our report attached
for S. R. Batliboi & Associates LLP
ICAI Firm Registration No.: 101049W/E300004
Chartered Accountants

per Yogesh Midha
Partner
Membership No.: 94941

Place : New Delhi
Date : 22nd April, 2017

On behalf of the Board

A Rajput
Director

J Singh
Director

S Sequeira
Chief Financial Officer

J Aggarwal
Company Secretary

Place : New Delhi
Date : 22nd April, 2017

International Travel House Limited

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2017

	Note	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
I Revenue from Operations	26	2,01,54,19,077	1,95,90,63,065
II Other Income	27	4,19,53,337	4,13,85,837
III Total Income (I+II)		2,05,73,72,414	2,00,04,48,902
IV Expenses			
Employee Benefits Expense	28	48,58,88,220	46,79,63,698
Finance Costs	29	2,95,993	2,61,362
Depreciation and Amortisation Expense	3	12,05,30,283	11,93,09,475
Other Expenses	30	1,26,75,66,925	1,25,19,19,466
Total Expenses (IV)		1,87,42,81,421	1,83,94,54,001
V Profit Before Tax (III- IV)		18,30,90,993	16,09,94,901
VI Tax Expense:			
Current Tax	31	7,82,78,663	5,99,54,032
Deferred Tax	31	(69,11,694)	49,78,444
Total Tax Expense (VI)		7,13,66,969	6,49,32,476
VII Profit for the Year (V - VI)		11,17,24,024	9,60,62,425
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Re-measurement of Defined Benefit Plans		(1,08,60,676)	(19,76,514)
Income Tax effect relating to items that will not be reclassified to Profit or Loss		37,58,663	6,84,032
VIII Other Comprehensive Income for the Year		(71,02,013)	(12,92,482)
IX Total Comprehensive Income for the Year (VII + VIII)		10,46,22,011	9,47,69,943
X Earnings Per Share (Face Value of ₹ 10/- each)			
Basic	32(i)	13.98	12.02
Diluted	32(i)	13.98	12.02

The accompanying notes 1 to 36 are an integral part of the Financial Statements.

In terms of our report attached
for S. R. Batliboi & Associates LLP
ICAI Firm Registration No.: 101049W/E300004
Chartered Accountants

per Yogesh Midha
Partner
Membership No.: 94941

Place : New Delhi
Date : 22nd April, 2017

On behalf of the Board

A Rajput
Director

J Singh
Director

S Sequeira
Chief Financial Officer

J Aggarwal
Company Secretary

Place : New Delhi
Date : 22nd April, 2017

International Travel House Limited

STATEMENT OF CHANGES IN EQUITY

Statement of Changes in Equity for the year ended 31st March, 2017

A. Equity Share Capital (₹)

	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
For the year ended 31st March, 2016	7,99,45,000	-	7,99,45,000
For the year ended 31st March, 2017	7,99,45,000	-	7,99,45,000

B. Other Equity (₹)

Particulars	Reserves and Surplus					
	Securities Premium	Capital Reserve	General Reserve	Deemed Equity Contribution	Retained Earnings	Total
Balance as at 1st April, 2015	11,85,59,230	31,52,525	16,64,22,917	-	1,13,44,00,858	1,42,25,35,530
Profit for the year	-	-	-	-	9,60,62,425	9,60,62,425
Other Comprehensive Income (Net of Tax)	-	-	-	-	(12,92,482)	(12,92,482)
Total Comprehensive Income for the year	-	-	-	-	9,47,69,943	9,47,69,943
Dividend Paid (2015 - ₹ 4.25 per share)	-	-	-	-	(3,39,76,625)	(3,39,76,625)
Income Tax on Dividend Paid	-	-	-	-	(69,16,961)	(69,16,961)
Employee share based payment expense	-	-	-	2,58,48,144	-	2,58,48,144
Balance as at 31st March, 2016	11,85,59,230	31,52,525	16,64,22,917	2,58,48,144	1,18,82,77,215	1,50,22,60,031
Profit for the year	-	-	-	-	11,17,24,024	11,17,24,024
Other Comprehensive Income (Net of Tax)	-	-	-	-	(71,02,013)	(71,02,013)
Total Comprehensive Income for the year	-	-	-	-	10,46,22,011	10,46,22,011
Dividend Paid (2016- ₹ 4.25 per share)	-	-	-	-	(3,39,76,625)	(3,39,76,625)
Income tax on Dividend Paid	-	-	-	-	(69,16,961)	(69,16,961)
Employee share based payment expense reimbursed	-	-	-	(2,58,48,144)	-	(2,58,48,144)
Balance as at 31st March, 2017	11,85,59,230	31,52,525	16,64,22,917	-	1,25,20,05,640	1,54,01,40,312

The Board of Directors of the Company recommended a dividend of ₹ 4.25 per share (for the year ended 31st March, 2016 - ₹ 4.25 per share) to be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The total equity dividend to be paid is ₹ 3,39,76,625/- (for the year ended 31st March, 2016 - ₹ 3,39,76,625/-). Income tax on proposed dividend being ₹ 69,16,961/- (for the year ended 31st March, 2016 - ₹ 69,16,961/-).

Notes

Securities Premium Account: This Reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

Capital Reserve: This reserve was created in the year 2000-01 when ITHL amalgamated two of its wholly owned subsidiaries with itself i.e. Vins Overseas India Ltd. and International Travel House Exploration Ltd. The scheme of amalgamation was approved by Hon'able High Court of Delhi.

General Reserve: This Reserve is created by an appropriation from one component of other equity (generally Retained Earnings) to another, not being an item of Other Comprehensive Income. The same can be utilised by the Company in accordance with the provisions of the Companies Act, 2013.

Deemed Equity Contribution: This reserve represents the value of employee share-based payments granted to employees in the Company under the ITC Employees Stock Option Scheme, net of reimbursements if any.

Retained Earnings: This Reserve represents the cumulative profits of the Company and effects of re-measurement of defined benefit obligations. This Reserve can be utilised in accordance with the provisions of Companies Act, 2013.

The accompanying notes 1 to 36 are an integral part of the Financial Statements.

In terms of our report attached
for S. R. Batliboi & Associates LLP
ICAI Firm Registration No.: 101049VV/E300004
Chartered Accountants

per Yogesh Midha
Partner
Membership No.: 94941
Place : New Delhi
Date : 22nd April, 2017

On behalf of the Board

A Rajput
Director

J Singh
Director

S Sequeira
Chief Financial Officer

J Aggarwal
Company Secretary

Place : New Delhi

Date : 22nd April, 2017

International Travel House Limited

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2017

	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	18,30,90,993	16,09,94,901
Adjustments for :		
Depreciation and Amortisation Expense	12,05,30,283	11,93,09,475
Finance Costs	2,95,993	2,61,362
Interest Income on Bank deposit	(43,70,131)	(44,05,722)
Net Gain on Investments carried at fair value through profit or loss	(2,51,20,535)	(3,44,81,048)
Net unrealised gain on investments carried at fair value through profit or loss	1,38,775	1,26,06,159
Gain on Sale of Property, Plant & Equipment and Intangible Asset / Discarded - Net	(1,25,45,636)	(1,50,93,077)
Doubtful and Bad Debts	65,33,470	40,67,118
Doubtful and Bad Advances	10,78,199	-
Net Loss / (Gain) on Foreign Currency Transactions and Translation	(14,067)	(78,827)
Share Based Payments Expense	-	2,58,48,144
Liabilities no Longer Required Written Back (included in Note 6)	(3,33,41,600)	(3,42,96,809)
Operating Profit Before Working Capital Changes	23,62,75,744	23,47,31,676
Adjustments for :		
Trade Receivables	(12,30,55,546)	(13,41,473)
Loans, Other Financial Asset and Other Assets	2,03,55,502	(3,55,83,152)
Trade Payables	7,59,52,854	3,00,41,811
Other Liabilities and Provisions	(66,95,060)	(1,41,66,274)
Cash Generated from Operations	20,28,33,494	21,36,82,588
Income Tax Paid	(5,91,41,557)	(6,39,14,481)
Net Cash from Operating Activities	14,36,91,937	14,97,68,107
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment, Intangible Asset and Capital Advance	(2,99,42,550)	(15,25,75,604)
Sale of Property, Plant & Equipment	1,92,79,557	2,49,60,219
Payments to acquire Financial Assets (Liquid Mutual fund)	(3,55,28,00,000)	(3,40,25,00,000)
Proceeds on sale of Financial Assets (Liquid Mutual fund)	3,39,79,20,535	3,46,19,81,048
Redemption / Maturity of Bank Deposit	5,58,12,538	5,25,00,000
Investment in Bank Deposits (having original maturity of more than 3 months)	(4,61,50,000)	(5,58,12,538)
Interest Received on Bank Deposit	41,06,605	43,91,516
Net Cash used in Investing Activities	(15,17,73,315)	(6,70,55,359)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net increase / decrease in restricted Bank Balances	3,24,115	3,74,962
Interest Paid	(2,95,993)	(2,61,361)
Dividend Paid	(3,39,76,625)	(3,39,76,625)
Income Tax on Dividend Paid	(69,16,961)	(69,16,961)
Net Cash Used in Financing Activities	(4,08,65,464)	(4,07,79,985)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,89,46,842)	4,19,32,763
OPENING CASH AND CASH EQUIVALENTS	8,32,83,729	4,13,50,966
CLOSING CASH AND CASH EQUIVALENTS	3,43,36,887	8,32,83,729

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2017

For the year ended
31st March, 2017
₹

For the year ended
31st March, 2016
₹

Notes :

1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flows"

2 Cash and Cash Equivalents

Balances with Banks		
Current and Deposit Account	1,91,37,740	5,90,61,762
Cheques, Drafts on Hand	84,68,185	1,61,93,137
Cash on Hand	67,30,962	80,28,830
Unrealised Gain / (Loss) on Foreign Currency Cash and Cash Equivalents	60,311	46,244
Cash and Bank Balances (Note 11)	<u>3,43,97,198</u>	<u>8,33,29,973</u>

The accompanying notes 1 to 36 are an integral part of the Financial Statements.

In terms of our report attached
for S. R. Batliboi & Associates LLP
ICAI Firm Registration No.: 101049W/E300004
Chartered Accountants

per Yogesh Midha
Partner
Membership No.: 94941
Place : New Delhi
Date : 22nd April, 2017

On behalf of the Board

A Rajput Director	J Singh Director
S Sequeira Chief Financial Officer	J Aggarwal Company Secretary

Place : New Delhi
Date : 22nd April, 2017

NOTES TO THE FINANCIAL STATEMENTS

I Company Overview and Significant Accounting Policies

A. Corporate Information

International Travel House Limited ('the Company') commenced its operations in 1981 and is engaged in the business of providing travel related services to corporate travellers in India and abroad. The Company is a public limited company incorporated, domiciled and listed in India and the Company has its registered office at T2, Community Centre, Sheikh Sarai, Phase I, New Delhi 110017, India.

The financial statements are authorised for issue in accordance with a resolution of the Directors on 22nd April, 2017.

B. Basis of Preparation of Financial Statements

a) Statement of Compliance

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and are the first financial statements the Company has prepared in accordance with IndAS. Details of the exceptions and optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in Note 36 (First Time Adoption).

For the periods up to and including the year ended 31st March, 2016, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

b) Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention except for certain items which are measured at fair values.

The financial statements are presented in INR (Indian Rupees), which is also the Company's functional currency.

A summary of significant accounting policies is set out below:

c) Operating Cycle

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 Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

C. Summary of Significant Accounting Policies

(i) Property, Plant and Equipment

Property, Plant & Equipment are stated at historical cost less accumulated depreciation and impairment charges, if any.

Property, Plant & Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, Plant and Equipment recognised as at 1st April, 2015 measured as per the previous GAAP

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. Subsequent costs are included in the assets carrying amount only when it is probable that future economic benefits associated with the item will be realised. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred.

