



At ITH we are committing to make
'Responsible Travel' a way of life!



REPORT AND ACCOUNTS 2019



The ITH Story

Operating for nearly 40 years, International Travel House Limited (ITH), an associate of ITC Limited, is the first listed Indian travel company. ITH has a well-diversified portfolio, a large national footprint and an enviable market reputation for service quality and reliability with an ISO 9001:2015 certification. The business verticals include Car Rental, Business Travel, Meetings-Incentives-Conferences-Events, Leisure and Infinity - Travel Concierge Service.

Acknowledged as one of the leaders in corporate travel management in India, ITH operates from 39 locations and services nearly 2 million transactions per annum. Its car rental business manages a fleet of 1500+ vehicles clocking over 1,25,000 kilometres per day. ITH's customer satisfaction averages 98.92%, with 88.8% of customers willing to recommend us to their friends, family and colleagues.

Committed to deploying technology and innovation, ITH is continuously introducing new and unique products and service offerings e.g. Holidays on Wheels, Fresh and Clean - an initiative to keep the cars 99% germ free & fresh and car rental automation (DISHA) etc.

ITH has introduced 'Responsible Travel', a first-of-its-kind initiative by any Indian travel company, aiming to promote the highest principles of environmental stewardship in the realm of travel. With existing and planned initiatives like hybrid and EV cars, carbon footprint reduction, women's safety measures, use of biodegradable products, employment creation, eco-conscious holidays, ITH is committing to make 'Responsible Travel' a way of life and positively contribute to the society and environment.

Vision

To be India's leading Travel Company offering best-in-class products & services to customers, sustainable shareholder value and an exciting work place for employees.

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BOARD OF DIRECTORS & COMMITTEES

Board of Directors

Chairman and Non-Executive Director

Nakul Anand

Non-Executive Directors

Pradeep Vasant Dhobale
Anand Nayak
Sudha Pillai
Anil Rajput
Homi Phiroze Ranina
Jagdish Singh

Board Committees

Audit Committee

H P Ranina	Chairman
PV Dhobale	Member
S Pillai	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

Nominations & Remuneration Committee

A Nayak	Chairman
N Anand	Member
PV Dhobale	Member
S Pillai	Member
A Rajput	Member
H P Ranina	Member
J Singh	Member
J Aggarwal	Secretary

Corporate Social Responsibility Committee

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

Stakeholders Relationship Committee

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

Corporate Management Committee

A Kumar	Chairman	J Ahluwalia	Member
G Kaushik	Member	S Sequeira	Member
J Aggarwal	Secretary		

Key Managerial Personnel

Chief Executive Officer

Ajay Kumar

Chief Financial Officer

Savio Sequeira

Company Secretary

Janaki Aggarwal

Registered Office

'Travel House', T-2, Community Centre
Sheikh Sarai, Phase-I, New Delhi-110 017
Telephone no.: 011-26017808

Statutory Auditors

Deloitte Haskins & Sells LLP
Chartered Accountants
Gurugram

Registrar and Share Transfer Agents

MCS Share Transfer Agent Limited
F-65, 1st Floor
Okhla Industrial Area, Phase - I
New Delhi-110 020
Telephone nos.: 011-4140 6149-52, 4160 9386

CIN: L63040DLI981PLC011941
Website: www.internationaltravelhouse.in
E-mail: travelhouse@ith.co.in



International Travel House Limited

CIN: L63040DL1981PLC011941

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

Tel: +91 11 2601 7808 ● E-mail: investor_TH@ith.co.in ● Website: www.internationaltravelhouse.in

NOTICE OF 38TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty Eighth 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 Saturday, the 27th day of July, 2019 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, 2019, and the Reports of the Board of Directors and the Auditors.
2. To declare dividend for the financial year ended 31st March, 2019.
3. To appoint a Director in place of Mr Jagdish Singh (DIN: 00042258) 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 Section 142 of the Companies Act, 2013, payment of remuneration of ₹ 15,00,000/- (Rupees Fifteen Lakhs only) to Messrs. Deloitte Haskins & Sells LLP, Chartered Accountants (Registration No. 117366W/W-100018), to conduct the audit for the financial year 2019-20 plus goods and services tax as applicable, and reimbursement of out-of-pocket expenses incurred, be and is hereby approved.”

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 Section 149 read with Schedule IV of the Companies Act, 2013, and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, this Meeting hereby approves the appointment of Mr Pradeep Vasant Dhobale (DIN: 00274636) as an Independent Director of the Company for a period of five years with effect from 1st November, 2018, or till such earlier date as may be determined by any applicable statutes, rules, regulations or guidelines.”

6. To consider and, if thought fit, to pass the following resolution as a Special Resolution:-

“Resolved that, in accordance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, this Meeting hereby approves the re-appointment of Mr Homi Phiroze Ranina (DIN: 00024753) as an Independent Director of the Company for a period of five years with effect from 10th September, 2019, or till such earlier date as may be determined by any applicable statutes, rules, regulations or guidelines.”

7. To consider and, if thought fit, to pass the following resolution as a Special Resolution:-

“Resolved that, in accordance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, this Meeting hereby approves the re-appointment of Ms Sudha Pillai (DIN: 02263950) as an Independent Director of the Company for a period of five years with effect from 10th September, 2019, or till such earlier date as may be determined by any applicable statutes, rules, regulations or guidelines.”

The Register of Members of the Company will remain closed from Tuesday, 16th July, 2019 to Saturday, 27th July, 2019, 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 Monday, 15th July, 2019 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 Friday, 2nd August, 2019 to those Members entitled thereto and whose names will appear in the Register of Members of the Company on 27th July, 2019, or to their mandatees, subject however to the provisions of

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Section 126 of the Companies Act, 2013. In respect of dematerialised shares, the dividend will be paid on the basis of beneficial ownership as on 15th July, 2019, 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: 15th April, 2019

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 25th July, 2019.

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 representatives to attend and vote at the AGM.

2. Explanatory Statement, pursuant to Section 102 of the Act, relating to the Special Business to be transacted at this AGM, is annexed.
3. Route map of the AGM venue, pursuant to the Secretarial Standard on General Meetings, is also 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 **20th July, 2019 (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, 2012 and the corresponding Equity Shares of the Company in respect of which dividend entitlements remain unclaimed for seven consecutive years will be due for transfer to the Investor Education and Protection Fund of the Central Government on 28th September, 2019, 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. Members are requested to claim the said dividend, details of which are available on the Company's website **www.internationaltravelhouse.in** under the section 'General Information' under 'Shareholder Value'. The Company will not be able to entertain any claim received after 26th September, 2019 in respect of the same.
7. 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.
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.

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9. The procedure with respect to **remote e-voting** is provided below:

(i) **The period for remote e-voting begins on Tuesday, 23rd July, 2019 at 9.00 a.m. and ends on Friday, 26th July, 2019 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. 20th July, 2019, 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 **'Shareholders / Members'**.

(iv) Now enter your user ID as under:

- For CDSL: 16 digits beneficiary ID;
- For NSDL: 8 character DP ID followed by 8 digits Client ID;
- 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 password is 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, please follow the steps given below:

For Members holding shares either in dematerialised form or in certificate form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits, enter the applicable number of 0's before the

	number after the first two characters of the name in CAPITAL letters. 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	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. <ul style="list-style-type: none"> • If both the details are not recorded with the Depository or the Company, please enter your member ID / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on **'Submit'**.
- (ix) Members holding shares in certificate form will then reach directly to the Company's selection screen.
- (x) Members holding shares in dematerialised form will then reach the **'Password Creation'** menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password can be used for voting on resolutions of any other company on which you are eligible to vote, provided that the said 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) For Members holding shares in certificate form, the details can be used only for e-voting on the Resolutions contained in this Notice.
- (xii) Click on the EVSN for International Travel House Limited.
- (xiii) 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 the option 'No' implies that you dissent to the Resolution.
- (xiv) Click on the **'Resolutions File Link'**, if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you **'Confirm'** your vote on the Resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on **'Click here to print'** option on the Voting page.
- (xviii) Members can also cast their vote using CDSL's mobile app 'm-Voting' available on Android, Apple and Windows based mobiles. Members may log in to m-Voting using their e-voting credentials to vote on the Company Resolutions.

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(xix) **Note for Non-Individual Members and Custodians**

- Non-Individual Members (i.e. other than HUF, Individuals, 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, 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.

(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 under the help section of CDSL's e-voting website www.evotingindia.com or write an email to helpdesk.evoting@cdslindia.com or contact Mr Rakesh Dalvi at telephone no. 18002005533 (toll free). You may also address your queries / grievances relating to remote e-voting or voting at the meeting to Ms J Aggarwal, Company Secretary, at e-mail ID investor_TH@ith.co.in or at telephone no. 011 2601 7808.

(xxi) Those who become Members of the Company after despatch of the Notice but on or before **20th July, 2019 (cut-off date)** may follow the steps from Sl. Nos. (ii) to (xix) mentioned above for casting of vote.

(xxii) **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.internationaltravelhouse.in under the section 'Investor Relations' and on the website of CDSL; such Results will also be forwarded to BSE Limited, where the Company's shares are listed.

EXPLANATORY STATEMENT

Annexed to the Notice convening the Thirty Eighth Annual General Meeting to be held on Saturday, 27th July, 2019.

Item No. 5

The Board of Directors of the Company ('the Board') at the meeting held on 1st November, 2018, on the recommendation of the Nominations & Remuneration Committee ('the Committee'), approved the appointment of Mr Pradeep Vasant Dhobale as Additional Director with effect from 1st November, 2018, and subject to the approval of the Members, also as Independent Director of the Company for a period of five years with effect from the said date, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations 2015').

The Committee and the Board are of the view that the association of Mr Dhobale and the rich experience he brings with him, would benefit the Company. Declaration has been received from Mr Dhobale that he meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations 2015. In the opinion of your Board, Mr Dhobale fulfils the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for appointment as an Independent Director and he is independent of the management of the Company. Mr Dhobale will be entitled to sitting fees for attending the meetings of the Board and its Committees.

Requisite Notice under Section 160 of the Act proposing the appointment of Mr Dhobale has been received by the Company, and consent has been filed by Mr Dhobale pursuant to Section 152 of the Act.

Additional information in respect of Mr Dhobale, pursuant to the Listing Regulations 2015 and the Secretarial Standard on General Meetings, is appearing in the Report and Accounts under the sections 'Your Directors' and 'Report on Corporate Governance'. Mr Dhobale does not hold any share in the Company, either in his individual capacity or on a beneficial basis for any other person.

Mr Dhobale and his relatives are interested in this Resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends this Resolution for your approval.

Item Nos. 6 & 7

The Members of the Company at the Thirty Third Annual General Meeting held on 10th September, 2014 approved the appointment of Mr Homi Phiroze Ranina and Ms Sudha Pillai as Independent Directors of the Company for a period of five years with effect from

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the said date. Mr Ranina and Ms Pillai will complete their respective terms on 9th September, 2019.

The Board of Directors of the Company ('the Board') at the meeting held on 15th April, 2019, on the recommendation of the Nominations & Remuneration Committee ('the Committee'), recommended for the approval of the Members, the re-appointment of Mr Ranina and Ms Pillai as Independent Directors of the Company with effect from 10th September, 2019, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), as set out in the Resolutions relating to their respective re-appointment.

The Committee and the Board are of the view that, given the knowledge, experience and performance of Mr Ranina and Ms Pillai, and contribution to Board processes by them, their continued association would benefit the Company. Declarations have been received from Mr Ranina and Ms Pillai that they meet the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations 2015. In the opinion of the Board, Mr Ranina and Ms Pillai fulfill the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for re-appointment as Independent Directors and they are independent of the management of the Company. Mr Ranina and Ms Pillai will be entitled to sitting fees for attending meetings of the Board and its Committees.

Consent of the Members by way of Special Resolution is required for re-appointment of Mr Ranina and Ms Pillai, in terms of Section 149 of the Act. Further, pursuant to Regulation 17 of the Listing Regulations 2015, consent of the Members by way of Special

Resolution is also required for continuation of a Non-Executive Director beyond the age of seventy five years. During the proposed term of re-appointment, Mr Ranina will attain the age of seventy five years on 19th October, 2021. The Special Resolution under Item No. 6, once passed, shall also be deemed as your approval under the Listing Regulations 2015, for continuation of Mr Ranina as an Independent Director beyond the age of seventy five years.

Requisite Notices under Section 160 of the Act proposing the re-appointment of Mr Ranina and Ms Pillai have been received by the Company, and consents have been filed by Mr Ranina and Ms Pillai pursuant to Section 152 of the Act.

Additional information in respect of Mr Ranina and Ms Pillai, pursuant to the Listing Regulations 2015 and the Secretarial Standard on General Meetings, is appearing in the Report and Accounts under the sections 'Your Directors' and 'Report on Corporate Governance'. Mr Ranina and Ms Pillai do not hold any share in the Company, either in their individual capacity or on a beneficial basis for any other person.

Mr Ranina and Ms Pillai, and their relatives, are interested in the Special Resolutions relating to their respective re-appointment. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in these Special Resolutions.

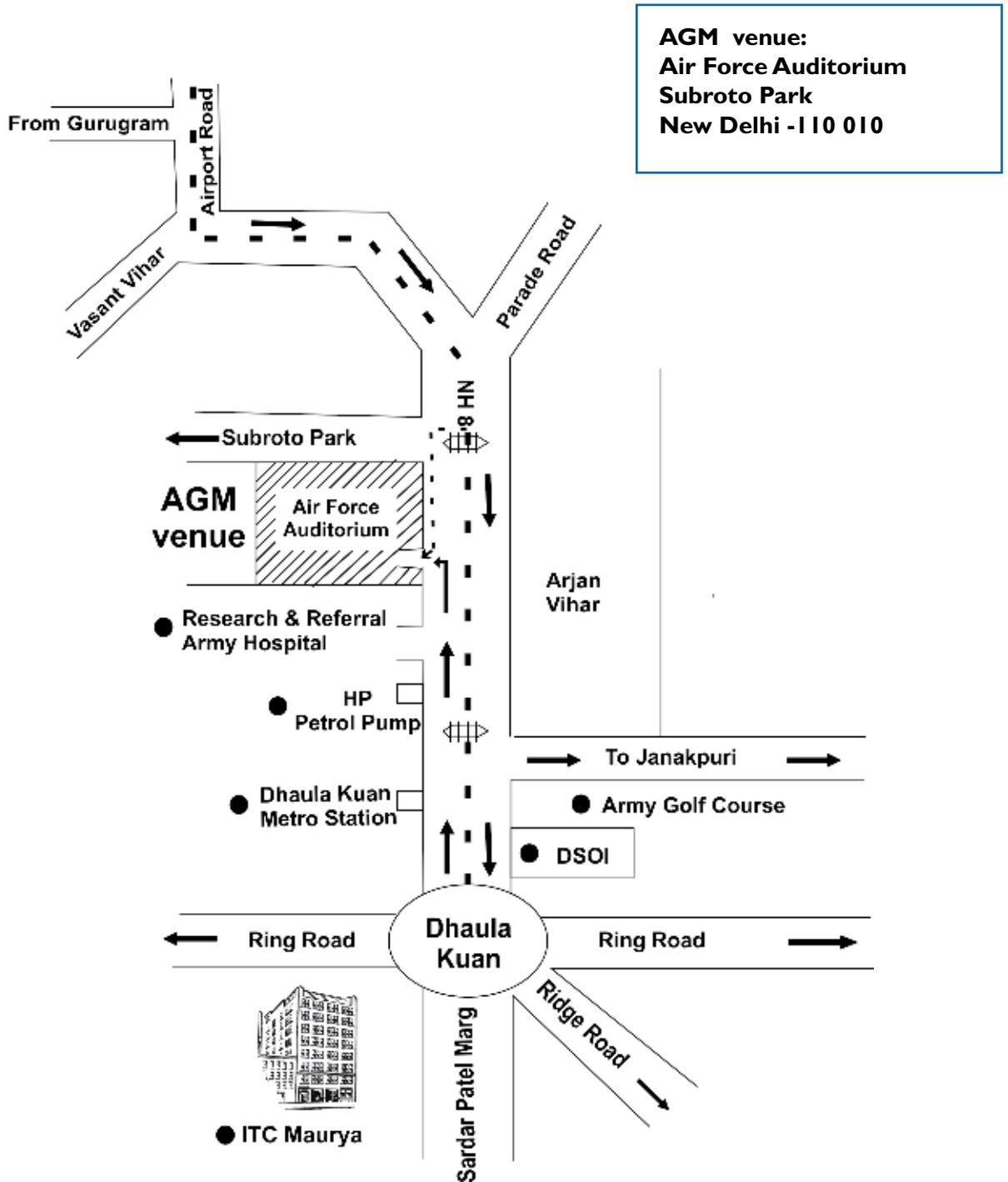
The Board recommends these Special Resolutions for your approval.

By Order of the Board
International Travel House Limited

Place: New Delhi
Date: 15th April, 2019

J Aggarwal
Company Secretary

ROUTE MAP



YOUR DIRECTORS

N Anand

Nakul Anand (62), DIN:00022279, a Non-Executive Director of the Company since 6th January, 1998, was appointed as 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 the Delhi University with an AMP Degree from the Bond University, Australia, Anand joined ITC Hotels' Management Training Programme in 1978. He has 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 premium luxury hotels. 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 has been a past President of the Hotel Association of India and past Chairman of the CII National Tourism Committee. Anand is presently a Member of the National Tourism Advisory Council constituted by the Ministry of Tourism, Government of India, Chairman of the Federation of Associations in Indian Tourism & Hospitality and a Member of the Executive Committee of the Hotel Association of India. He is also a Member of the India-Sri Lanka CEOs Forum, Council Member & Executive Committee Member of the National Culture Fund, Ministry of Culture, Government of India, and a Member on the Board of the International Tourism Partnership.

Other Directorships

Name of the company	Position
Gujarat Hotels Limited [#]	Chairman & Non-Executive Director
Landbase India Limited	Chairman & Non-Executive Director
Fortune Park Hotels Limited	Chairman & Non-Executive Director
WelcomHotels Lanka (Private) Limited*	Chairman & Non-Executive Director
Srinivasa Resorts Limited	Vice Chairman & Non-Executive Director
ITC Limited [#]	Executive Director
Bay Islands Hotels Limited	Non-Executive Director

Maharaja Heritage Resorts Limited	Non-Executive Director
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Committee Membership of other companies

Name of the company	Committee	Position
Gujarat Hotels Limited	Nominations and Remuneration Committee	Member
Landbase India Limited	Audit Committee	Member
Fortune Park Hotels Limited	Corporate Social Responsibility Committee	Chairman

P V Dhobale

Pradeep Vasant Dhobale (63), DIN:00274636, was appointed as an Additional Non-Executive Independent Director on the Board of the Company effective 1st November, 2018. Dhobale is an alumnus of the Indian Institute of Technology, Bombay. He was a Wholtime Director of ITC Limited (ITC) from January 2011 to December 2015. He held the responsibility for overseeing ITC's FMCG businesses. Prior to this, he held responsibility for Paperboards, Papers and Packaging businesses of ITC and also represented the Finance and IT functions on the ITC Board.

Presently, he is a Director & Operating Partner in Springforth Investment Managers Private Limited. He is also actively involved in angel investing and start-up mentoring inter alia through Hyderabad Angels Forum for Entrepreneurship Development, of which he is a Board Member.

He has been an active member of several industry bodies. He has served as Chairman of the Andhra Pradesh State Council of Confederation of Indian Industry (CII) and CII National Committee on Environment. He is a past President of the Indian Paper Manufacturers Association and the Indian Pulp and Paper Technical Association.

Dhobale is also the Founder President of the Indian School of Business – Centre for Executive Education, Alumni Association, Hyderabad Chapter.