Items of Property, Plant and Equipment are depreciated in a manner that amortises the cost of the assets after commissioning (or other amount substituted for cost), on a straight line basis, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013.

Property, Plant and Equipment residual values and useful lives are reviewed, and adjusted if necessary, periodically including at each Balance Sheet date. Such changes are treated as change in accounting estimates.

Property, Plant and Equipment are subject to review for impairment if triggering events or circumstances indicate that this

NOTES TO THE FINANCIAL STATEMENTS

is necessary. Impairment loss, if any, to the extent the carrying amount of these assets exceed their recoverable amount is charged off to the Statement of Profit and Loss as it arises.

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 accumulated depreciation) had no impairment loss been recognised in previous years.

(ii) Intangible Assets

Intangible assets with finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses, if any, carrying value of intangible assets includes deemed cost which represents the carrying value of intangible assets recognised as at 1st April, 2015 measured as per the previous GAAP. Software is capitalised 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 and is amortised across a period not exceeding 5 years. All other up gradation / enhancements are charged to the Statement of Profit and Loss, unless they bring similar significant additional benefits.

(iii) Foreign Currencies

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss.

(iv) Financial Instruments

Financial Assets

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of such financial assets.

For purposes of subsequent measurement, financial assets are classified as:

- Debt instruments at amortised cost
- Those measured at Fair Value through Profit or Loss (FVTPL)

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised when the contractual rights to receive cash flows from the asset have expired or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

Financial Liabilities

All financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings or payables as appropriate.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Loans and Receivables

Loans and Receivables are non derivative financial asset with fixed or determinable payments that are not quoted in an active market. Trade receivables and loans are initially measured at transaction value, which is the fair value. As most of the loans and receivables of the Company are current in nature, subsequent measurement is at cost less appropriate allowance for credit losses. Where significant, non current loans and receivables are accounted for at amortised cost using effective interest rate method less appropriate allowance for credit losses.

NOTES TO THE FINANCIAL STATEMENTS

Impairment

Financial Assets

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Impairment losses are recognised in the profit or loss where there is an objective evidence of impairment based on reasonable and supportable information that is available without undue cost or effort. For financial assets measured at amortised cost, account receivable expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Fair Value of Financial Instruments

In determining the fair value of its financial instruments, the Company uses methods and assumptions that are based on market conditions and risks existing at each reporting date. The method used to determine fair value include available quoted market prices. The method of assessing fair value result in general approximation of value, and such value may never actually be realised.

(v) Revenue Recognition

The Company provides travel services to corporate travellers in India and abroad. The revenue from rendering these services (other than Productivity Linked Bonus, which is accounted when ascertainable and collection is certain) is recognised in the income statement by reference to the stage of completion. Stage of completion is measured by reference to time elapsed to date as a percentage of total time.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and collection is certain. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from all services i.e commission received from airlines, hotel reservation, tour & packages and other related services is recognised on net basis except for transport income for which the revenue is recognised on gross basis.

Other Income: Other income comprises interest income, dividend income, gain from fair valuation/ sale of mutual fund investments, and gain on sale of property, plant and equipment. Interest income from financial assets is recognised in Statement of Profit and Loss using the effective interest method. Dividend income is recognised in Statement of Profit and Loss only when the Company's right to receive payments is established and the amount of dividend can be measured reliably.

(vi) Dividend to Equity Holders

Interim dividend (including income tax thereon) are recognised in the financial statements in the period in which the related dividends are actually paid or, in respect of the Company's final dividend (including income tax thereon) for the year, when the same are approved by the shareholders.

(vii) Retirement and Other Employee Benefits

The Company make contributions to both defined benefit and defined contribution schemes. The defined benefit schemes are mainly administered through duly constituted and approved independent Trusts.

Provident Fund contributions are in the nature of defined contribution scheme. The provident fund is deposited with the Government and recognised as expense.

The Company also operates defined benefit pension, medical and gratuity plans. The cost of providing benefits under the defined benefit obligation is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the statement of profit and loss. Gain or Loss on account of re-measurements are

NOTES TO THE FINANCIAL STATEMENTS

recognised immediately through Other Comprehensive Income in the period in which they occur.

The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed under projected unit credit method. These benefits are unfunded.

(viii) Employee Share-Based Payments

The cost of employee share-based compensation is recognised based on fair value of the options granted under the applicable Stock Option Scheme to employees in the Company.

The Company records this cost as share based payment expense under employee benefits expense, together with a corresponding increase in equity, over the vesting / service period, net of reimbursements if any.

(ix) Leases

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

Lease payments under operating leases are recognised as an expense in the Statement of Profit and Loss. Where relevant, straight lining of lease rentals is done across the term of the lease.

(x) Taxes on Income

Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date together with any adjustment to tax payable in respect of previous years.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss [either in Other Comprehensive Income (OCI) or in equity]. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity

Deferred Tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences to the extent it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

(xi) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expense relating to a provision is presented in the Statement of Profit and Loss, net of any reimbursement.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

NOTES TO THE FINANCIAL STATEMENTS

(xii) Contingent Liabilities

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2 Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. A discussion on the critical accounting judgements and key sources of estimation uncertainty is detailed below. Accounting estimates could change from period to period. Actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

Judgements in Applying Accounting Policies

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Estimates and Assumptions

The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

(a) Useful Lives of Property, Plant and Equipment and Intangible Assets:

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

(b) Actuarial Valuation

The present value of the gratuity, medical and pension are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(c) Claims, Provisions and Contingent Liabilities:

The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

International Travel House Limited

NOTES TO THE FINANCIAL STATEMENTS

3. ASSETS

PROPERTY PLANT AND EQUIPMENT

₹

Particulars	GROSS BLOCK						
	As At 1st April, 2015*	Additions	Withdrawals and Adjustments	As At 31st March, 2016	Additions	Withdrawals and Adjustments	As At 31st March, 2017
3A. Property Plant and Equipment							
Buildings:							
Free Hold	36,72,721	-	-	36,72,721	-	-	36,72,721
Lease Hold	1,82,85,940	-	-	1,82,85,940	-	-	1,82,85,940
Total Buildings	2,19,58,661	-	-	2,19,58,661	-	-	2,19,58,661
Plant and Equipment	2,23,21,146	1,81,31,140	8,67,238	3,95,85,048	77,08,785	3,74,747	4,69,19,086
Furniture and Fixtures	39,68,639	15,14,723	1,00,729	53,82,633	2,59,794	61,066	55,81,361
Motor Vehicles (Commercial)	36,36,62,552	9,80,13,577	1,29,04,079	44,87,72,050	1,18,00,861	72,43,168	45,33,29,743
Motor Vehicles (Non - Commercial)	77,88,700	93,83,648	3,18,901	1,68,53,447	33,86,229	15,31,601	1,87,08,075
Office Equipment	20,56,964	42,34,172	1,98,898	60,92,238	2,31,643	2,15,541	61,08,340
Improvements to Rented / Leased Premises	31,76,795	1,41,94,081	73,044	1,72,97,832	14,74,050	85,670	1,86,86,212
Property, Plant and Equipment	42,49,33,457	14,54,71,341	1,44,62,889	55,59,41,909	2,48,61,362	95,11,793	57,12,91,478
3B. Capital Work-in-Progress	39,40,787	25,61,295	6,72,500	58,29,582	3,83,118	25,61,295	36,51,405
Total	42,88,74,244	14,80,32,636	1,51,35,389	56,17,71,491	2,52,44,480	1,20,73,088	57,49,42,883
3C. Intangible Assets							
Computer Software	4,86,64,880	1,10,28,741	-	5,96,93,621	61,69,015	31,252	6,58,31,384
Other Intangible Assets	4,86,64,880	1,10,28,741	-	5,96,93,621	61,69,015	31,252	6,58,31,384
3D. Intangible Assets under Development	9,82,962	-	7,39,937	2,43,025	13,33,375	2,43,025	13,33,375
Total	4,96,47,842	1,10,28,741	7,39,937	5,99,36,646	75,02,390	2,74,277	6,71,64,759
Grand Total (3A)+(3B)+(3C)+(3D)	47,85,22,086	15,90,61,377	1,58,75,326	62,17,08,137	3,27,46,870	1,23,47,365	64,21,07,642

*Represents deemed cost on transition to Indian Accounting Standards. Refer Note 36 on First Time Adoption

International Travel House Limited

NOTES TO THE FINANCIAL STATEMENTS

PROPERTY PLANT AND EQUIPMENT (contd.)

₹

DEPRECIATION AND AMORTISATION						NET BOOK VALUE		
Upto 1st April, 2015	For the year	On Withdrawals and Adjustments	Upto 31st March, 2016	For the year	On Withdrawals and Adjustments	Upto 31st March, 2017	As at 31st March, 2017	As At 31st March, 2016
-	69,048	-	69,048	68,809	-	1,37,857	35,34,864	36,03,673
-	3,99,444	-	3,99,444	3,98,011	-	7,97,455	1,74,88,485	1,78,86,496
-	4,68,492	-	4,68,492	4,66,820	-	9,35,312	2,10,23,349	2,14,90,169
-	1,14,15,801	16,667	1,13,99,134	1,18,59,595	2,494	2,32,56,235	2,36,62,851	2,81,85,914
-	11,54,719	35,756	11,18,963	8,40,348	5,225	19,54,086	36,27,275	42,63,670
-	8,70,95,179	45,02,793	8,25,92,386	8,77,02,825	25,93,536	16,77,01,675	28,56,28,068	36,61,79,664
-	16,33,771	14,571	16,19,200	22,37,245	1,63,464	36,92,981	1,50,15,094	1,52,34,247
-	13,88,357	25,960	13,62,397	10,16,158	13,158	23,65,397	37,42,943	47,29,841
-	24,57,827	-	24,57,827	34,82,784	-	59,40,611	1,27,45,601	1,48,40,005
-	10,56,14,146	45,95,747	10,10,18,399	10,76,05,775	27,77,877	20,58,46,297	36,54,45,181	45,49,23,510
-	-	-	-	-	-	-	36,51,405	58,29,582
-	10,56,14,146	45,95,747	10,10,18,399	10,76,05,775	27,77,877	20,58,46,297	36,90,96,586	46,07,53,092
-	1,36,95,329	-	1,36,95,329	1,29,24,508	31,252	2,65,88,585	3,92,42,799	4,59,98,292
-	1,36,95,329	-	1,36,95,329	1,29,24,508	31,252	2,65,88,585	3,92,42,799	4,59,98,292
-	-	-	-	-	-	-	13,33,375	2,43,025
-	1,36,95,329	-	1,36,95,329	1,29,24,508	31,252	2,65,88,585	4,05,76,174	4,62,41,317
-	11,93,09,475	45,95,747	11,47,13,728	12,05,30,283	28,09,129	23,24,34,882	40,96,72,760	50,69,94,409

NOTES TO THE FINANCIAL STATEMENTS

	31st March, 2017 ₹	31st March, 2016 ₹	1st April, 2015 ₹
4 Investments			
Unquoted Equity shares			
Investment carried at cost			
58,800 Equity shares (2016 - ₹ 58,800, 2015 - ₹ 58,800) of ₹ 10/- each fully paid of Transglobal Impex Limited	5,88,000	5,88,000	5,88,000
Total	5,88,000	5,88,000	5,88,000
Less: Impairment in value of investments	5,88,000	5,88,000	5,88,000
Aggregate value of unquoted investments	-	-	-
5 Loans			
Loan to Employees (Unsecured - Considered Good)	34,617	68,783	1,45,715
Total	34,617	68,783	1,45,715
6 Other Financial Assets			
Interest Accrued on Bank Deposit	2,63,526	-	-
Bank Deposit *	50,00,000	-	-
Security Deposit (Unsecured - Considered Good)	2,34,10,083	2,18,25,213	1,90,11,914
Total	2,86,73,609	2,18,25,213	1,90,11,914
* Bank deposits with more than 12 months maturity.			
7 Income Tax Asset (Net)			
Advance Tax (Net of provision)	2,25,58,677	2,43,94,602	2,33,95,841
Fringe Benefit Tax (Net of provision)	29,48,800	29,48,800	29,48,800
Total	2,55,07,477	2,73,43,402	2,63,44,641
8 Other Non - Current Assets			
Capital advances (Unsecured - Considered Good)	-	-	50,73,336
Prepaid Expenses	14,67,707	20,04,215	19,11,342
Total	14,67,707	20,04,215	69,84,678