Other Directorships

Name of the company	Position
Yash Papers Limited [#]	Independent Director
Inner Being Wellness Private Limited	Non-Executive Director
Twigly Foods Private Limited	Non-Executive Director

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Hyderabad Angels Forum For Entrepreneurship Development	Non-Executive Director
SS Fitness Private Limited	Non-Executive Director
Springforth Investment Managers Private Limited	Non-Executive Director

Committee Membership of other companies

Name of the company	Committee	Position
Yash Papers Limited	Audit Committee	Member
	Nominations & Remuneration Committee	Member

A Nayak

Anand Nayak (68), DIN: 00973758, was appointed as Non-Executive Independent Director on the Board of the Company effective 30th July, 2018. He is a Post Graduate in Personnel Management and Industrial Relations from XLRI, Jamshedpur. He joined ITC Limited (ITC) in the year 1973 and during his long tenure of 42 years, held various portfolios in that company. He was the Executive Vice President and Head of Corporate Human Resources of ITC from 1996 to 2015. He was also responsible for overall superintendence of Social Sector initiatives under the CSR agenda of ITC.

Nayak has been awarded with the Life Time Achievement Award by XLRI as well as by the Old Boy's Association of St. Joseph's Boys School and the NHRD President's Award.

Nayak does not hold directorship of any other company.

S Pillai

Sudha Pillai (68), DIN: 02263950, was appointed as a Non-Executive Independent Director on the Board of the Company on 10th March, 2014. She holds Masters Degrees in Psychology and Public Administration. She joined the Indian Administrative Service in 1972 and in her illustrious career has held eminent positions as Principal Secretary (Finance) - Govt. of Kerala, Director - Department of Industrial Development, Ministry of Industry, 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 legal amendments and enactments in India, and notable amongst these were liberalising the industrial licensing regime, historic amendment of MRTTP 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 has also served as a member of high powered bodies on infrastructure development.

Other Directorships

Name of the company	Position
Amber Enterprises India Limited [#]	Independent Director
Dalmia Cement (Bharat) Limited	Independent Director
Fullerton India Credit Company Limited [#]	Independent Director
IL JIN Electronics (India) Private Limited	Independent Director
Jubilant Generics Limited *	Independent Director
Jubilant Life Sciences Limited [#]	Independent Director
Odisha Cement Limited	Independent Director

Committee Membership of other companies

Name of the company	Committee	Position
Amber Enterprises India Limited	Audit Committee	Member
	CSR Committee	Chairperson
Dalmia Cement (Bharat) Limited	Nomination & Remuneration Committee	Member
	Audit Committee	Member
Fullerton India Credit Company Limited	Audit Committee	Member
	CSR Committee	Member
IL JIN Electronics (India) Private Limited	Nomination & Remuneration Committee	Chairperson
	Audit Committee	Member
Jubilant Generics Limited	Nomination & Remuneration Committee	Chairperson
	Audit Committee	Chairperson
	CSR Committee	Chairperson
Jubilant Life Sciences Limited	Nomination, Remuneration and Compensation Committee	Chairperson
	Audit Committee	Member
	Sustainability & CSR Committee	Member

YOUR DIRECTORS

A Rajput

Anil Rajput (63), DIN: 00022289, was appointed as a Non-Executive Director on the Board of the Company on 29th May, 2000. He is an MBA from FMS, Delhi University and joined ITC Limited (ITC) in 1976.

During the course of the last 43 years, he has held various positions in ITC. 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 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. Presently, 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. He is also a Non-Official Member of Managing Body of the 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	Non-Executive Director

Committee Membership of other companies: Nil

H P Ranina

Homi Phiroze Ranina (72), DIN: 00024753, was appointed as a Non-Executive Director on the Board of the Company on 1st August, 1983 and is presently an Independent Director on the Board.

He is a Chartered Accountant and Advocate by qualification and is currently practising 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, 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 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
Dover India Private Limited	Alternate Director
Pennwalt Limited	Non-Executive Director
Apergy Energy India Private Limited	Non-Executive Director

Committee Membership of other companies: Nil

J Singh

Jagdish Singh (53), DIN: 00042258, was appointed as a Non-Executive Director on the Board of the Company on 16th April, 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 is presently the Head of Finance at ITC's Hotels Division.

Other Directorships

Name of the company	Position
Gujarat Hotels Limited [#]	Non-Executive Director
Fortune Park Hotels Limited	Non-Executive Director
Bay Islands Hotels Limited	Non-Executive Director
Srinivasa Resorts Limited	Non-Executive Director
Maharaja Heritage Resorts Limited	Non-Executive Director
Mimec (India) Limited	Non-Executive Director
Landbase India Limited	Additional Non-Executive Director
Logix Developers Private Limited	Non-Executive Director

YOUR DIRECTORS

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
	Corporate Social Responsibility Committee	Member

* Denotes foreign company

Denotes listed Indian company whose equity shares or preference shares or debt securities are listed on a recognised stock exchange

Notes:

1. Other Directorships and Committee Memberships of Directors are as on 15th April, 2019.
2. 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.

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 2015’).

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

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

The Governance Structure

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

- i. Strategic supervision - by the Board of Directors (‘the Board’);
- ii. Strategic management - by the Corporate Management Committee (‘the CMC’) headed by the Chief Executive Officer (‘CEO’); and
- iii. Executive management - by the Functional Heads under the overall guidance and direction of the 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 CMC 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 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 Board comprises entirely of Non-Executive Directors. The present strength of the Board is seven, including four Non-Executive Independent Directors, of which one is a Woman Director.

The Governance Policy of the Company, inter alia, requires that Non-Executive 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 balance of skills, experience and diversity of perspectives appropriate to the Company. The skills, expertise and competencies of the Directors as identified by the Board, are provided in the Annexure forming part of this Report. These skills, expertise and competencies are available in the present mix of the Directors of the Company.

Composition of the Board as on 31st March, 2019

Category	No. of Directors	Percentage to total no. of Directors
Non-Executive Independent Directors	4	57
Other Non-Executive Directors	3	43
Total	7	100

During the year, Mr K L Thapar resigned as Non-Executive Independent Director of the Company with effect from 14th November, 2018, due to growing age.

Mr Thapar has confirmed that there are no other reasons for his resignation, other than stated above.

Meetings and Attendance

The Company’s Governance Policy requires the Board to meet at least four times a year. The intervening period between two Board meetings was well within the maximum gap of 120 days prescribed under the Listing Regulations 2015.

REPORT ON CORPORATE GOVERNANCE

Board Agenda

Meetings are governed by a structured agenda. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. Agenda papers are generally circulated seven days prior to the Board meeting.

Information placed before the Board

In addition to matters required to be placed before the Board under the Governance Policy of the Company, the following are also tabled for the Board's periodic review / information:

- Annual operating plans & budgets and periodic review of the Company's businesses.
- Quarterly performance including business-wise financials.
- External Audit Management Reports (through the Audit Committee).
- Status of legal compliance (through the CMC).
- Status and effectiveness of risk management plans.
- Succession to senior management (through the Nominations & Remuneration Committee).
- Statutory compliance reports from business units / and corporate functions.
- Show cause / demand / prosecution / adjudication notices, if any, from revenue authorities which are considered materially important, including any exposure that exceeds 1% of the Company's net worth, and their outcome.
- Write-offs / disposals (fixed assets, receivables, advances etc.) on a half-yearly basis.

- Significant development in Human Resources / Industrial Relations.
- Material non-compliance of any regulatory or listing requirements and in relation to shareholders' services.
- All other matters required to be placed before the Board for its review / information under the Listing Regulations 2015 and other statutes.

Post-meeting follow-up system

The Governance processes in the Company include an effective post-meeting follow-up, review and reporting process for action taken / pending on decisions of the Board, the Board Committees and the CMC.

Details of Board Meeting during the financial year

During the financial year ended 31st March, 2019, five meetings of the Board were held, as follows:

Sl. No.	Date	Board Strength	No. of Directors present
1	17th April, 2018	6	6
2	30th July, 2018	7	7
3	5th September, 2018	7	7
4	1st November, 2018	8	8
5	13th February, 2019	7	6

Directors' attendance at the Board Meetings during the financial year and at 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	1
2	PV Dhobale ¹	Non-Executive Independent Director	2	N.A.	6	1
3	A Nayak ²	Non-Executive Independent Director	3	Yes	Nil	Nil
4	S Pillai	Non-Executive Independent Director	5	Yes	7	5 (including 1 as Chairperson)
5	A Rajput	Non-Executive Director	5	Yes	1	Nil
6	H P Ranina	Non-Executive Independent Director	5	Yes	3	Nil
7	J Singh	Non-Executive Director	5	Yes	8	3 (including 2 as Chairman)
8	K L Thapar ³	Non-Executive Independent Director	4	Yes	Nil	Nil

¹ Appointed Non-Executive Independent Director w.e.f. 1st November, 2018.

² Appointed Non-Executive Independent Director w.e.f. 30th July, 2018.

³ Resigned as Non-Executive Independent Director w.e.f. 14th November, 2018.

* Details with respect to other Directorships of the Directors are provided under the section 'Your Directors' in the Report and Accounts.

REPORT ON CORPORATE GOVERNANCE

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 Board Committees are convened by the respective Committee Chairman. All the recommendations made by Board Committees during the year were accepted by the Board. Minutes of Board Committee meetings are placed before the Board for its information. 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;
- To approve transactions of the Company with related parties;
- 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;
 - Quarterly financial statements before submission to the Board for approval;
- To review the following:
 - Management discussion and analysis of financial condition & results of operations, and matters required to be included in the Directors' Responsibility Statement;

- 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;
- Adequacy of internal control systems for compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- Reports of Internal Audit and discussion with Internal Auditors on any significant findings and follow-up thereon;
- Statutory Auditors' independence and performance, and effectiveness of the audit process;
- 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 CEO, the Chief Financial Officer, the Head of Internal Audit and the representative of the Statutory Auditors are Invitees to meetings of the Audit Committee. The Head of Internal Audit is the Coordinator and the Company Secretary is the Secretary to the Committee. All members of the Committee are financially literate; two members, including the Chairman of the Committee, 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, 2019, four meetings of the Audit Committee were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	17th April, 2018	4	4
2	30th July, 2018	4	4
3	1st November, 2018	4	4
4	13th February, 2019	3	3

REPORT ON CORPORATE GOVERNANCE

Attendance at Audit Committee Meetings during the financial year:

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

¹ Appointed Chairman w.e.f. 13th February, 2019.

² Appointed Member w.e.f. 13th February, 2019.

³ Ceased to be Member and Chairman w.e.f. 14th November, 2018.

B. STAKEHOLDERS RELATIONSHIP COMMITTEE

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

Composition

The Stakeholders Relationship Committee presently comprises three Non-Executive Directors including one Independent Director. The Chairman of the Committee is a Non-Executive Director. 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, 2019, eleven meetings of the Stakeholders Relationship Committee were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	5th April, 2018	2	2
2	17th April, 2018	2	2
3	8th May, 2018	2	2
4	18th June, 2018	2	2
5	12th July, 2018	2	2
6	30th July, 2018	2	2
7	10th August, 2018	2	2
8	1st November, 2018	2	2

9	11th December, 2018	2	2
10	13th February, 2019	2	2
11	22nd March, 2019	2	2

Attendance at Stakeholders Relationship Committee Meetings during the financial year:

Member	No. of meetings attended
A Rajput	11
S Pillai ¹	N.A.
J Singh	11

¹ Appointed Member w.e.f. 31st March, 2019.

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 Directors and the Board as a whole. The Committee's role includes recommending to the Board the appointment, remuneration and removal of Directors and Senior Management.

Composition

The Nominations & Remuneration Committee presently comprises seven Non-Executive Directors, four of whom are Independent 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, 2019, five meetings of the Nominations & Remuneration Committee were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	17th April, 2018	6	6
2	30th July, 2018	6	6
3	5th September, 2018	6	6
4	1st November, 2018	7	7
5	13th February, 2019	6	5

REPORT ON CORPORATE GOVERNANCE

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

Member	No. of meetings attended
A Nayak ¹	1
N Anand	5
PV Dhobale ²	N.A.
S Pillai	5
A Rajput	5
H P Ranina ³	5
J Singh	5
K L Thapar ⁴	4

¹ Appointed Member w.e.f. 5th September 2018 and Chairman w.e.f. 13th February, 2019.

² Appointed Member w.e.f. 13th February, 2019.

³ Ceased to be the Chairman w.e.f. 13th February, 2019.

⁴ Ceased to be Member w.e.f. 14th November, 2018.

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 Company's Policy on remuneration of Directors, Key Managerial Personnel and other employees, as approved by the Board, may be accessed on its website at <https://www.internationaltravelhouse.in/remuneration-policy.aspx>. There has been no change in the Policy during the year.

Remuneration of Directors

Non-Executive Directors are entitled to sitting fees for attending the meetings of the Board and its Committees, the quantum of which is determined by the Board. The sitting fees to Non-Executive Directors as determined by the Board are ₹ 20,000/- and ₹ 10,000/- for each meeting of the Board and its Committee respectively.

Details of sitting fees paid to the Directors during the financial year ended 31st March, 2019:

(₹ in Lakhs)	
Director	Sitting Fees
A Nayak ¹	0.70
PV Dhobale ²	0.50
S Pillai	2.10

H P Ranina	2.00
K L Thapar ³	1.50

¹ Appointed Non-Executive Independent Director w.e.f. 30th July, 2018.

² Appointed Non-Executive Independent Director w.e.f. 1st November, 2018.

³ Resigned as Non-Executive Independent Director w.e.f. 14th November, 2018.

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

Performance Evaluation

Performance evaluation of the Board, the Board Committees and the individual Directors was carried out by the Board in accordance with the Policy approved by the Nominations & Remuneration Committee in this regard; brief details of the same are provided in the 'Report of the Board of Directors & Management Discussion and Analysis' forming part of the Report and Accounts.

Directors' Shareholding

Details of Shareholding of the Directors in the Company as on 31st March, 2019 are given below:

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

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.

Composition

The CSR Committee presently comprises four Non-Executive Directors, two of whom are Independent Directors. The Chairman of the Committee is a Non-Executive Director. The Company Secretary is the Secretary to the Committee.

REPORT ON CORPORATE GOVERNANCE

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.

Meeting and Attendance

During the financial year ended 31st March, 2019, one meeting of the CSR Committee was held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	13th February, 2019	4	3

Attendance at CSR Committee Meeting during the financial year:

Member	No. of meeting attended
A Rajput	1
A Nayak ¹	0
S Pillai	1
J Singh	1

¹ Appointed Member w.e.f. 5th September, 2018.

CORPORATE MANAGEMENT COMMITTEE

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

Composition

The CMC presently comprises the CEO and three senior members of management. The CEO is the Chairman of the Committee. The composition of the CMC is determined by the Board based on the recommendation of the Nominations & Remuneration Committee. The Company Secretary is the Secretary to the CMC.

The names of the members of the CMC, 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, 2019, ten meetings of the CMC were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	10th April, 2018	3	3
2	24th April, 2018	3	3
3	7th June, 2018	3	3
4	22nd June, 2018	3	3

5	24th July, 2018	3	2
6	20th September, 2018	5	5
7	29th October, 2018	5	5
8	3rd January, 2019	5	5
9	31st January, 2019	4	4
10	5th March, 2019	4	4

Attendance at CMC Meetings during the financial year:

Member	No. of meetings attended
A Kumar	10
J Ahluwalia ¹	5
A Bhattacharjee ²	7
G Kaushik ³	5
S Sequeira	10

¹ Appointed Member w.e.f. 30th July, 2018.

² Ceased to be Member w.e.f. 13th January, 2019.

³ Appointed Member w.e.f. 30th July, 2018.

OTHER DISCLOSURES

- Details of non-compliances, penalties and 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

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

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

- Details of utilisation of funds raised through preferential allotment or qualified institutions placement:

Not Applicable

- Credit rating(s) obtained by the Company for any debt instrument, fixed deposit programme or any other scheme involving mobilisation of funds:

None

REPORT ON CORPORATE GOVERNANCE

- None of the Directors of the Company has been debarred or disqualified from being appointed or continuing as a Director by SEBI / Ministry of Corporate Affairs / Statutory Authorities, which has also been confirmed by Messrs. PB & Associates, Practising Company Secretaries.
- Confirmation by the Board with respect to the Independent Directors is provided in the 'Report of the Board of Directors & Management Discussion and Analysis', forming part of the Report and Accounts.
- Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are provided in the 'Report of the Board of Directors & Management Discussion and Analysis', forming part of the Report and Accounts.
- Information with respect to 'Commodity Price Risk or Foreign Exchange Risk and Hedging Activities':

None

- The total fees paid by the Company to Messrs. Deloitte Haskins & Sells, Statutory Auditors, and all other entities forming part of the same network, aggregate ₹ 46.75 lakhs.
- Compliance Officer under the Listing Regulations 2015:
Janaki Aggarwal, Company Secretary

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. Audited annual results along with the results for the fourth quarter were announced within sixty days from the end of the financial year. Extract of these results were published in 'The Financial Express' (all editions) and in a vernacular newspaper, 'Jansatta' from New Delhi. Further, quarterly results, shareholding pattern and other material events & important information relating to the Company were submitted to BSE Limited through BSE Listing Centre, for dissemination on its website. The Company publishes its quarterly, half-yearly and annual financial results and also posts such results on its website www.internationaltravelhouse.in.

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 2015.

ITH CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING - 2019

The ITH Code of Conduct for Prevention of Insider Trading, approved by the Board, inter alia, prohibits trading in 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, 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 2015

All Directors and senior management of the Company have affirmed compliance with the ITHL Code of Conduct for the financial year ended 31st March, 2019.

New Delhi
15th April, 2019

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' forming part of the Report and Accounts. The Whistleblower Policy is also available on the Company's website.

FAMILIARISATION PROGRAMME FOR DIRECTORS

ITH believes that a Board, which is well informed / familiarised with the Company and its affairs, can contribute significantly

REPORT ON CORPORATE GOVERNANCE

to effectively discharge its role of trusteeship in a manner that fulfils stakeholders' aspirations and societal expectations. In pursuit of this, the Directors of the Company 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 at <https://www.internationaltravelhouse.in/pdf/Directors-Familiarisation-Programme.pdf>.

POLICY ON RELATED PARTY TRANSACTIONS

The Policy, as approved by the Board, may be accessed on the Company's website at

<https://www.internationaltravelhouse.in/policy-on-related-party-transactions.aspx>

DISCRETIONARY REQUIREMENTS UNDER THE LISTING REGULATIONS 2015

The status of compliance with the discretionary requirements under the Listing Regulations 2015 is provided below:

1. **Chairman's Office:** The Company has a Non-Executive Chairman but he does not maintain any separate office, and hence no expense in this regard is being incurred by the Company.
2. **Shareholder Rights:** The quarterly, half-yearly and annual financial results of the Company are posted on the Company's website and extract of these results are published in newspapers on an all India basis. The complete Report and Accounts is sent to every Shareholder of the Company.
3. **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, 2019.
4. **Separate posts of Chairman and Chief Executive Officer:** The Company has a Non-Executive Chairman and a Chief Executive Officer.
5. **Internal Audit:** The Head of Internal Audit reports to the Audit Committee of the Board.

GENERAL SHAREHOLDER INFORMATION

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

CONFIRMATION OF COMPLIANCE

- It is confirmed that the Company has complied with the requirements prescribed under Regulations 17 to 27 and clauses (b) to (i) of sub - regulation (2) of Regulation 46 of the Listing Regulations 2015.
- 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', forming part of the Report and Accounts.