NOTES TO THE FINANCIAL STATEMENTS

	31st March, 2017 ₹	31st March, 2016 ₹	1st April, 2015 ₹
9 Investments			
Investments in Mutual Funds	41,01,17,292	23,02,56,067	26,78,62,225
Total	41,01,17,292	23,02,56,067	26,78,62,225
Investments at fair value through profit or loss			
Quoted and Unquoted mutual funds			
Unquoted Mutual Funds			
SBI Premier Liquid Fund - Direct Plan - Growth 15,676.376 (2016 - Nil, 2015- Nil) Units of ₹ 2,552.3175 each.	4,00,11,089	-	-
Axis Liquid Fund - Direct Growth 51,311.0781 (2016 - Nil, 2015 - Nil) Units of ₹ 1,803.2266 each.	9,25,25,502	-	-
Reliance Liquid Fund- Treasury Plan - Direct Growth Plan 23,322.277 (2016 - 15,578.7053, 2015- Nil) units of ₹ 3,967.3577 each	9,25,27,815	5,75,63,559	-
UTI Money Market Fund IP - Direct - Growth 50,722.1960 (2016 -33,887.5630, 2015 - Nil) Units of ₹1824.2228 each	9,25,28,587	5,75,67,084	-
Tata Money Market Fund Direct Plan - Growth 36,099.4540 (2016 - Nil, 2015 - 18,150.5600) Units of ₹2563.0387 each	9,25,24,299	-	4,00,25,081
ICICI Prudential Money Market Fund - Direct Plan - Growth Nil (2016 - 2,74,652.204, 2015 - Nil) Units of ₹ 209.5663 each	-	5,75,57,846	-
Kotak Floater Short Term- Direct Plan Growth Nil (2016 - 23,153.639, 2015-Nil) Units of ₹ 2486.3296 each	-	5,75,67,578	-
ICICI Prudential Liquid - Direct Plan - Growth Nil (2016- Nil , 2015 - 1,93,234.57) Units of ₹ 207.10 each	-	-	4,00,18,879
JP Morgan India Liquid Fund - Direct Plan - Growth Nil (2016 - Nil , 2015- 22,03,492.536) Units of ₹ 18.16 each	-	-	4,00,15,424
HDFC Liquid Fund - Direct Plan - Growth Nil (2016 - Nil , 2015 - 7,24,642.932) Units of ₹ 27.61 each	-	-	2,00,07,391
Quoted Mutual Funds			
Axis Fixed Term Plan-Series 43 (511 Days) - Direct Growth Nil (2016 - Nil , 2015- 10,00,000) Units of ₹ 11.2544 each	-	-	1,12,54,400
Axis Fixed Term Plan-Series 52 (428 Days) - Direct Growth Nil (2016 - Nil , 2015 -20,00,000) Units of ₹ 11.0869 each	-	-	2,21,73,800
Sundaram Fixed Term Plan EX (420 Days) - Direct Growth Nil (2016 - Nil , 2015 - 20,00,000) Units of ₹ 11.086 each	-	-	2,21,72,000
Sundaram Fixed Term Plan EU (446 Days) - Direct Growth Nil (2016 - Nil , 2015 - 25,00,000) Units of ₹ 11.1301 each	-	-	2,78,25,250
HDFC FMP 2013 (1) Series 29 (531 Days) - Direct Growth Nil (2016 - Nil , 2015 - 20,00,000) Units of ₹ 11.2414 each	-	-	2,24,82,800
Reliance Fixed Horizon Fund -XXVI- Series 5 (376 Days) -Direct Plan Growth Nil (2016 - Nil , 2015 - 20,00,000) Units of ₹ 10.9436 each	-	-	2,18,87,200

NOTES TO THE FINANCIAL STATEMENTS

	31st March, 2017 ₹	31st March, 2016 ₹	1st April, 2015 ₹
Total investments carried at fair value through profit or loss	41,01,17,292	23,02,56,067	26,78,62,225
Aggregate amount and Market value of quoted investments	-	-	12,77,95,450
Aggregate amount and Market value of unquoted investments	41,01,17,292	23,02,56,067	14,00,66,775
10 Trade Receivables			
Unsecured, Considered Good	1,05,74,67,190	94,20,23,316	94,47,48,959
Unsecured, Considered Doubtful	2,04,10,209	1,71,32,076	1,31,18,662
	1,07,78,77,399	95,91,55,392	95,78,67,621
Provision for Doubtful Receivables	(2,04,10,209)	(1,71,32,076)	(1,31,18,662)
Total	1,05,74,67,190	94,20,23,316	94,47,48,959
Trade Receivables includes:			
Dues from a Private Limited Company in which a Director is a Director	17,05,301	20,39,134	12,76,692
Dues from Directors	-	-	8,01,380
Dues from Officers	-	-	14,738
	17,05,301	20,39,134	20,92,810
11 Cash and Cash Equivalents *			
Balances with Banks			
Current and Deposit Account	1,91,37,740	5,90,61,762	2,42,24,965
Cheques, Drafts on Hand	84,68,185	1,61,93,137	74,18,871
Cash on Hand	67,91,273	80,75,074	96,74,547
Total	3,43,97,198	8,33,29,973	4,13,18,383
* Cash and cash equivalents include cash on hand, cheques, drafts on hand, cash at bank and deposits with banks with original maturity of 3 months or less.			
12 Other Bank Balance			
Earmarked Balances	57,33,254	54,09,140	50,34,177
Term Deposit Account *	4,61,50,000	5,58,12,538	5,25,00,000
Total	5,18,83,254	6,12,21,678	5,75,34,177
* Represents deposits with maturity of more than 3 months but less than 12 months .			
13 Loans			
Loan to Employees (Unsecured - Considered Good)	2,08,481	1,75,447	5,74,866
Total	2,08,481	1,75,447	5,74,866
14 Other Financial Assets			
Security Deposit (Unsecured - Considered Good)	-	25,54,211	43,54,674
Interest accrued on Deposits	17,92,628	14,35,624	14,21,418
Income Receivable	1,18,44,919	94,76,422	1,35,92,642
Total	1,36,37,547	1,34,66,317	1,93,68,734

NOTES TO THE FINANCIAL STATEMENTS

	31st March, 2017	31st March, 2016	1st April, 2015
	₹	₹	₹
15 Other Current Assets			
Prepaid Expenses	2,37,09,923	2,03,57,573	1,90,51,992
Advance to Supplier - Considered Good	4,79,92,582	8,87,60,102	4,25,09,562
Advance to Supplier - Donsidered Doubtful	10,78,199	-	-
Provision for Doubtful Advance	(10,78,199)	-	-
Balance with Statutory / Government Authorities	1,65,47,990	1,41,06,943	1,41,92,420
Others	87,72,286	6,96,240	94,71,895
Total	9,70,22,781	12,39,20,858	8,52,25,869

16 EQUITY

	March 31st, 2017 No's	March 31st, 2017 (₹)	March 31st, 2016 No's	March 31st, 2016 (₹)	April 1st, 2015 No's	April 1st, 2015 (₹)
Equity Share Capital						
Authorised						
Equity Shares of ₹ 10/- each	1,00,00,000	10,00,00,000	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	20,00,000	2,00,000	20,00,000	2,00,000	20,00,000
Total	1,02,00,000	10,20,00,000	1,02,00,000	10,20,00,000	1,02,00,000	10,20,00,000
Issued						
Equity Shares of ₹ 10/- each	80,00,000	8,00,00,000	80,00,000	8,00,00,000	80,00,000	8,00,00,000
Subscribed						
Equity Shares of ₹ 10/- each fully paid up	79,94,500	7,99,45,000	79,94,500	7,99,45,000	79,94,500	7,99,45,000
	79,94,500	7,99,45,000	79,94,500	7,99,45,000	79,94,500	7,99,45,000
Reconciliation of the number of equity shares outstanding						
As at the beginning and end of the year	79,94,500	7,99,45,000	79,94,500	7,99,45,000	79,94,500	7,99,45,000
Add - Issued during the year	-	-	-	-	-	-
As at the end of the year	79,94,500	7,99,45,000	79,94,500	7,99,45,000	79,94,500	7,99,45,000
Shareholders holding more than 5% of the equity shares in the Company						
Russell Credit Limited	36,26,638	45.36%	36,26,638	45.36%	36,26,638	45.36%
Russell Investment Limited	10,17,663	12.73%	10,17,663	12.73%	10,17,663	12.73%

Terms / Rights attached to the equity shares

- A) The Company has one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. All equity shareholders shall be entitled to dividend.
- B) There are no bonus issue or buy back of equity shares during the period of five years immediately preceding the reporting date.

The Board of Directors in its meeting held on 22nd April, 2017 have proposed dividend of ₹ 4.25 per equity share for the financial year ended 31st March, 2017. The proposal is subject to approval of the shareholders in Annual General Meeting to be held on 4th August, 2017 and if approved would result in cash outflow of approximately ₹ 4,08,93,586/-, including Income Tax Dividend Paid.

International Travel House Limited

NOTES TO THE FINANCIAL STATEMENTS

	31st March, 2017	31st March, 2016	1st April, 2015
	₹	₹	₹
17 Provisions			
Provision for Employee Benefits			
Retirements Benefits	26,49,261	21,42,303	26,44,705
Other Benefits - Leave Encashment	<u>2,47,64,165</u>	<u>2,04,82,475</u>	<u>1,68,87,777</u>
Total	<u>2,74,13,426</u>	<u>2,26,24,778</u>	<u>1,95,32,482</u>
18 Deferred Tax Liabilities - Net			
Deferred Tax Liabilities			
On Fiscal Allowances on Property, Plant & Equipment and Intangible Asset	4,92,63,874	4,98,73,873	3,68,38,467
Net unrealised gain on investments carried at fair value through profit or loss	<u>40,592</u>	<u>88,620</u>	<u>44,51,359</u>
	<u>4,93,04,466</u>	<u>4,99,62,493</u>	<u>4,12,89,826</u>
Deferred Tax Assets			
On Employees' Separation and Retirement etc.	65,55,918	29,80,692	26,21,982
On Provision for Doubtful Debts / Advances	74,36,708	59,48,555	45,59,593
On Provision for other benefits - Leave encashment	98,24,392	87,03,192	69,67,671
On Provision for bonus	<u>28,54,037</u>	<u>27,84,950</u>	<u>25,73,919</u>
	<u>2,66,71,055</u>	<u>2,04,17,389</u>	<u>1,67,23,165</u>
Deferred Tax Liability (Net)	<u>2,26,33,411</u>	<u>2,95,45,104</u>	<u>2,45,66,661</u>
19 Other Non - Current Liabilities			
Advances received from Customers / Suppliers	-	91,33,573	1,51,94,421
Total	<u>-</u>	<u>91,33,573</u>	<u>1,51,94,421</u>
20 Trade Payables			
Trade Payables	33,44,61,626	26,60,78,497	26,99,58,533
Payables for Property, Plants & Equipment and Intangible Asset	-	-	34,49,709
Other Payables (Employee related)	<u>1,33,86,626</u>	<u>1,33,10,356</u>	<u>1,26,68,394</u>
Total	<u>34,78,48,252</u>	<u>27,93,88,853</u>	<u>28,60,76,636</u>
21 Other Financial Liabilities			
Unpaid Dividend *	<u>57,33,254</u>	<u>54,09,140</u>	<u>50,34,177</u>
Total	<u>57,33,254</u>	<u>54,09,140</u>	<u>50,34,177</u>

* Represents dividend amounts either not claimed or kept in abeyance in terms of Section 126 of the Companies Act, 2013 or such amounts which are subject matter of pending legal disputes.

NOTES TO THE FINANCIAL STATEMENTS

	31st March, 2017	31st March, 2016	1st April, 2015
	₹	₹	₹
22 Other Current Liabilities			
Advances received from Customers / Suppliers	5,82,15,646	6,03,62,018	7,16,44,338
Statutory Liabilities	<u>37,08,938</u>	<u>55,92,389</u>	<u>47,41,518</u>
Total	<u>6,19,24,584</u>	<u>6,59,54,407</u>	<u>7,63,85,856</u>
23 Provisions			
Provision for Employee Benefits		64,70,422	49,31,525
Provision for Retirement Benefits	1,62,94,098		
Provision for Other Benefits - Leave Encashment	<u>36,23,469</u>	<u>46,65,444</u>	<u>32,45,346</u>
Total	<u>1,99,17,567</u>	<u>1,11,35,866</u>	<u>81,76,871</u>
24 Current Tax - Liabilities (Net)			
Current Tax Liabilities (Net)	<u>2,45,34,107</u>	<u>72,32,926</u>	<u>1,01,94,613</u>
Total	<u>2,45,34,107</u>	<u>72,32,926</u>	<u>1,01,94,613</u>

NOTES TO THE FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS

₹

A Financial Instruments by Category

The carrying value and fair value of financial instruments by categories were as follows:

Particulars	31st March, 2017		31st March, 2016		1st April, 2015	
	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL
Assets:						
Cash and Cash Equivalents [Refer Note 11]	3,43,97,198	-	8,33,29,973	-	4,13,18,383	-
Investments						
Unquoted Equity Instrument [(Refer note 4)]	-	-	-	-	-	-
Liquid Mutual Fund [Refer note 9]	-	41,01,17,292	-	23,02,56,067	-	26,78,62,225
Trade Receivables [Refer Note 10]	1,05,74,67,190	-	94,20,23,316	-	94,47,48,959	-
Loans [Refer note 5 & 13]	2,43,098	-	2,44,230	-	7,20,581	-
Other Financial Assets [Refer Note 6 & 14]	4,23,11,156	-	3,52,91,530	-	3,83,80,648	-
Total	1,13,44,18,642	41,01,17,292	1,06,08,89,049	23,02,56,067	1,02,51,68,571	26,78,62,225
Liabilities:						
Trade Payables [Refer Note 20]	34,78,48,252	-	27,93,88,853	-	28,60,76,636	-
Other Financial Liabilities [Refer Note 21]	57,33,254	-	54,09,140	-	50,34,177	-
Total	35,35,81,506	-	28,47,97,993	-	29,11,10,813	-

B Fair Value Hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The Following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31st March, 2017:

₹

Particulars	As of 31st March, 2017	Fair value measurement at the end of the reporting period / year using		
		Level 1	Level 2	Level 3
Assets				
Investment in liquid mutual fund [Refer Note 9]	41,01,17,292	41,01,17,292	-	-
	41,01,17,292	41,01,17,292	-	-

NOTES TO THE FINANCIAL STATEMENTS

The Following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31st March, 2016:

	As of 31st March, 2016	Fair value measurement at the end of the reporting period / year using		
		Level 1	Level 2	Level 3
Assets				
Investment in Liquid Mutual Fund [Refer Note 9]	23,02,56,067	23,02,56,067	-	-
	23,02,56,067	23,02,56,067	-	-

The Following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 1st April, 2015

	As of 1st April, 2015	Fair value measurement at the end of the reporting period / year using		
		Level 1	Level 2	Level 3
Assets				
Investment in Liquid Mutual Fund [Refer Note 9]	26,78,62,225	26,78,62,225	-	-
	26,78,62,225	26,78,62,225	-	-

	31st March, 2017	31st March, 2016
	₹	₹
26 Revenue from Operations		
Sale of Services	1,96,22,20,100	1,91,31,30,959
Other Operating Revenue	5,31,98,977	4,59,32,106
Total	2,01,54,19,077	1,95,90,63,065
27 Other Income		
Non Operating Income		
Net Gain on Investments carried at fair value through profit or loss	2,51,20,535	3,44,81,048
Gain on Sale of Property, Plant & Equipment and Intangible Asset / Discarded - Net	1,25,45,636	1,50,93,077
Other Non Operating Income	55,810	12,149
Interest Income on Bank Deposit	43,70,131	44,05,722
Net unrealised gain on investments carried at fair value through profit or loss	(1,38,775)	(1,26,06,159)
Total	4,19,53,337	4,13,85,837

International Travel House Limited

NOTES TO THE FINANCIAL STATEMENTS

	31st March, 2017	31st March, 2016
	₹	₹
28 Employee Benefits Expense		
Salaries, Wages and Bonus	40,60,44,627	38,40,93,399
Contribution to Provident and Other Funds	2,78,90,253	2,80,17,942
Share Based Payments to Employees	2,26,71,940	2,58,48,144
Staff Welfare Expenses	3,19,94,596	3,24,62,646
	<u>48,86,01,416</u>	<u>47,04,22,131</u>
Less : Recoveries made / Reimbursements received	27,13,196	24,58,433
Total	<u>48,58,88,220</u>	<u>46,79,63,698</u>
29 Finance Costs		
Interest Expense	2,60,310	2,10,525
Interest - Others	35,683	50,837
Total	<u>2,95,993</u>	<u>2,61,362</u>
30 Other Expenses		
Car Fuel, Oil & Lubricants	9,72,76,411	8,95,14,381
Car Hire Charges	63,35,26,567	60,84,20,316
Service Charges	23,60,92,110	23,95,06,720
Car Parking Charges	3,26,54,962	3,22,55,997
Rent	4,37,50,601	4,38,46,284
Rates and Taxes	1,05,68,621	1,26,56,828
Insurance	1,48,88,752	1,23,88,036
Repairs		
Building	-	19,000
Commercial Cars	3,66,26,943	4,20,54,161
Others	85,21,901	79,96,286
Electricity Expenses	1,51,00,975	1,57,52,760
Advertisement	4,09,477	17,06,575
Business Promotion & Marketing Expenses	56,35,282	67,41,583
Doubtful and Bad Debts	65,33,470	40,67,118
Doubtful and Bad Advances	10,78,199	-
Subscription	14,14,937	14,27,042
Bank and Credit Card Charges	67,69,148	88,07,720
Information Technology Services	4,89,38,827	5,07,58,359
Travelling and Conveyance	1,44,45,105	1,52,69,761
Consultancy / Professional Fees	86,22,552	1,27,04,558
Postage, Telephone etc.	1,94,08,338	1,99,52,502
Printing and Stationery	91,75,429	1,01,08,680
Corporate Social Responsibility [Refer Note 32(ii)]	49,14,802	52,73,761
Net Loss / (Gain) on Foreign Currency Transactions and Translation	2,86,197	1,90,086
Miscellaneous Expenses	1,09,27,319	1,05,00,952
Total	<u>1,26,75,66,925</u>	<u>1,25,19,19,466</u>

NOTES TO THE FINANCIAL STATEMENTS

	31st March, 2017	31st March, 2016
Miscellaneous Expenses includes:		
Auditor's Remuneration and Expenses		
Audit Fee	15,00,000	13,00,000
Tax Audit Fee	4,85,000	4,85,000
Limited Review	14,05,000	15,60,000
In Other Capacity:		
Other Services - Certification Fees	99,000	99,000
Reimbursement of Expenses	2,89,718	3,26,916
Total	<u>37,78,718</u>	<u>37,70,916</u>
31 Income Tax		
Current Tax	7,82,78,663	5,99,54,032
Deferred Tax	(69,11,694)	49,78,444
Total	<u>7,13,66,969</u>	<u>6,49,32,476</u>

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

Particulars		
Profit Before Income Taxes	18,30,90,993	16,09,94,901
Enacted Tax Rate	34.61%	34.61%
Expected Tax Expense	6,33,64,131	5,57,17,115
Share based Payment to Employees	78,46,305	89,45,526
Donation	10,689	45,337
Corporate Social Responsibility	8,50,457	-
Retirement Benefit	(3,52,917)	-
Others	(3,51,696)	2,24,498
Income Tax Expense	<u>7,13,66,969</u>	<u>6,49,32,476</u>

NOTES TO THE FINANCIAL STATEMENTS

32. Additional Notes to the Financial Statements

(i) Earnings per share

	31st March, 2017	31st March, 2016
Earnings per share has been computed as under		
(a) Profit for the year	₹ 11,17,24,024/-	₹ 9,60,62,425/-
(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)]	13.98	12.02

(ii) Corporate Social Responsibility ('CSR')

CSR Committee has been formed by the Company and the CSR Policy has been approved by the Board which has been uploaded on the Company's website. The Company has contributed ₹ 49,14,802/- (Mar'16 – 52,73,761/-) to the ITC Rural Development Trust, in accordance with Section 135 read with Schedule VII to the Companies Act, 2013 to discharge its Social Responsibility. (Refer note 30).

(iii) Contingent Liabilities and Commitments

a) Contingent Liabilities

- i. Service tax demand of ₹ 23,61,528/- (Mar'16 - ₹ 23,61,528/- , Mar'15 - ₹ 23,61,528/-) issued by Commissioner of Service Tax for the year 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/- (Mar'16 - ₹ 14,70,000/-, Mar'15 - ₹ 14,70,000/-) under protest.
- ii. Guarantee outstanding ₹ 1,00,00,000/- (Mar'16- ₹ 1,00,00,000/- , Mar'15 - ₹ 1,00,00,000/-).

b) Commitments

Capital commitments (net of capital advances) ₹ 21,43,636/- (Mar'16 – ₹14,05,782/- , Mar'15 - ₹ 2,40,62,169/-).

(iv) Trade Receivables include an amount of ₹ 46,70,033/- (Mar'16 - ₹ 46,70,033/-, Mar'15 – ₹ 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.

(v) 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, 2017. 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.

(vi) The Gross transaction value of sale of services rendered during the Current Financial Year is ₹ 8,83,56,61,616/- (Mar'16 - ₹ 8,34,27,05,537/-).

	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
(vii) Expenditure in Foreign Currency during the year Subscription, Entrance Fees, Travel etc.	<u>39,43,369</u>	<u>31,22,536</u>
(viii) Earnings in Foreign Exchange during the year Travel Related Services	<u>20,09,72,378</u>	<u>23,81,54,984</u>

NOTES TO THE FINANCIAL STATEMENTS

- (ix) Reporting on Specified Bank Notes (SBN) held and transacted during period 8th Nov' 2016 to 30th Dec' 2016 in accordance with MCA notification dated 30th Mar' 2017

	SBN	Other Denomination Notes	Total
Closing Cash in hand as on 08.11.2016	27,92,500	25,32,165	53,24,665
(+) Permitted Receipts	-	3,32,16,424	3,32,16,424
(-) Permitted Payments	49,500	2,92,07,432	2,92,56,932
(-) Amount deposited in Bank	27,43,000	10,88,394	38,31,394
Closing Cash in hand as on 30.12.2016	-	54,52,763	54,52,763

- (x) Information in respect of Options granted under ITC Employee Stock Option Scheme:

Employees covered under ITC Employee Stock Option Scheme (ITC ESOS) are granted an option to purchase shares of ITC Limited in accordance with the terms and conditions of the scheme as approved by ITC Limited from time to time. Each Option entitles the holder thereof to apply for and be allotted ten Ordinary Shares of ITC Limited of ₹ 1.00 each upon payment of the exercise price during the exercise period. These options generally vest over a period of three years from the date of grant. The maximum contractual term for these stock option plans is 5 years from the date of grant / vesting, as applicable.