ANNEXURE TO THE REPORT ON CORPORATE GOVERNANCE

SKILLS, EXPERTISE AND COMPETENCIES OF DIRECTORS

The Company believes that Board members should have a balance of skills, experience and diversity of perspectives appropriate to the Company. Accordingly, the Directors should possess one or more of the following skills, expertise and competencies:

1. **Leadership**
Leadership experience in a commensurate sized organisation with practical understanding of organisational systems and processes. The experience would primarily entail development of executive leadership team, succession planning and driving change for long term growth.
2. **Business Experience**
Understanding of business dynamics and long term strategic planning across diverse business environments and economic conditions with an ability to guide and lead management in achieving long term objectives of the Company.
3. **Finance and Accounting**
Experience in financial management, understanding of accounting and financial statements, risk management etc., and commercial acumen to critique the Company's financial performance.
4. **Corporate Governance**
Ability to understand the Company's governance ethos and ensure that governance and organisational processes serve the best interests of the shareholders and other stakeholders.

International Travel House Limited

SHAREHOLDER INFORMATION

AGM Details

Date	Saturday, 27th July, 2019
Venue	Air Force Auditorium, Subroto Park, New Delhi 110 010
Time	9.30 a.m.
Book Closure Dates	Tuesday, 16th July, 2019 to Saturday, 27th July, 2019 (both days inclusive)
Dividend Payment Date	Friday, 2nd August, 2019

Registrar and 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 4140 6149-52, 4160 9386
Facsimile No. : 011 4170 9881
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.

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 fifteen days from the date of receipt of request. The Committee met 24 times during the financial year ended 31st March, 2019 to approve share transfers. There were no share transfers pending as on 31st March, 2019.

The Share Transfer Committee presently comprises the following:

J Aggarwal Company Secretary	Member
Ritesh Jain Head - Accounts & 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, 2019, a total of 77,92,226 Equity Shares of the Company, which translates to 97.47% of the Share Capital, stood dematerialised. The processing activities with respect to requests received for dematerialisation are completed between fifteen to thirty days.

Shareholder / Investor Complaints

The Company attends to Shareholder / Investor complaints, queries and other correspondence generally within fifteen 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 did not receive any complaint during the financial year ended 31st March, 2019.

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

Distribution of Shareholding as on 31st March, 2019

No. of Shares Slab	No. of Shareholders		No. of Equity Shares	
	Total	% to Shareholders	Total	% to Share Capital
1 - 500	11323	92.89	10,54,587	13.19
501 - 1000	469	3.85	3,71,219	4.64
1001 - 2000	212	1.74	3,04,782	3.81
2001 - 3000	77	0.63	1,94,828	2.44
3001 - 4000	27	0.22	95,378	1.19
4001 - 5000	20	0.16	95,172	1.19
5001 - 10000	35	0.29	2,55,510	3.20
10001 - 50000	21	0.17	4,50,727	5.64
50001 - 100000	2	0.02	1,39,771	1.75
100001 & above	4	0.03	50,32,526	62.95
Total	12,190	100.00	79,94,500	100.00

International Travel House Limited

SHAREHOLDER INFORMATION

Categories of Shareholders as on 31st March, 2019

Sl. No.	Category	No. of Shares held	% to Share holding
A	Promoter 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	0.00
c	Foreign Institutional Investors and Foreign Portfolio Investors	Nil	Nil
	Sub Total	300	0.00
3	Others		
a	Private Corporate Bodies	3,63,046	4.54
b	Indian Public	24,89,796	31.15
c	NRIs	1,05,677	1.32
d	Others	1,03,780	1.30
	Sub Total	30,62,299	38.31
	Grand Total	79,94,500	100.00

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

Year	Month	High (₹)	Low (₹)	Volume (Nos.)
2018	April	228.80	177.10	2,01,431
	May	209.00	180.00	38,997
	June	212.85	168.00	49,160
	July	199.00	170.00	42,187
	August	190.00	170.00	1,11,654
	September	187.50	156.05	55,087
	October	179.75	152.00	40,660
	November	166.50	150.00	42,878
	December	160.00	145.05	48,762
2019	January	152.00	137.50	22,479
	February	145.00	122.00	22,818
	March	144.00	127.95	61,200

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.: 022-2272 1233 / 34
 Facsimile No. : 022-2272 1919
 E-mail : is@bseindia.com
 Website : www.bseindia.com

The Listing Fee for the financial year 2019-20 has been paid to BSE Limited.

Financial Calendar

Financial Year 2019-20 (1st April - 31st March)

1	First Quarter Results	July / August 2019
2	Second Quarter and Half-Year Results	October / November 2019
3	Third Quarter Results	January / February 2020
4	Fourth Quarter and Annual Results	May 2020

Particulars of past three AGMs

AGM	Financial Year	Venue	Date	Time	Special Resolution Passed
37th	2017-18	Air Force Auditorium Subroto Park New Delhi 110 010	05-09-18	9.30 a.m.	Approval to continuation of Mr K L Thapar as an Independent Director for the period from 1st April, 2019 to 9th September, 2019.
36th	2016-17		04-08-17		None
35th	2015-16		05-09-16		None

SHAREHOLDER INFORMATION

Postal Ballot and E-Voting

During the year, ordinary resolution for entering into contracts / arrangements / transactions in the ordinary course of business and on arm's length basis with ITC Limited, a related party, was passed by requisite majority of the Members through postal ballot and e-voting.

No special resolution requiring postal ballot is being proposed for the ensuing AGM.

SHAREHOLDER REFERENCER

Transfer of Shares in certificate form

Effective 1st April, 2019, transfer of shares of a listed company can only be effected in dematerialised form in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Shareholders holding shares in the certificate form are therefore requested to dematerialise their shares in their own interest. Communication in this respect has been sent by the Company during the year to the concerned Shareholders. However, transfer deeds which were lodged with the Company on or before 31st March, 2019, but were returned due to any deficiency, will be processed upon re-lodgement.

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

During the financial year 2018-19, unclaimed dividend for the financial year 2010-11 aggregating ₹ 6,77,588/- and the corresponding 8,200 Equity Shares in respect of which dividend entitlements remained unclaimed for seven consecutive years or more, have been transferred by the Company to the IEPF established by the Central Government, 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 may claim their unclaimed dividend for the years prior to and including the financial year 2010-11 and the corresponding shares, from the IEPF Authority by applying in the prescribed Form No. IEPF-5. This Form can be downloaded from the website of the IEPF Authority www.iepf.gov.in, the access link of which is also available on the Company's website www.internationaltravelhouse.in under the section 'General Information' under 'Shareholder Value'.

The unclaimed dividend for the undernoted years and the corresponding shares will be transferred by the Company to the IEPF in accordance with the schedule given below. Attention in particular is drawn that the unclaimed dividend for the financial year 2011-12 and the corresponding shares will be due for transfer to the IEPF on 28th September, 2019, for which purpose

communication will be sent to the concerned Shareholders advising them to write to the Company to claim their dividend. Notices in this regard will also be published in newspapers. Details of such unclaimed dividend and corresponding shares are available on the Company's website under the section 'General Information' under 'Shareholder Value'.

Financial Year	Date of declaration of Dividend	Due date for transfer to IEPF
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
2016-17	4th August, 2017	10th September, 2024
2017-18	5th September, 2018	11th October, 2025

* The Company will not be able to entertain any claim received after 26th September, 2019.

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

Service of Documents

The Company sends Notices, Report and Accounts and other communications 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 register or update their e-mail addresses with the Company may use the Form for registration / updation which can be downloaded from the Company's website under the section 'Investor Relations' under 'Shareholder Value'.

Depository Services

Shareholders may write to the respective Depository or to the RTA for guidance on depository services.

The contact details of the Depositories are given below:

National Securities Depository Limited

Trade World, 'A' Wing, 4th Floor
Kamala Mills Compound, Senapati Bapat Marg
Lower Parel, Mumbai 400 013
Telephone No. : 022-2499 4200
Facsimile No. : 022-2497 6351
E-mail : info@nsdl.co.in
Website : www.nsdl.co.in

SHAREHOLDER INFORMATION

Central Depository Services (India) Limited

Marathon Futurex, 'A' Wing, 25th Floor
Mafatlal Mill Compound, N M Joshi Marg
Lower Parel, Mumbai 400 013
Telephone No. : 022-2302 3333
Facsimile No. : 022-2300 2035
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 RTGS (Real Time Gross Settlement) / NACH (National Automated Clearing House) / 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 IFSC (Indian Financial System Code) and MICR (Magnetic Ink Character Recognition), to their respective Depository Participants (DPs) or to the RTA, where shares are held in the dematerialised form and in the certificate form, respectively.

Shareholders holding shares in the certificate form may use the Mandate Form for this purpose which can be downloaded from the Company's website www.internationaltravelhouse.in under the section 'General Information' under 'Shareholder Value'.

Address and Bank Details

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

Shareholders are advised that as a measure of protection against fraudulent encashment, their bank details or address as available with the RTA, will be printed on the dividend warrants or demand drafts where dividend cannot be remitted through electronic mode.

Permanent Account Number (PAN)

Shareholders holding shares in the certificate form are requested to send copies of their PAN Cards to the RTA to facilitate better servicing.

Furnishing of PAN Card, however, is mandatory as follows:

- 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' under 'Shareholder Value'.

Your Directors submit their Report for the financial year ended 31st March, 2019.

BUSINESS ENVIRONMENT

As per the World Economic Forum, global growth outlook projected at 3.9% in 2018 and 2019 is expected to slow down. Policy uncertainty, ongoing trade tensions and declining business & consumer confidence are impeding growth prospects. Growth projections for emerging markets and developing economies such as Argentina, Brazil and India are becoming more uneven and have been revised downward amidst rising oil prices, higher yields in the United States and currency pressures.

India's GDP grew at 7.3% in 2018 and is poised for almost similar growth in 2019 as well. This augurs well for the Indian industry, with the services sector being a key contributor and beneficiary. Inflation was well within the RBI's comfort zone prompting a 50 bps policy rate cut in recent months.

Robust government spending is expected to support growth. However, the falling rupee, worsening current account deficit and stress in the banking sector have raised questions about the sustainability of the economic growth.

The travel and tourism industry contributed to 10.4% of the global GDP in 2017 and by 2028, it is projected to support 400 million jobs globally. This means that the industry will contribute to 25% of the global job creation, while India alone will add around 10 million jobs in the travel and tourism sector by 2028.