The Options have been granted at the 'market price' as defined from time to time under the erstwhile Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. The fair value of the options granted is determined by ITC Limited using the Black Scholes Option Pricing model at the grant date for the Group as a whole.

The scheme has been recognised as equity settled share based payment scheme in accordance with Ind AS 102 – Share Based Payment. The Company accounts for its share of the cost of the fair value of the options granted under the ITC ESOS based on the advice/on-charge by ITC Limited. Accordingly an amount of ₹ 2,26,71,940/- (Mar'16 - ₹ 2,58,48,144/-) (refer note no. 28) which represents charge from ITC Limited. The fair value of options granted is recognised as employee benefits expense and are considered as deemed capital contribution, net of reimbursements, if any

The summary of movement of share options outstanding is as under:

Particulars*	As at 31st March, 2017	As at 31st March, 2016
	No. of Options	No. of Options
Outstanding at the beginning of the year	121,882	102,070
Add: Granted during the year (including effects of corporate action during the year)	76,946	30,790
Less: Lapsed during the year	-	-
Options due to transfer in and transfer out	(83,893)	-
Less: Exercised during the year	(9,000)	(10,978)
Outstanding at the end of the year	1,05,935	121,882
Options exercisable at the end of the year	64,187	57,746
Options Vested and Exercisable during the year	39,745	25,514

*The weighted average exercise price of the options granted under ITC ESOS is computed by ITC Limited for the group as a whole.

- (xi) Segment Reporting

Operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker(CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Corporate Management Committee.

The CODM reviews are conducted for Travel Related Services which encompasses all operations of the Company and as such the figures appearing in the financials relate to a single segment only.

There are no revenues in excess of 10% derived from any single customer.

NOTES TO THE FINANCIAL STATEMENTS

33 Defined Benefit Plans / Long Term Compensated Absences - As per Actuarial Valuations as on 31st March, 2017 and recognised in the financial statements in respect of Employee Benefit Schemes:

Description of Plans

“The Company makes contributions to defined benefit plans for qualifying employees, which are mainly administered through duly constituted and approved Trusts, which operates in accordance with the Trust Deed, Rules and applicable legislations. These Trusts are governed by Trustees, who provides strategic guidance for management of investments and liabilities of such trusts and periodically reviews the performance of the Trusts.

Gratuity benefits are funded, leave encashment and medical benefits are unfunded in nature. The defined benefit pension plans are based on employees pensionable remuneration and length of service. Under the Pension & Gratuity, the employees are entitled to receive lump sum benefits upon retirement. Under Pension Schemes, the employees are entitled to post-retirement pension benefits and in certain pension plans, the employees can also opt to receive a part of pension as a lump sum.

The liabilities arising in the defined benefit schemes and other benefits are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method. Additional funding requirements are based on actuarial measurement.

Risk Management

“The defined benefit plans expose the Company to actuarial deficit arising out of investment risk, interest rate risk, salary cost inflation risk. These plans are not exposed to any unusual, entity specific or scheme specific risks but there are general risks. Investment risks may arise from volatility in asset values and losses arising due to impairment of assets. The Scheme’s accounting liabilities are calculated using a discount rate set with reference to the Government security yields. A decrease in yields will increase the fund liabilities, leading to accounting deficit in the funds. However, this may be partially offset by an increase in capital value of the Scheme assets that have similar characteristics. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

The Trustees monitor funding and investments positions and have mandated a diversified investment strategy in line with the statutory requirements. The investment strategy with respect to asset mix ensures that investment volatility risk is appropriately managed. Robust risk mitigation systems ensure that investments do not pose significant risk of impairment. The Company’s defined benefit pension plans has been closed to new entrants. Future pension obligation of an employee is secured by purchasing annuities.

	For the year ended 31st March, 2017				For the year ended 31st March, 2016			
	₹				₹			
	Pension	Gratuity	Leave Encashment	Medical	Pension	Gratuity	Leave Encashment	Medical
	Funded	Unfunded	Unfunded		Funded	Unfunded	Unfunded	
I Components of Employer Expense								
- Recognised in Profit or Loss								
1 Current Service Cost	25,41,458	45,88,878	41,35,824	3,52,508	23,24,550	36,65,186	36,60,096	3,79,369
2 Past Service Cost	-	-	-	-	-	-	-	-
3 Net Interest Cost	-	3,55,901	18,86,094	2,98,555	-	3,29,326	16,15,063	2,74,776
4 Total expense recognised in the Statement of Profit and Loss	25,41,458	49,44,779	60,21,918	6,51,063	23,24,550	39,94,512	52,75,159	6,54,145
- Re-measurements recognised in Other Comprehensive Income								
5 (Return) on plan assets (excluding amounts included in Net interest cost)	(20,67,625)	2,58,318	-	-	18,141	(52,302)	-	-
6 Effect of changes in demographic assumptions	-	-	-	-	-	-	-	-
7 Effect of changes in financial assumptions	20,28,871	32,46,796	19,40,733	1,56,794	(1,29,226)	17,07,712	10,85,957	5,461
8 Changes in asset ceiling (excluding interest income)	-	-	-	-	-	-	-	-
9 Effect of experience adjustments	70,59,148	11,18,948	13,17,213	(9,40,574)	(2,39,991)	11,01,083	20,34,588	(1,00,482)
10 Total re-measurements included in OCI	70,20,394	46,24,062	32,57,946	(7,83,780)	(3,51,076)	27,56,493	31,20,545	(95,021)
11 Total defined benefit cost recognised in Profit and Loss and Other Comprehensive Income (4+10)	95,61,852	95,68,841	92,79,864	(1,32,717)	19,73,474	67,51,005	83,95,704	5,59,124

The current service cost and net interest expense for the year pertaining to Pension and Gratuity expenses have been recognised in “Contribution to Provident and other funds” and Leave Encashment in “Salaries and wages” under Note 28. The remeasurements of the net defined benefit liability are included in Statement of Profit and Loss and Other Comprehensive Income in Statement of change in Equity.

NOTES TO THE FINANCIAL STATEMENTS

	For the year ended 31st March, 2017				For the year ended 31st March, 2016			
	₹				₹			
	Pension	Gratuity	Leave Encashment	Medical	Pension	Gratuity	Leave Encashment	Medical
II Actual Returns	52,29,056	22,15,399	-	-	29,59,421	21,80,605	-	-
III Net Asset / (Liability) recognised in Balance Sheet								
1 Present Value of Defined Benefit Obligation	5,45,48,337	4,71,80,473	2,83,87,634	38,29,261	4,21,52,417	3,77,28,237	2,51,47,919	39,80,728
2 Fair Value of Plan Assets	4,70,04,949	3,96,09,763	-	-	4,21,52,417	3,30,96,241	-	-
3 Status [Surplus / (Deficit)]	(75,43,388)	(75,70,710)	(2,83,87,634)	(38,29,261)	-	(46,31,996)	(2,51,47,919)	(39,80,728)
4 Restrictions on Asset Recognised	-	-	-	-	-	-	-	-

5 Net Asset / (Liability) recognised in Balance Sheet	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
- Pension	(75,43,388)	-	-	-	-	-
- Gratuity	(75,70,710)	-	(46,31,996)	-	(41,41,525)	-
- Leave Encashment	(36,23,469)	(2,47,64,165)	(46,65,444)	(2,04,82,475)	(32,45,346)	(1,68,87,777)
- Medical	(11,80,000)	(26,49,261)	(18,38,425)	(21,42,303)	(7,90,000)	(26,44,705)

	For the year ended 31st March, 2017				For the year ended 31st March, 2016			
	₹				₹			
	Pension	Gratuity	Leave Encashment	Medical	Pension	Gratuity	Leave Encashment	Medical
IV Change in Defined Benefit Obligations (DBO)								
1 Present Value of DBO at the beginning of the year	4,21,52,417	3,77,28,237	2,51,47,919	39,80,728	3,72,19,522	3,06,36,422	2,01,33,123	34,34,705
2 Current Service Cost	25,41,458	45,88,878	41,35,824	3,52,508	23,24,550	36,65,186	36,60,096	3,79,369
3 Interest Cost	31,61,431	28,29,618	18,86,094	2,98,555	29,77,562	24,57,629	16,15,063	2,74,776
4 Remeasurement Gains / (Losses):								
Effect of changes in demographic assumptions	-	-	-	-	-	-	-	-
Effect of changes in financial assumptions	20,28,871	32,46,796	19,40,733	1,56,794	(1,29,226)	17,07,712	10,85,957	5,461
Changes in asset ceiling (excluding interest income)	-	-	-	-	-	-	-	-
Effect of experience adjustments	70,59,148	11,18,948	13,17,213	(9,40,574)	(2,39,991)	11,01,083	20,34,588	(1,00,482)
5 Curtailment Cost / (Credit)	-	-	-	-	-	-	-	-
6 Settlement Cost / (Credits)	-	-	-	-	-	-	-	-
7 Liabilities assumed in business combination	-	-	-	-	-	-	-	-
8 Exchange difference on foreign plans	-	-	-	-	-	-	-	-
9 Benefits Paid	(23,94,988)	(23,32,004)	(60,40,149)	(18,750)	-	(18,39,795)	(33,80,908)	(13,101)
Others	-	-	-	-	-	-	-	-
10 Present Value of DBO at the end of the year	5,45,48,337	4,71,80,473	2,83,87,634	38,29,261	4,21,52,417	3,77,28,237	2,51,47,919	39,80,728

NOTES TO THE FINANCIAL STATEMENTS

₹

V	Best Estimate of Employer's Expected Contribution for the next year	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	- Pension	61,95,845	25,80,251	21,11,059
	- Gratuity	56,04,677	44,15,756	37,16,179
	- Leave Encashment	63,00,138	57,65,795	48,32,128
	- Medical	7,05,720	7,15,861	6,52,167

		For the year ended 31st March, 2017				For the year ended 31st March, 2016			
		₹				₹			
		Pension	Gratuity	Leave Encashment	Medical	Pension	Gratuity	Leave Encashment	Medical
VI	Change in Fair Value of Assets								
	1 Plan Assets at the beginning of the year	4,21,52,417	3,29,82,894	-	-	3,72,19,522	2,66,03,789	-	-
	2 Asset acquired in Business Combination	-	-	-	-	-	-	-	-
	3 Expected Return on Plan Assets	31,61,431	24,73,717	-	-	29,77,562	21,28,303	-	-
	4 Remeasurement Gains / (Losses) on plan assets	20,67,625	(2,58,318)	-	-	(18,141)	52,302	-	-
	5 Actual Company Contributions	20,18,464	67,43,474	-	-	19,73,474	61,51,642	-	-
	6 Benefits Paid	(23,94,988)	(23,32,004)	-	-	-	(18,39,795)	-	-
	Others	-	-	-	-	-	-	-	-
	7 Plan Assets at the end of the year	4,70,04,949	3,96,09,763	-	-	4,21,52,417	3,30,96,241	-	-

VII	Actuarial Assumptions	As at 31st March, 2017		As at 31st March, 2016		As at 1st April 2015	
		Discount Rate (%)	Expected Return on Plan Assets (%)	Discount Rate (%)	Expected Return on Plan Assets (%)	Discount Rate (%)	Expected Return on Plan Assets (%)
	1 Pension	6.75	7.50	7.50	8.00	8.00	8.00
	2 Gratuity	6.75	7.50	7.50	9.00	8.00	8.75
	3 Leave Encashment	6.75	-	7.50	-	8.00	-
	4 Medical	6.75	-	7.50	-	8.00	-

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.