The World Travel and Tourism Council calculated that tourism generated ₹ 16.91 lakh crore (US \$240 billion) or 9.2% of India's GDP in 2018 and supported 42.673 million jobs, 8.1% of its total employment.

Rising middle class and increasing disposable incomes are the key drivers for the growth in tourism – both domestic and outbound.

FINANCIAL PERFORMANCE

Your Company recorded revenue from operations of ₹ 20,814.21 lakhs (previous year ₹ 20,434.51 lakhs) registering a 1.86% growth over the last year. However, pre-tax profits at ₹ 424.90 lakhs and post-tax profits at ₹ 267.97 lakhs registered de-growth over the last year. This was mainly due to higher expenses to support the future growth endeavours of the Company.

During the financial year 2018-19, your Company earned ₹ 956.50 lakhs (previous year ₹ 2,037.49 lakhs) in foreign exchange from its Travel, Tours and Car Rental Services. Your Company's expenditure in foreign currency amounted to ₹ 46.48 lakhs (previous year ₹ 45.24 lakhs).

PROFITS, DIVIDEND AND RETAINED EARNINGS

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

	For the year ended 31st March, 2019 (₹ in lakhs)	For the year ended 31st March, 2018 (₹ in lakhs)
Profits		
a. Profit Before Tax	424.90	1,151.14
b. Tax Expense		
Current Tax	242.50	559.63
Deferred Tax	(85.57)	(103.89)
c. Profit for the year	267.97	695.40
d. Other Comprehensive Income	(70.33)	(93.35)
e. Total Comprehensive Income	197.64	602.05
Statement of Retained Earnings		
a. At the beginning of the year	12,713.16	12,520.05
b. Add: Profit for the year	267.97	695.40
c. Add: Other Comprehensive Income	(70.33)	(93.35)
d. Less: Dividend paid including Income Tax on Dividend paid	409.61	408.94
e. At the end of the year	12,501.19	12,713.16

Your Directors are pleased to recommend a dividend of ₹ 2.50 per Equity Share (Previous Year ₹ 4.25) of ₹ 10/- each for the year ended 31st March, 2019.

Details of changes in Key Financial Ratios and Return on Net Worth

The key financial ratios of the Company where there have been significant changes (25% or more) are summarised below, pursuant to Schedule V(B) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Financial Ratio	2018-19	2017-18	Change %	Reason for change
Net Profit Margin	1.35%	3.50%	(61.43%)	Lower margins due to higher expenses and marginal growth in revenue from operations.
Return on Net Worth	1.66%	4.24%	(60.85%)	

BUSINESSES

Air Travel

According to Global Business Travel Association (GBTA), business travel spends in India stood at USD 37 billion in 2017 and is expected to reach USD 46 billion in 2019 with a projected annual growth rate of 11.5%, making India one of the world's fastest growing business travel market. While India is the 7th largest business travel market globally, it is projected to be amongst the top 5 travel markets by 2022.

Out of the total business travel market in India, USD 7 billion comes from flights and hotels of corporate SMEs. Online bookings are estimated to account for around 40% to 50% of the total transactions by 2020.

According to DGCA, the Indian aviation sector grew by 18.6% between January and December 2018, against the same period last year, carrying almost 13.90 crore passengers.

Domestic Average Ticket Price (ATP) continued to see a decline till September 2018 due to excess capacity. From October 2018 onwards, it has maintained an upward trajectory owing to supply issues and maintenance work at various airports across the country.

Aviation industry in India is experiencing turbulence with many domestic airlines in financial crisis and posting quarterly losses. This has resulted in a pull-back of volume linked financial incentives paid to Travel Management Companies (TMCs).

Business travel market is witnessing serious competition from the online players and with continued consolidation, inventory distribution strategy of Airlines on Global Distribution System is undergoing structural changes. This has and will continue to affect a major earning stream for TMCs in the coming years. Your Company will continue to adopt strategies to mitigate the effects by focusing on other revenue streams.

Your Company saw a marginal decline in overall volumes in the last fiscal due to unexpected loss of large customers and aggressive expansion by Online Travel Agencies into the corporate travel business. While your Company was able to improve revenues from business travel operations, margins were impacted due to increase in expenses.

One of the key drivers in the next fiscal will be to improve the technology that your Company uses to service clients. This is expected to also enhance productivity and improve customer experience.

Car Rental Business

A highly disorganised Indian car rental market has been rapidly transformed by online aggregators & new entrants in this segment driven by significant technology investments, lower fares, wider reach, investor funding and ease of transaction.

In spite of stiff competition, your Company was able to revive growth momentum in its business, riding on its core brand values of superior product & chauffeur quality, consistent service delivery and high levels of safety. Your Company boasts of an enviable blue-chip client base contributing to significant proportion of our revenues.

Your Company also focused on margin-enhancement initiatives in the areas of car asset mix and sourcing models, which translated to notable improvement in yields during the year. Your Company developed & launched a contemporary technology platform enabling superior customer experience & efficiencies in the transaction cycle. The platform boasts of a unique value proposition for augmented safety & security of lady travellers.

Your Company continued to invest in its core strengths of quality, reliability & safety by undertaking a 'Master Trainer' model for further certifying a base of 1000+ chauffeurs across the country.

Your Company will also be exploring new vectors of growth in 2019-20 into adjacent segments with customised product and service design.

MICE

Meetings, Incentives, Conventions & Exhibition, which is an important part of corporate and leisure travel, is witnessing a strong CAGR of 7.5% till 2023.

Your Company handled several prestigious domestic MICE events including repeat business for Bauma Conexpo, Electronica India, TATA Leadership Meet etc.

Your Company also executed many outbound groups for companies like Ambuja Cements Limited, ACC Limited, Philips Electronics India Limited, ITC Limited, Pernod Ricard India Private Limited etc. We continue to build a robust pipeline for the next fiscal with focus on achieving acceptable margins in an intensely competitive travel industry segment.

Forex

Your Company continues to offer foreign exchange services as part of its overall bouquet of services to the corporate and individual travellers. The traditional travel forex offerings are being replaced by card payment platforms and new distribution channels.

Your Company is exploring contemporary servicing models for this business line.

Outbound & Inbound Business

India is now one of the fastest growing outbound tourism markets in the world. The United Nations World Tourism Organisation estimates that India will account for approximately 50 million outbound tourists by 2020. During 2018, foreign tourist arrivals (FTAs) in India stood at 10.56 million, achieving a growth rate of over 5% year-on-year.

Your Company realises the potential of this segment and is offering various products covering Leisure Packages, Bespoke Holidays (Infinity), Holiday On Wheels and much more. Your Company handled more than 1500 individual visitors to international destinations during the current financial year. This will be an area of focus for growth in the coming fiscal.

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 the 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. These policies have been widely communicated across the organisation and together with the 'Strategy of Organisation', Planning & Review Processes and the Risk Management Framework, they create a control environment across the Company and provide the cornerstones 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 the 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 reinforce the control environment. The whole gamut of controls, policies, procedures and systems are

reviewed by the management and audited by the 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 the 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 strategic to 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.
- A combination of centrally issued policies and procedures, which are regularly reviewed and updated in the light of changing business and regulatory environment, bring 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.
- The 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 address the various risks associated with your Company's businesses.

AUDIT AND SYSTEMS

Your Company believes that internal control is a necessary adjunct to 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 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 adequately resourced to deliver high standards of 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 mandate.

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 continues to innovate in the way human resources are managed and developed, striking a balance between business needs and 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 achieving sustainable organisational performance as an overarching goal.

The Company provides a safe, secure, inclusive and gender friendly workplace. The Company has put in place Grievance Redressal Procedures and adopted a Policy on Sexual Harassment as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder. The Company has an Internal Complaints Committee to ensure that grievances in this regard, if any, are effectively addressed. During the year under review, no complaint relating to sexual harassment has been received.

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, actual or suspected instances of leak of unpublished price sensitive information 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.internationaltravelhouse.in/whistleblower-policy.aspx>.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company's CSR policy outlines programmes and projects falling within the purview of Schedule VII and Section 135 of Companies Act, 2013 ('the Act') and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Annual Report on Corporate Social Responsibility 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 deposits 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 Anand Nayak was appointed by the Members as Non-Executive Independent Director of the Company with effect from 30th July, 2018 under Section 149 of the Act.

The Board of Directors of the Company ('the Board') at the meeting held on 1st November, 2018, on the recommendation of the Nominations & Remuneration Committee, appointed Mr Pradeep Vasant Dhobale as an Additional Director, and subject to the approval of the Members, also as an Independent Director of the Company for a period of five years with effect from 1st November, 2018. Your Board recommends his appointment at the ensuing Annual General Meeting ('AGM').

Mr K L Thapar stepped down as an Independent Director of the Company with effect from 14th November, 2018, keeping in view his growing age. Your Directors would like to record their appreciation for the services rendered by Mr Thapar.

Mr H P Ranina and Ms Sudha Pillai will complete their present term as Independent Directors on 9th September, 2019. The Board at the meeting held on 15th April, 2019, on the recommendation of the Nominations & Remuneration Committee, recommended for the approval of the Members, their re-appointment as Independent Directors of the Company for a period of five years with effect from 10th September, 2019.

Appropriate resolutions seeking your approval to the aforesaid appointments are appearing in the Notice convening the Thirty Eighth AGM of your Company.

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 Jagdish Singh will retire by rotation at the ensuing 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, 2019, five meetings of the Board were held.

Attributes, Qualifications & Independence of Directors and their Appointment

As reported last year, the Nominations & Remuneration Committee 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. 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 skills, expertise and competencies of the Directors as identified by the Board, are provided in the 'Report on Corporate Governance', forming part of the Report and Accounts. 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 (a) 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 ('Listing Regulations 2015'), and (b) they are not aware of any circumstance or situation which could impair or impact their ability to discharge duties with an objective independent judgement and without any external influence. Further, in the opinion of the Board, the Independent Directors fulfil the conditions prescribed under the Listing Regulations 2015 and are independent of the management of the Company.

The Company's Policy on remuneration of Directors, Key Managerial Personnel and other employees, as approved by the Board, may be accessed on its website at <https://www.internationaltravelhouse.in/remuneration-policy.aspx>. There has been no change in the Policy during the year.

Board Evaluation

The Nominations & Remuneration Committee has approved the Policy on Board Evaluation, Evaluation of Board Committees' functioning and individual Director Evaluation and also specified that such evaluation will be done by the Board. Board performance is assessed against the role and responsibilities of the Board as provided in the Act and the Listing 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

During the year, there was no change in the Key Managerial Personnel of your Company.

AUDIT COMMITTEE & AUDITORS

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

Statutory Auditors

The Statutory Auditors, Messrs. Deloitte Haskins & Sells LLP, Chartered Accountants ('DHS'), were appointed with your approval at the Thirty Sixth AGM to hold such office till the conclusion of the Forty First AGM.

On the recommendation of the Audit Committee, the Board recommended for the approval of the Members, payment of remuneration of DHS for the financial year 2019-20. Appropriate resolution for this purpose is appearing in the Notice convening the Thirty Eighth 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, 2019. 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 Listing Regulations 2015. All such contracts or arrangements were entered in the ordinary course of business and on arm's length basis, and have been approved by the Audit Committee.

During the year, the Company obtained your approval for entering into material related party transactions with ITC Limited in the ordinary course of business and on arm's length basis up to an aggregate value of ₹ 120 crores. The details of material related party transactions of the Company in the prescribed Form No. AOC-2, are given in the Annexure to this Report.

Your Company's Policy on Related Party Transactions, as adopted by your Board, can be accessed on the Company's website at <https://www.internationaltravelhouse.in/policy-on-related-party-transactions.aspx>.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 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 the conditions of Corporate Governance

The certificate of the Statutory Auditors, Messrs. Deloitte Haskins & Sells LLP, Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations 2015, is annexed.

Compliance with Secretarial Standards

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118 of the Act.

Cost Records

The Company is not required to maintain cost records in terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

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 annexed.

Particulars of Loans, Guarantees or Investments

During the year ended 31st March, 2019, 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:

- I) 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. :

Your Company has set up a 24x7 Contact Centre solution at its Gurugram Corporate office with state-of-the-art technology from technology leaders and with enhanced features like skill set based call directing, IVR capabilities, call quality management facilitating tools, etc.

The Company's website has also been re-done with updated content and responsive interface, making it visually attractive with nimble design and a contemporary look and feel. The new website is supported by a contemporary Content Management System.

Benefits:

Improved customer service delivery, integrity, higher availability and optimisation of fulfilment process.

- 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 has been fully absorbed - NIL
 - D) If not fully absorbed, areas where absorption has not taken place, and the reasons therefor– NIL
- III) Expenditure incurred on research and development – NIL

Employees

The total number of employees of the Company as on 31st March, 2019 stood at 675.

The details of employee(s) drawing remuneration more than the limit specified in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 along with the details of top ten employees of the Company in terms of remuneration drawn, as required under the said Rule, are given 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

International Travel House Limited

ANNEXURE

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.

confidence and stand committed to creating an even brighter future for all the stakeholders.

On behalf of the Board

CONCLUSION

Your Directors and employees look forward to the future with

Place : New Delhi

Date : 15th April, 2019

A Rajput

Director

J Singh

Director

Annual Report on Corporate Social Responsibility (CSR) Activities of the Company for the financial year ended 31st March, 2019

[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 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 CSR Policy may be accessed on the Company's website at https://www.internationaltravelhouse.in/corporate-social-responsibility-policy.aspx . The Company has focused on promoting education by contributing to the ITC Education Trust.
2.	Composition of CSR Committee	Mr A Rajput (Chairman) Mr A Nayak Ms S Pillai Mr J Singh
3.	Average Net Profits of the Company for last three financial years	₹ 17,09,23,334/-
4.	Prescribed CSR expenditure (two percent of the amount stated under 3 above)	₹ 34,18,467/-
5.	Details of CSR spent during the financial year 2018-19: Total amount spent for the financial year Total amount unspent	₹ 34,18,467/- Nil

Manner in which amount spent during the financial year 2018-19 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 Education Trust.	Promoting Education	N.A.	₹ 34,18,467/-	₹ 34,18,467/-	₹ 34,18,467/-	Implementing Agency- ITC Education 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 : 15th April, 2019

A Rajput
Chairman - CSR Committee

J Singh
Director

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the
Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
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 - 110 017 (hereinafter referred to as the 'Company') for the period commencing from 1st April, 2018 till 31st March, 2019 (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 2018-19, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2019 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, 2019, 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 thereunder 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 mandatory Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board Meetings and General Meetings.
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 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 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 and Committees Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and where the meeting was held in shorter notice due compliance was made, 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 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 : 15th April, 2019

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.

To

The Members

International Travel House Limited

Our report of 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. Wherever 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 : 15th April, 2019

Pooja Bhatia

FCS: 7673 CP: 6485

International Travel House Limited

ANNEXURE

FORM AOC-2

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

a)	Name(s) of the related party and nature of relationship	NIL
b)	Nature of contracts / arrangements / transactions	
c)	Duration of the contracts / arrangements / transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis

a)	Name(s) of the related party and nature of relationship	ITC Limited, of which the Company is an Associate.	
b)	Nature of contracts / arrangements / transactions	Sale of services, Purchase of goods and services, Rent, Remuneration of managers / Key Management Personnel on deputation reimbursed, Remuneration of managers on deputation recovered and Expenses reimbursed.	
c)	Duration of the contracts / arrangements / transactions	Ongoing	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any		
	Transaction	Value (₹ in Lakhs)	Salient Terms
	Sale of services	8,388.29	In the ordinary course of business and on arm's length basis
	Purchase of goods and services	272.07	
	Rent paid	85.78	
	Remuneration of managers / Key Management Personnel on deputation reimbursed	382.78	At actuals and where applicable, valuation as per Black Scholes Model
	Remuneration of managers on deputation recovered	8.47	At actuals
	Expenses reimbursed	44.02	At actuals
	Total	9181.41	
e)	Date(s) of approval by the Board, if any	N.A.	
f)	Amount paid as advances, if any	Advances given during the year ₹ 11.61 lakhs.	

On behalf of the Board

Place : New Delhi
Date : 15th April, 2019

A Rajput
Director

J Singh
Director

To the Members of

INTERNATIONAL TRAVEL HOUSE LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter dated 3rd October, 2018.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of International Travel House Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

Management's Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) I, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31 March, 2019.
9. We 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 DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Place : New Delhi
Date : 15th April, 2019
UDIN : 19094039AAAAAC1851

(Sameer Rohatgi)
Partner
(Membership No. 094039)

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on the Financial Year ended on 31st March, 2019

[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
 Tel. No. : 011 - 2601 7808
 E-mail : 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
 Tel. Nos. : (011) 4140 6149-52, 4160 9368

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
1.	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 Break-up 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	0	0	0	0	0	0	0	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	100	300	0.00	200	100	300	0.00	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	4,06,886	3,119	4,10,005	5.13	3,59,838	3,208	3,63,046	4.54	(0.59)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	20,19,996	2,33,724	22,53,720	28.19	19,84,958	1,97,751	21,82,709	27.31	(0.88)

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	2,05,257	0	2,05,257	2.57	3,07,087	0	3,07,087	3.84	1.27
c) Others (specify)									
i) Trust & Foundations	3,150	0	3,150	0.04	3,150	0	3,150	0.04	0.00
ii) Non Resident Individuals	96,327	1,410	97,737	1.22	1,0,4467	1,210	1,05,677	1.32	0.10
iii) Investor Education and Protection Fund Authority, Ministry of Corporate Affairs	92,430	0	92,430	1.16	1,00,630	0	1,00,630	1.26	0.10
Sub-total (B)(2)	28,24,046	2,38,253	30,62,299	38.31	28,60,130	2,02,169	30,62,299	38.31	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	28,24,246	2,38,353	30,62,599	38.31	28,60,330	2,02,269	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)	77,56,142	2,38,358	79,94,500	100	77,92,226	2,02,274	79,94,500	100	0

(ii) Shareholding of Promoters (including Promoter Group):

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	12.73	Nil	10,17,663	12.73	Nil	Nil
3.	ITC Limited	2,87,600	3.60	Nil	2,87,600	3.60	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				
	Increase / Decrease in Promoters Shareholding during the year				
	At the end of the year				
No Change during 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.	J M Financial Services Limited				
	At the beginning of the year	N.A.	N.A.		
	Became part of the top ten Shareholders of the Company with effect from 13/07/2018	18,690	0.23		
	Increase / Decrease in Shareholding during the year i.e. w.e.f. 13/07/2018:				
	10/08/2018	47,749	0.60	66,439	0.83
	07/09/2018	(6,669)	(0.08)	59,770	0.75
	05/10/2018	299	0.00	60,069	0.75
	26/10/2018	1,582	0.02	61,651	0.77
	02/11/2018	(250)	0.00	61,401	0.77
	16/11/2018	1,500	0.02	62,901	0.79
	23/11/2018	(11,771)	(0.15)	51,130	0.64
	14/12/2018	11,771	0.15	62,901	0.79
	08/02/2019	6,669	0.08	69,570	0.87
	22/02/2019	1,000	0.01	70,570	0.88
	At the end of the year			70,570	0.88
2.	Rajasthan Global Securities Private Limited				
	At the beginning of the year	69,201	0.87		
	Increase / Decrease in Shareholding during the year:	0	0.00	0	0.00
	At the end of the year			69,201	0.87
3.	Indian Syntans Investments (P) Limited				
	At the beginning of the year	42,399	0.53		
	Increase / Decrease in Shareholding during the year:	0	0.00	0	0.00
	At the end of the year			42,399	0.53
4.	Jignesh Madhukant Mehta				
	At the beginning of the year	N.A.	N.A.		
	Became part of the top ten Shareholders of the Company with effect from 31/08/2018	24,081	0.30		
	Increase / Decrease in Shareholding during the year i.e. w.e.f. 31/08/2018:				
	07/09/2018	100	0.00	24,181	0.30
	14/09/2018	525	0.01	24,706	0.31
	21/09/2018	1,266	0.02	25,972	0.32
	29/09/2018	2,000	0.03	27,972	0.35
	05/10/2018	1,228	0.02	29,200	0.37
	19/10/2018	814	0.01	30,014	0.38
	26/10/2018	479	0.01	30,493	0.38
	07/12/2018	500	0.01	30,993	0.39