Pension

VIII	Major Category of Plan Assets as a percentage of the Total Plan Assets	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	1 Government Securities / Special Deposit with RBI	7.05	9.05	10.58
	2 High Quality Corporate Bonds	-	-	6.64
	3 Insurer Managed Funds*	86.70	-	-
	4 Mutual Funds	0.67	51.01	48.01
	5 Cash and Cash Equivalents	0.47	0.61	1.19
	6 Term Deposits	5.11	39.33	33.58

NOTES TO THE FINANCIAL STATEMENTS

Gratuity

	Major Category of Plan Assets as a percentage of the Total Plan Assets	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
1	Government Securities / Special Deposit with RBI	-	-	-
2	High Quality Corporate Bonds	-	-	-
3	Insurer Managed Funds*	100.00	100.00	100.00
4	Mutual Funds	-	-	-
5	Cash and Cash Equivalents	-	-	-
6	Term Deposits	-	-	-

* 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 for each category to the fair value of plan assets has not been disclosed.

The fair value Government Securities, Corporate Bonds, Mutual Funds are determined based on quoted market prices in active markets. The employee benefit plans do not hold any securities issued by the Company.

IX 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 optimize returns within acceptable risk parameters, the plan assets are well diversified.

X Net Asset / (Liability) recognised in Balance Sheet (including experience adjustment impact)

	For the year ended 31st March, 2017 ₹				For the year ended 31st March, 2016 ₹				For the year ended 1st April, 2015 ₹			
	Pension	Gratuity	Leave Encashment	Medical	Pension	Gratuity	Leave Encashment	Medical	Pension	Gratuity	Leave Encashment	Medical
1 Present Value of Defined Benefit Obligation	5,45,48,337	4,71,80,473	2,83,87,634	38,29,261	4,21,52,417	3,77,28,237	2,51,47,919	39,80,728	3,72,19,522	3,06,36,422	2,01,33,123	34,34,705
2 Fair Value of Plan Assets	4,70,04,949	3,96,09,763	-	-	4,21,52,417	3,30,96,241	-	-	3,72,19,522	2,64,94,897	-	-
3 Status [Surplus/ (Deficit)]	(75,43,388)	(75,70,710)	(2,83,87,634)	(38,29,261)	-	(46,31,996)	(2,51,47,919)	(39,80,728)	-	(41,41,525)	(2,01,33,123)	(34,34,705)
4 Experience Adjustment of Plan Assets [Gain / (loss)]	-	-	-	-	-	-	-	-	-	-	-	-
5 Experience Adjustment of obligation [(Gain) / Loss]	70,59,148	11,18,948	13,17,213	(9,40,574)	(2,39,991)	11,01,083	20,34,588	(1,00,482)	(7,73,976)	9,00,891	10,65,469	(90,986)

(a) Amounts towards Defined Contribution Plans have been recognised under "Contribution to Provident and other funds" in Note 28 : ₹1,93,12,127/- (Mar'16 - ₹ 1,82,78,836/-).

(b) The liability for Leave Encashment and Medical benefit (Non – Funded) as at 31st March, 2017 amounts to ₹ 3,22,16,895 (Mar'16 - ₹ 2,91,28,647/-; Mar'15- ₹ 2,35,67,828/-).

NOTES TO THE FINANCIAL STATEMENTS

XI Sensitivity Analysis

The sensitivity analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of sensitivity analysis from previous year.

Pension

₹

		DBO as at 31st March, 2017	DBO as at 31st March, 2016	DBO as at 1st April, 2015
1	Discount Rate +0.50%	14,48,748	34,47,584	38,88,798
2	Discount Rate - 0.50%	27,30,413	45,88,499	51,98,088
3	Salary Increase Rate +0.50%	28,04,134	47,12,388	53,38,436
4	Salary Increase Rate -0.50%	14,87,864	35,40,668	39,93,795

Gratuity

₹

		DBO as at 31st March, 2017	DBO as at 31st March, 2016	DBO as at 1st April, 2015
1	Discount Rate +0.50%	(27,98,291)	(21,55,750)	(18,11,901)
2	Discount Rate - 0.50%	25,57,904	19,74,677	16,58,566
3	Salary Increase Rate +0.50%	26,26,967	20,27,993	17,03,347
4	Salary Increase Rate -0.50%	(28,73,845)	(22,13,955)	(18,60,822)

Leave Encashment

₹

		DBO as at 31st March, 2017	DBO as at 31st March, 2016	DBO as at 1st April, 2015
1	Discount Rate +0.50%	22,84,510	12,34,262	4,66,303
2	Discount Rate - 0.50%	25,87,289	14,95,072	6,93,054
3	Salary Increase Rate +0.50%	23,46,192	12,67,587	4,78,893
4	Salary Increase Rate -0.50%	26,57,146	15,35,439	7,11,766

NOTES TO THE FINANCIAL STATEMENTS

34 Related Party Disclosure

Related Parties with whom the Company had transactions

i Companies with respect to which International Travel House Limited (ITHL) is an associate

- a ITC Limied
- b Russel Credit Limited

ii **a) Key Management Personnel**

N Anand	Non Executive Chairman
J J Ghadiali	Managing Director (ceased w.e.f. 27.01.2017)
A Bajjal	Non Executive Independent Director (ceased w.e.f. 30.12.2016)
S Pillai	Non Executive Independent Director
A Rajput	Non Executive Director
H P Ranina	Non Executive Independent Director
K L Thapar	Non Executive Independent Director
J Singh	Non Executive Director (w.e.f. 16.04.2016)
A Pathak	Non Executive Director (ceased w.e.f. 15.04.2016)

Members - Corporate Management Committee- ITHL

G Arora
 S Datta (ceased w.e.f. 31.12.2016)
 S Sequeira (w.e.f. 01.11.2016)
 A Bhattacharjee (w.e.f. 06.02.2017)
 J Aggarwal (Company Secretary)

b) Relatives of KMP of ITHL

Mrs T Anand - Wife of Mr N Anand, Mr K Anand & Mr A Anand - Sons of Mr N Anand, Ms N Anand - Daughter of Mr N Anand
 Mrs V Ghadiali - Wife of Mr J J Ghadiali, Dr M J Ghadiali - Son of Mr J J Ghadiali
 Mrs A Rajput - Wife of Mr A Rajput, Mr K Rajput and Mr N. Bhalla - Sons of Mr A Rajput, Ms S Rajput - Daughter of Mr A Rajput
 Mrs P Thapar - Wife of Mr K L Thapar
 Mr J Singh - Son of Mr J Singh
 Mrs K Arora - Wife of Mr G Arora, Mr P Arora - Son of Mr G Arora
 Mrs S Datta - Wife of Mr S Datta, Ms A Datta - Daughter of Mr S Datta, Ms M Datta - Sister of Mr S Datta, Mrs S Datta - Mother of Mr S Datta
 Mr A Aggarwal - Husband of Mrs J Aggarwal, Ms K Aggarwal - Daughter of Mrs J Aggarwal
 Mrs J Sequeiran - Wife of Mr S Sequeira and Mr J Sequeira and Mr J Sequeira - Sons of Mr S Sequeira
 Mrs D Bhattacharjee - Wife of Mr A Bhattacharjee, Mr R Bhattacharjee - Son of Mr A Bhattacharjee

iii **Enterprises on which KMP exercise significant influence**

Asian Institute of Transport Development

iv **Employee trust where there is significant influence**

Travel House Superannuation Fund
 International Travel House Limited Gratuity Fund

NOTES TO THE FINANCIAL STATEMENTS

34. Related Party Disclosure (contd.)
Disclosure of transactions between the Company and Related Party and the status of outstanding balances as on 31st March, 2017

Related Party/Transaction	Companies with respect to which ITHL is an associate		Key Management Personnel		Key Management Personnel Relatives / Enterprises		Employee Trusts		Total	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016
Sale of Services (Gross) ^A										
ITC Limited	59,78,83,517	63,81,39,380	-	-	-	-	-	-	59,78,83,517	63,81,39,380
Others	-	-	23,54,680	36,73,516	61,55,578	55,79,658	-	-	85,10,257	92,53,174
Total	59,78,83,517	63,81,39,380	23,54,680	36,73,516	61,55,578	55,79,658	-	-	60,63,93,775	64,73,92,554
Purchase of Goods and Services										
ITC Limited	2,64,39,695	4,05,60,202	-	-	-	-	-	-	2,64,39,695	4,05,60,202
Total	2,64,39,695	4,05,60,202	-	-	-	-	-	-	2,64,39,695	4,05,60,202
Remuneration to Key Management Personnel										
a) short-term employee benefits	-	-	39,44,134	34,07,741	-	-	-	-	39,44,134	34,07,741
b) post-employment benefits	-	-	-	-	-	-	-	-	-	-
c) other long-term benefits	-	-	-	-	-	-	-	-	-	-
d) termination benefits	-	-	-	-	-	-	-	-	-	-
e) share-based payment	-	-	-	-	-	-	-	-	-	-
Remuneration to Key Management Personnel on Deputation Reimbursed #										
Total	-	-	1,75,45,104	1,43,05,881	-	-	-	-	1,75,45,104	1,43,05,881
Directors Fees										
Mr. K. L. Thapar	-	-	1,90,000	1,45,000	-	-	-	-	1,90,000	1,45,000
Mr. H. P. Ranina	-	-	1,20,000	1,45,000	-	-	-	-	1,20,000	1,45,000
Mr. A. Baijal	-	-	50,000	85,000	-	-	-	-	50,000	85,000
Ms. S. Pillai	-	-	2,00,000	1,15,000	-	-	-	-	2,00,000	1,15,000
Total	-	-	5,60,000	4,90,000	-	-	-	-	5,60,000	4,90,000
Rent Paid										
ITC Limited	87,35,881	99,36,871	-	-	-	-	-	-	87,35,881	99,36,871
Total	87,35,881	99,36,871	-	-	-	-	-	-	87,35,881	99,36,871

^A Gross transaction value of sale of services rendered.

* 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.

Paid through ITC Limited includes remuneration of Managers on Deputation Reimbursed.

NOTES TO THE FINANCIAL STATEMENTS

34. Related Party Disclosure (contd.)
Disclosure of transactions between the Company and Related Party and the status of outstanding balances as on 31st March, 2017

Related Party Transaction	Companies with respect to which ITHL is an associate		Key Management Personnel		Key Management Personnel Relatives / Enterprises		Employee Trusts		Total			
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016		
Remuneration of Managers / Key Management Personnel on Deputation Reimbursed **												
ITC Limited	4,28,80,944	4,12,27,035	-	-	-	-	-	-	4,28,80,944	4,12,27,035		
Other	-	-	-	-	-	-	-	-	-	-		
Total	4,28,80,944	4,12,27,035	-	-	-	-	-	-	4,28,80,944	4,12,27,035		
Remuneration of Managers on Deputation Recovered												
ITC Limited	27,13,196	24,58,433	-	-	-	-	-	-	27,13,196	24,58,433		
Total	27,13,196	24,58,433	-	-	-	-	-	-	27,13,196	24,58,433		
Contribution to Employees' Benefit Plans												
Travel House Superannuation Fund	-	-	-	-	-	-	19,73,474	19,73,474	20,18,464	19,73,474		
International Travel House Limited Gratuity Fund	-	-	-	-	-	-	61,51,642	61,51,642	67,43,474	61,51,642		
Total	-	-	-	-	-	-	81,25,116	81,25,116	87,61,938	81,25,116		
Dividend Payments												
ITC Limited	12,22,300	12,22,300	-	-	-	-	-	-	12,22,300	12,22,300		
Russell Credit Limited	1,54,13,190	1,54,13,190	-	-	-	-	-	-	1,54,13,190	1,54,13,190		
Others	-	-	-	-	425	425	-	-	425	425		
Total	1,66,35,490	1,66,35,490	-	-	425	425	-	-	1,66,35,915	1,66,35,915		
Expenses Reimbursed												
ITC Limited	35,88,314	53,48,206	-	-	-	-	-	-	35,88,314	53,48,206		
Other	-	-	-	-	-	-	-	-	-	-		
Total	35,88,314	53,48,206	-	-	-	-	-	-	35,88,314	53,48,206		
** Includes cost of fair value of option granted under ITC Employees Stock Option Scheme [Refer note 32(X)]												
Balances as on	31/03/2017	31/03/2016	01/04/2015	31/03/2017	31/03/2016	01/04/2015	31/03/2017	31/03/2016	01/04/2015	31/03/2017	31/03/2016	01/04/2015
Receivables												
ITC Limited	6,53,79,915	6,68,03,656	6,58,78,564	-	-	-	-	-	-	6,53,79,915	6,68,03,656	6,58,78,564
Due from Directors/Officers	-	-	-	-	-	8,16,118	-	-	-	-	-	8,16,118
Others	-	-	-	-	-	28,904	4,060	2,04,736	-	4,060	2,04,736	28,904
Deposits Given												
ITC Limited	6,98,200	11,21,140	9,51,140	-	-	-	-	-	-	6,98,200	11,21,140	9,51,140
Others	-	-	-	-	-	-	-	-	-	-	-	-
Payables												
ITC Limited	5,12,98,871	56,15,172	35,27,003	-	-	-	-	-	-	5,12,98,871	56,15,172	35,27,003
Others	-	-	-	-	-	-	-	-	-	-	-	-
Employee Payable												
Others	-	-	-	-	-	-	-	-	-	-	-	-
Total	11,73,76,986	7,35,39,968	7,03,56,707	-	-	28,904	4,060	2,04,736	8,16,118	11,73,81,045	7,37,44,704	7,12,01,729

NOTES TO THE FINANCIAL STATEMENTS

35 Financial Risk Management Objectives and Policies

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to business risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management Framework rests on policies and procedures issued by appropriate authorities, process of regular reviews / audits to set appropriate risk limits and controls, monitoring of such risks and compliance confirmation for the same.

A. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk - interest rate risk, foreign currency risk and price risk. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Company ensures optimisation of cash through fund planning and robust cash management practices.

i. Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As majority of the financial assets and liabilities of the Company are either non-interest bearing or fixed interest bearing instruments, the Company's net exposure to interest risk is negligible.

ii. Foreign Currency Risk

The Indian Rupee is the Company's most significant currency. As a consequence, the Company's results are presented in Indian Rupee. The Company has limited foreign currency exposure which are mainly on account of Money Changing Business activity undertaken by the Company.

iii. Price Risk

The Company's quoted debt mutual funds are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments securities. The Company manages the price risk through diversification and by placing limits on individual and total instruments. Reports on the portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors has approved an investment policy for the Company. These investments are marked to market at period ends. Accordingly, these do not pose any significant risk.

B. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

i. Trade Receivables

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Concentrations of credit risk with respect to trade receivables are limited as the Company's customer base is large and diverse. For financial assets measured at amortised cost, account receivable expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii. Financial Instruments and Cash Deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Board has approved a policy for investment of surplus funds. Investment in debt mutual funds are made only with approved mutual funds and credit risk in such funds are limited because the underlying investments are diversified and the Company's investment framework considers the credit quality of the underlying investments made by the fund house. There are limits for any exposure to financial institutions.

NOTES TO THE FINANCIAL STATEMENTS

The Company's maximum exposure to credit risk for the components of the Balance Sheet at 31st March, 2017, 31st March 2016 and 1st April, 2015 is the carrying amounts as illustrated in note below.

Particulars	Note	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Loans	5 & 13	2,43,098	2,44,230	7,20,581
Investments in Mutual funds	4 & 9	41,01,17,292	23,02,56,067	2,67,862,225
Trade Receivables	10	1,05,74,67,190	94,20,23,316	94,47,48,959
Cash and Cash Equivalents	11 & 12	8,62,80,452	14,45,51,651	9,88,52,560
Other Short Term Financial Assets	14	1,36,37,547	1,34,66,317	1,93,68,734
Total		1,56,77,45,579	1,33,05,41,581	1,33,15,53,059

C. Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due. Investments are made with a range of maturities, generally matching the projected cash flows and spreading the same across wide range of counterparties. Considering the dynamic nature of the underlying businesses, the Company also maintains adequate committed credit lines with the banks.

The Company's treasury function reviews the liquidity position on an ongoing basis.

The following are the contractual maturities of the financial liabilities as at 31st March 2017:

Particulars	Carrying amount	Contractual cash flow	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Trade Payables	34,78,48,252	34,78,48,252	34,78,48,252	-	-	-	-
Others	5,30,64,247	5,30,64,247	5,30,64,247	-	-	-	-

Contractual maturities of the financial liabilities as at 31st March, 2016:

Particulars	Carrying amount	Contractual cash flow	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Trade Payables	27,93,88,853	27,93,88,853	27,93,88,853	-	-	-	-
Others	3,91,69,784	3,91,69,784	3,91,69,784	-	-	-	-

Contractual maturities of the financial liabilities as at 1st April, 2015:

Particulars	Carrying amount	Contractual cash flow	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Trade Payables	28,60,76,636	28,60,76,636	28,60,76,636	-	-	-	-
Others	3,27,43,530	3,27,43,530	3,27,43,530	-	-	-	-

D. Capital Management

The Company's financial strategy aims to provide adequate capital to its businesses to grow and invest whilst ensuring sustained stakeholder value and ensuring continuance as a going concern. The Company funds its operations through internal accruals.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

NOTES TO THE FINANCIAL STATEMENTS

36. First time adoption of Ind AS

As stated in note 1B, the financial statements for the year ending 31st March, 2017 are the first annual financial statements prepared in accordance with Ind AS.

Ind AS 101 (First-time Adoption of Indian Accounting Standards) provides a suitable point for accounting in accordance with Ind AS and is required to be mandatorily followed by first-time adopters. The Company has prepared the opening balance sheet as per Ind AS as of 1st April, 2015 (the transition date) by:

- i. Recognising all assets and liabilities whose recognition is required by Ind AS,
- ii. Not recognising items of assets or liabilities which are not permitted by Ind AS,
- iii. Reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and
- iv. Applying Ind AS in measurement of recognised assets and liabilities.

All applicable Ind AS have been applied consistently and retrospectively, wherever required. The resulting difference between the carrying amounts of the assets and liabilities in the financial statements under both Ind AS and Indian GAAP as of the transition date are recognised directly in other equity (retained earnings) at the date of transition to Ind AS.

Ind AS 101 mandates certain exceptions and allows first-time adopters exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions in the financial statements:

i. Exemptions applied:

The Company has elected to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and used it as its deemed cost as at the date of transition.

ii. Exceptions applied:

- a. The estimates at 1st April, 2015 and at 31st March, 2016 are consistent with those made for the same dates in accordance with Indian GAAP

Reconciliation of equity as at 1st April, 2015 (date of transition to Ind AS) –

Particulars	Notes	As at 1st April, 2015 (Date of Transition)	As at 31st March, 2016 (end of last period presented under previous GAAP)
Equity as reported under previous GAAP		1,45,31,76,077	1,54,11,43,995
Dividends (including tax thereon)	c	4,08,93,586	4,08,93,586
Impact of measuring investments at Fair Value through Profit and Loss (FVTPL) or OCI (Net of Tax)	a	84,10,867	1,67,450
Equity as reported under Ind AS		1,50,24,80,530	1,58,22,05,039

Reconciliation of Total Comprehensive Income for the year ended 31st March, 2016:

Particulars	Notes	For the 12 months ended 31.03.2016
Profit After Tax as reported under previous GAAP		12,88,61,507
Impact of measuring investments at Fair Value through Profit or Loss (FVTPL)	a	1,26,06,159
Reclassification of actuarial gains / losses, arising in respect of employee benefit schemes to Other Comprehensive income (OCI)	d	19,76,514
Impact of recognising the cost of the employee stock option scheme at fair value		(2,58,48,144)
Tax Adjustments	b	36,78,707
Profit After Tax as reported under Ind AS		9,60,62,425
Other Comprehensive Income (Net of Tax)	d	(12,92,482)
Total Comprehensive income as reported under Ind AS		9,47,69,943

Footnotes to the reconciliation of equity as at 1st April 2015, 31st March, 2016 and profit or loss for the year ended 31st March, 2016:

- a. Under the previous GAAP, current Investments were shown at cost or market value whichever was lower. However under Ind AS the same is shown at fair value through Profit or Loss.

NOTES TO THE FINANCIAL STATEMENTS

- b. The previous GAAP mandated deferred tax accounting using the income statement approach while Ind AS 12 requires entities to account for deferred taxes using the Balance Sheet approach.
- c. Under previous GAAP, dividend payable on equity shares (including the tax thereon) was recognised as a liability in the period to which it relates. Under Ind AS, dividends (including the tax thereon) to shareholders are recognised when declared by the members in a general meeting.
- d. Under previous GAAP, actuarial gains and losses related to the defined benefit schemes for gratuity and pension plans and liabilities towards employee leave encashment were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of re-measurement of the net defined benefit liability / asset which is recognised in OCI. Consequently, the tax effect of the same has also been recognised in OCI instead of profit or loss.
- e. Under Ind AS, the cost of the options granted under the ITC Employee Stock Option Scheme to certain employees in the Company is recognised based on the fair value of the options at the grant date. The Company records this cost as share based payment expense under employee benefits expense over the vesting period/ service period, together with a corresponding increase in other equity.

iii. Standards issued but not yet effective

Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) (Amendment) Rules, 2017 on 17th March, 2017 notifying the amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment'. These amendments are applicable for annual periods beginning on or after 1st April, 2017. The Company expects that there will be no material impact on the financial statements resulting from the implementation of these standards.

As per our report of even date

for S. R. Batliboi & Associates LLP
ICAI Firm Registration No.: 101049W/E300004
Chartered Accountants

per Yogesh Midha
Partner
Membership No.: 94941
Place : New Delhi
Date : 22nd April, 2017

Signature to Notes I to 36

On behalf of the Board

A Rajput
Director

J Singh
Director

S Sequeira
Chief Financial Officer

J Aggarwal
Company Secretary

Place : New Delhi
Date : 22nd April, 2017

INDEPENDENT AUDITOR'S REPORT

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of International Travel House Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the including the statement of other comprehensive income, the cash flow statement and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standards) Rules, 2015. This responsibility also includes maintenance of adequate accounting and Companies (Indian Accounting Standards) Amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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 the 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 Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view 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 the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, Ind AS 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, of the financial position of the Company as at March 31, 2017, its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, Statement of Profit and Loss, including the Statement of Other Comprehensive income and Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2014 and Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
 - (e) On the basis of written representations received from the directors as on 31st March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 32(iii) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
 - iv. The Company has provided requisite disclosures in Note 32(ix) to these financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our enquiries, test check of the books of accounts and other details maintained by the Company and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company.

for S. R. Batliboi & Associates LLP
Chartered Accountants
Firm's Registration Number: 101049W/E300004

per Yogesh Midha
Partner

Place : New Delhi
Date : 22nd April, 2017

Membership Number: 94941

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

Annexure referred to in paragraph I under the heading "Report on Other Legal and Regulatory Requirements" 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) According to the information and explanations given by the management, the title deeds of immovable properties (buildings) included in fixed assets, except for two properties (acquired in earlier years, details given below), are held in the name of the Company.

Total Number of Cases	Gross Block	Net Block	Remarks
2	72,35,399	55,83,650	As explained the registration process of transferring the property in the name of the Company has been initiated in 2014-2015

- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3 (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 Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable to the

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	2006-2008	CESTAT
Finance Act, 1994	Service tax demand on various incomes	3,98,43,700	April 2010 to March 2015	CESTAT
Finance Act, 1994	Service tax demand on various incomes	2,79,000	April 2010 to March 2011	Commissioner - Service Tax (Appeals)
Income Tax Act	Income tax demand on various disallowances	3,33,278	AY 2013-14	Commissioner of Income Tax (Appeals)

There are no dues of sales-tax, duty of custom, value added tax and cess which have not been deposited on account of any dispute. The provisions relating to excise duty are not applicable to the Company.

- (viii) In our opinion and according to the information and explanations given by the management, Company has not defaulted in repayment of dues to any bank. The

Company and hence not commented upon.

- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) 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 section 3(vi) of the Order are not applicable to the Company.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, value added tax, cess and other statutory dues applicable to it. The provisions relating to duty of excise 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, employees' state insurance, income-tax, service tax, sales-tax, duty of customs, value added tax, cess and other 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:

Company did not have any outstanding dues in respect of a financial institution or debenture holders.

- (ix) According to the information and explanations given

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

- by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

for S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: I01049W/E300004

per Yogesh Midha
Partner

Place : New Delhi
Date : 22nd April, 2017

Membership Number: 94941

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

Annexure 2 to the Independent Auditor's Report of even date on the Financial Statements of International Travel House Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of International travel House Limited ("the Company") as on March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended as on date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by

the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for S. R. Batliboi & Associates LLP
Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

Place : New Delhi
Date : 22nd April, 2017

per Yogesh Midha
Partner
Membership Number: 94941

International Travel House Limited

CIN : L63040DL1981PLC011941

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

Tel: 011 26017808 • E-mail : investor_TH@ith.co.in • Website : www.travelhouseindia.com

36TH ANNUAL GENERAL MEETING

ADMISSION SLIP

Name & Address of Member :

E-mail ID :

DP ID No. & Client ID No. /

Registered Folio No. :

No. of Shares held :

I hereby record my presence at the 36th Annual General Meeting of the Company held on Friday, 4th August, 2017 at 9.30 a.m. at Air Force Auditorium, Subroto Park, New Delhi 110 010.

Name of Proxy in Block Letters

Signature of Member / Proxy attending

NOTES: i) Member / Proxy attending the Annual General Meeting (AGM) must bring his / her Admission Slip which should be signed and deposited at the entrance.

ii) Duplicate Admission Slip will not be issued at the AGM venue.



International Travel House Limited

CIN : L63040DL1981PLC011941

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

Tel: 011 26017808 • E-mail : investor_TH@ith.co.in • Website : www.travelhouseindia.com

36TH ANNUAL GENERAL MEETING

PROXY FORM

Name & Address of Member :

E-mail ID :

DP ID No. & Client ID No. /

Registered Folio No. :

I / We, being the Member(s) holding _____ shares of International Travel House Limited, hereby appoint

(1) Name : _____ Address : _____

E-mail ID : _____ Signature : _____, or failing him

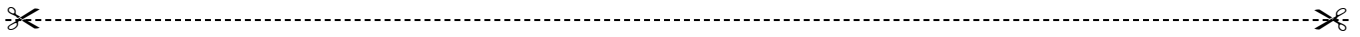
(2) Name : _____ Address : _____

E-mail ID : _____ Signature : _____, or failing him

(3) Name : _____ Address : _____

E-mail ID : _____ Signature : _____, or failing him

as my / our proxy to attend and vote for me / us and on my / our behalf, if not already voted by me / us through remote e-voting, at the 36th Annual General Meeting (AGM) of the Company to be held on 4th August, 2017 at 9.30 a.m. at Air Force Auditorium, Subroto Park, New Delhi 110 010 and at any adjournment thereof, in respect of the resolutions indicated hereafter:



Resolution Number	Description	Optional (✓)	
		For	Against
Ordinary Business			
1	Adoption of the Financial Statements for the financial year ended 31st March, 2017 and the Reports of the Board of Directors and the Auditors.		
2	Declaration of dividend for the financial year ended 31st March, 2017.		
3	Appointment of Mr Anil Rajput who retires by rotation and offers himself for re-appointment.		
4	Appointment of Messrs Deloitte Haskins & Sells LLP, Chartered Accountants, as Auditors, for a period of five years from the conclusion of this AGM till the conclusion of Forty First AGM, subject to ratification at every AGM and approval of their remuneration for the financial year 2017-18.		
Special Business			
5	Appointment of Mr Ghanshyam Arora as the Manager with effect from 6th February, 2017 and approval of his remuneration.		

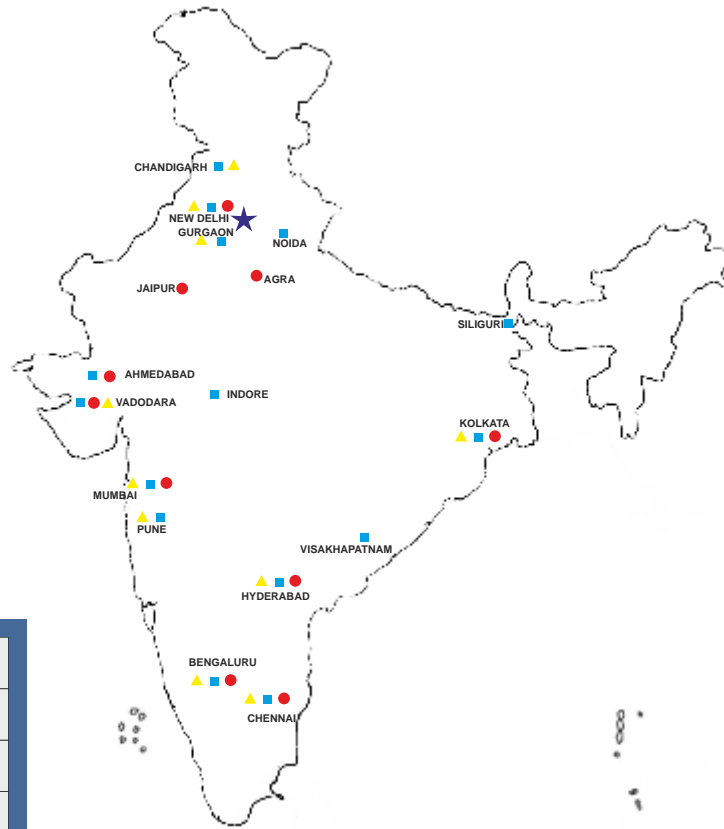
Signed this _____ day of _____ 2017. Signature of shareholder : _____

Affix 15
Paise
Revenue
Stamp

Instructions

- (1) The Proxy Form, in order to be effective, should be completed and stamped, and must be deposited / received at the Registered Office of the Company, **International Travel House Limited, 'Travel House', T-2, Community Centre, Sheikh Sarai, Phase-I, New Delhi 110 017**, either in person or through post, not less than 48 hours before the commencement of the AGM i.e. by 9.30 a.m. on 2nd August, 2017.
- (2) The Proxy Form should be signed by the Member or his attorney authorised in writing, or in case of a corporate Member, should be under its seal or be signed by an officer or attorney authorised by such Member. In case of joint holding, the Proxy Form may be signed by any of the holders.
- (3) The signature of the Member on the Proxy Form should be as per the specimen signature furnished by National Securities Depository Limited / Central Depository Services (India) Limited or registered with the Company.

Travel House Network



★	Corporate Office
▲	IATA Ticketing Branches
■	Car Rental Service
●	Hotel Travel Counters

Hotel Travel Counters

<p>AGRA</p> <p>ITC Mughal Taj Ganj Agra – 282 001 Tel : 0562 403 0601</p>	<p>AHMEDABAD</p> <p>Fortune Park Purshottam Mavlankar Marg, Ellisbridge Ahmedabad – 380 006 Tel : 079 4050 5050</p>	<p>BENGALURU</p> <p>ITC Gardenia 1, Residency Road Bengaluru – 560 025 Tel : 080 4345 5193</p>	<p>BENGALURU</p> <p>ITC Windsor 25, Windsor Square Golf Course Road Bengaluru – 560 052 Tel : 080 2226 9898</p>	<p>BENGALURU</p> <p>My Fortune 46, Richmond Road Bengaluru – 560 025 Tel : 080 2559 8998</p>
<p>CHENNAI</p> <p>ITC Grand Chola 63, Mount Road Guindy Chennai – 600 032 Tel : 044 4210 1774</p>	<p>CHENNAI</p> <p>My Fortune 10, Cathedral Road Chennai – 600 086 Tel : 044 4208 8412</p>	<p>HYDERABAD</p> <p>ITC Kakatiya 6-3-1187, Begumpet Hyderabad – 500 016 Tel : 040 2341 2850</p>	<p>JAIPUR</p> <p>ITC Rajputana Palace Road Jaipur – 302 006 Tel : 0141 401 2020</p>	<p>KOLKATA</p> <p>ITC Sonar 1, JBS Halden Avenue Kolkata – 700 046 Tel : 033 2345 4061</p>
<p>MUMBAI</p> <p>ITC Maratha Sahar, Andheri (E) Mumbai – 400 099 Tel : 022 2831 7928</p>	<p>MUMBAI</p> <p>ITC Grand Central 287, Dr B Ambedkar Road Parel Mumbai – 400 012 Tel : 022 4017 5057</p>	<p>NEW DELHI</p> <p>ITC Maurya Sardar Patel Marg New Delhi – 110 021 Tel : 011 4109 5555</p>	<p>NEW DELHI</p> <p>Sheraton New Delhi District Centre, Saket New Delhi – 110 017 Tel : 011 4107 5555</p>	<p>VADODARA</p> <p>WelcomHotel Vadodara R C Dutt Road Vadodara – 390 005 Tel : 0265 231 2706</p>

IATA Offices

BENGALURU
No. 5, 1 Floor
Sundaramurthy Road
Cox Town
Bengaluru – 560 005
Tel : 080 4181 8181

CHANDIGARH
SCO No. 48-49
Sector 9 D
Chandigarh – 160 009
Tel : 0172 468 9701-06

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

GURGAON
ITC Green Centre
10, Institutional Area
Sector 32, Gurgaon – 122 001
Tel : 0124 417 5051-60

HYDERABAD
155, Mahalakshmi Trade Centre
Bowenpally
Secunderabad – 500 011
Tel : 040 4023 3200-01

KOLKATA
ITC Centre, 4th Floor
37, J L Nehru Road
Kolkata – 700 071
Tel : 033 4001 3162

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
FF- 120, Dwarkesh complex
R C Dutt Road
Vadodara – 390 005
Tel : 0265 231 4561-562

Car Rental Offices

AHMEDABAD
315, Akshar Complex
Shivranjani Cross Roads
Satellite
Ahmedabad – 380 015
Tel : 079 2692 6091-92

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

BENGALURU – II
No. 573, 5th Main
5th Avenue, Teacher's Colony
Koramangala Post
Bengaluru - 560 342
Tel : 080 4190 9090

BENGALURU – III
No. 5, 1 Floor
Sundaramurthy Road
Cox Town
Bengaluru – 560 005
Tel : 080 4181 8181

CHANDIGARH
SCO No 48-49
Sector 9 D
Chandigarh – 160 009
Tel : 0172 468 9701-06

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

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

HYDERABAD
155, Mahalakshmi Trade Centre
Bowenpally
Secunderabad – 500 011
Tel : 040 4023 3200-201

INDORE
EW 80, Scheme 94
Ring Road
Indore – 452 001
Tel : 0731 493 6240

KOLKATA
ITC Centre, 4th floor
37, J L Nehru Road
Kolkata – 700 071
Tel : 033 4070 1408

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

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

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 2204

VADODARA
FF- 120, Dwarkesh complex
R C Dutt Road
Vadodara – 390 005
Tel : 0265 231 4561-562

VASHI
Shop No. 29, Mahavir Varsha
Plot No. 8, 9 & 10
Sector -6, Ghansoli
Navi Mumbai – 400 701
Tel : 022 6590 0182

VISAKHAPATNAM
Lalitha Plaza, Ground Floor
48-8-23, Dwaraka Nagar
Visakhapatnam – 530 016
Tel : 0891 694 1111-15

Site Office
SILIGURI



International Travel House Limited

T-2, Community Centre Sheikh Sarai, Phase - 1, New Delhi - 110 017 Tel: 91-11-2601 7808, Fax: 91-11-2601 5113

Toll Free No.: 1800-102-0505 www.travelhouseindia.com