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
	21/12/2018	250	0.00	31,243	0.39
	31/03/2019	10,000	0.13	41,243	0.52
	At the end of the year			41,243	0.52
5.	Tanvi Jignesh Mehta				
	At the beginning of the year	38,943	0.49		
	Increase / Decrease in Shareholding during the year:				
	11/05/2018	12	0.00	38,955	0.49
	25/05/2018	814	0.01	39,769	0.50
	01/06/2018	401	0.01	40,170	0.50
	08/06/2018	19	0.00	40,189	0.50
	05/10/2018	2,000	0.03	42,189	0.53
	19/10/2018	316	0.00	42,505	0.53
	16/11/2018	500	0.01	43,005	0.54
	21/12/2018	2,009	0.03	45,014	0.56
	11/01/2019	521	0.01	45,535	0.57
	18/01/2019	1,000	0.01	46,535	0.58
	22/03/2019	500	0.01	47,035	0.59
	31/03/2019	(9,949)	(0.12)	37,086	0.46
	At the end of the year			37,086	0.46
6.	Vaibhav Jayanti Doshi				
	At the beginning of the year	N.A.	N.A.		
	Became part of the top ten Shareholders of the Company with effect from 27/04/2018	20,119	0.25		
	Increase / Decrease in Shareholding during the year i.e. w.e.f. 27/04/2018:				
	01/06/2018	698	0.01	20,817	0.26
	12/10/2018	8,515	0.11	29,332	0.37
	07/12/2018	1,600	0.02	30,932	0.39
	14/12/2018	2,474	0.03	33,406	0.42
	08/03/2019	652	0.01	34,058	0.43
	31/03/2019	(58)	0.00	34,000	0.43
	At the end of the year			34,000	0.43
7.	Dheeraj Kumar Lohia				
	At the beginning of the year	31,443	0.39		
	Increase / Decrease in Shareholding during the year:	0	0.00	0	0.00
	At the end of the year			31,443	0.39
8.	Amit Jain				
	At the beginning of the year	N.A.	N.A.		
	Became part of the top ten Shareholders of the Company with effect from 21/09/2018	20,177	0.25		
	Increase / Decrease in Shareholding during the year i.e. w.e.f. 21/09/2018				

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
	29/09/2018	2,596	0.03	22,773	0.28
	05/10/2018	1,043	0.01	23,816	0.30
	12/10/2018	276	0.00	24,092	0.30
	16/11/2018	400	0.01	24,492	0.31
	23/11/2018	692	0.01	25,184	0.32
	04/01/2019	580	0.01	25,764	0.32
	18/01/2019	342	0.00	26,106	0.33
	25/01/2019	588	0.01	26,694	0.33
	01/02/2019	375	0.00	27,069	0.34
	08/02/2019	100	0.00	27,169	0.34
	22/02/2019	780	0.01	27,949	0.35
	08/03/2019	773	0.01	28,722	0.36
	22/03/2019	26	0.00	28,748	0.36
	31/03/2019	117	0.00	28,865	0.36
	At the end of the year			28,865	0.36
9.	Ajay Ajitkumar Hamlai				
	At the beginning of the year	24,052	0.30		
	Increase / Decrease in Shareholding during the year:				
	07/09/2018	948	0.01	25,000	0.31
	At the end of the year			25,000	0.31
10.	Sujay Ajitkumar Hamlai				
	At the beginning of the year	17,103	0.21		
	Increase / Decrease in Shareholding during the year:				
	27/04/2018 [#]	0	0.00	0	0.00
	07/09/2018 ^{###}	5,000	0.06	22,103	0.27
	At the end of the year			22,103	0.27
	[#] Ceased to be part of the top ten Shareholders of the Company.				
	^{###} Became part of the top ten Shareholders of the Company.				
11.	Raviraj Developers Limited				
	At the beginning of the year	47,749	0.60		
	Increase / Decrease in Shareholding during the year:				
	10/08/2018 [#]	(47,749)	0.60	0	0.00
	At the end of the year			N.A.	N.A.
	[#] Ceased to be part of the ten Shareholders of the Company.				
12.	Prithvi Vincom Private Limited				
	At the beginning of the year	21,476	0.27		
	Increase / Decrease in Shareholding during the year:				
	27/04/2018	(450)	(0.01)	21,026	0.26
	04/05/2018	(190)	0.00	20,836	0.26
	15/06/2018	(1,000)	(0.01)	19,836	0.25

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
	07/09/2018 [#]	(1,000)	(0.01)	18,836	0.24
	At the end of the year			N.A.	N.A.
	[#] Ceased to be part of the ten Shareholders of the Company.				
13.	Om Prakash Rawat				
	At the beginning of the year	20,000	0.25		
	Increase / Decrease in Shareholding during the year:				
	21/09/2018 [#]	0	0.00	0	0.00
	At the end of the year			N.A.	N.A.
	[#] Ceased to be part of the top ten Shareholders of the Company.				
14.	Aparnaa Sarees Private Limited				
	At the beginning of the year	18,077	0.23		
	Increase / Decrease in Shareholding during the year:				
	13/07/2018 [#]	0	0.00	0	0.00
	10/08/2018 ^{###}	0	0.00	0	0.00
	31/08/2018 [#]	0	0.00	0	0.00
	At the end of the year			N.A.	N.A.
	[#] Ceased to be part of the top ten Shareholders of the Company.				
	^{###} Became part of the top ten Shareholders of the Company.				

Note: 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 Director	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
1.	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

Ms S Pillai, Messrs. A Rajput, H P Ranina and J Singh, Directors, Mr A Kumar, Mr S Sequeira, and Ms J Aggarwal, Key Managerial Personnel, 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 A Nayak and Mr PV Dhobale, Directors, also did not hold any Shares of the Company either at the time of appointment as Director or at the end of the year or at any time since their appointment till 31st March, 2019.

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, Wholtime Directors and / or Manager: NOT APPLICABLE

B. Remuneration to the other Directors:

(₹ in Lakhs)

Sl. No.	Directors	Particulars of Remuneration			Total Amount
		Fee for attending Board / Board Committee Meetings	Commission	Independent Directors' Meeting Fees	
1.	Independent Directors				
	S Pillai	2.00	0.00	0.10	2.10
	H P Ranina	1.90	0.00	0.10	2.00
	A Nayak*	0.70	0.00	0.00	0.70
	PV Dhobale**	0.40	0.00	0.10	0.50
	Total (B)(1)	5.00	0.00	0.30	5.30
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	0.00	0.00	0.00
	Total (B) = (B)(1) + (B)(2)				5.30
	Total Managerial Remuneration (A+B)				5.30
	Overall ceiling as per the Act (Being 11% of the Net Profits of the Company as calculated under Section 198 of the Companies Act, 2013)				50.04

* Non-Executive Independent Director since 30th July, 2018.

** Non-Executive Independent Director since 1st November, 2018.

International Travel House Limited

ANNEXURE

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

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		A Kumar Chief Executive Officer	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	155.99	72.82	33.41	262.22
	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	2.26	8.70	1.48	12.44
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	0.00	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00	0.00
4.	Commission				
	- as % of profit	0.00	0.00	0.00	0.00
	- others, specify	0.00	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00	0.00
	Total Amount	158.25	81.52	34.89	274.66

Note:

Mr S Sequeira and Ms J Aggarwal are on deputation from ITC Limited (ITC) and have been granted Stock Options by ITC in previous year(s) 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]. ITC has also granted Employee Stock Appreciation Linked Reward Units (ESAR Units) to the employees on deputation under its Stock Appreciation Linked Reward Plan. Since these Stock Options and ESAR Units are not tradeable, no perquisite or benefit is conferred upon the employee by such grant of Options / Units, 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 : 15th April, 2019

A Rajput
Director

J Singh
Director

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	0.49:1	(5)
A Rajput	Non-Executive Director	-	-
H P Ranina	Independent Director	0.46:1	11
J Singh	Non-Executive Director	-	-
K L Thapar	Independent Director (Till 14th November, 2018)	0.35:1	(29)
A Nayak	Independent Director (w.e.f. 30th July, 2018)	0.16:1	-
PV Dhobale	Independent Director (w.e.f. 1st November, 2018)	0.09:1	-
A Kumar	Chief Executive Officer	37.66:1	14*
S Sequeira	Chief Financial Officer	19.27:1	9**
J Aggarwal	Company Secretary	8.45:1	7**

Based on annualised remuneration.

* Reflects performance and joining bonus paid during the year.

** Reflects revision in remuneration effective 1st October, 2018.

Notes

1. The number of permanent employees as on 31st March, 2019 was 675.
2. Compared to 2017-18, the figures for 2018 -19 reflect that:
 - i) Median remuneration of employees – Increased by 0.77%.
 - ii) Average remuneration of employees – decreased by 0.68% with increase in number of employees.
 - iii) Average remuneration of employees excluding Key Managerial Personnel (KMP) – decreased by 1.05% with increase in number of employees.
 - iv) Remuneration of KMP – Increased by 11.60%, due to revision in remuneration during the year.
3. Remuneration of Directors, KMP and other employees is in accordance with the Company's Remuneration Policy.

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

Name	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
Employees employed throughout the year and in receipt of remuneration aggregating ₹1,02,00,000/- or more per annum								
Ajay Kumar	59	Chief Executive Officer	1,63,04,886	1,11,41,823	B.A. (Eco. Hons.), M.B.A.	32	01.04.2017	AMEX Global Business Travel, Chief Executive Officer - India
Top ten employees in terms of remuneration drawn								
Ajay Kumar	59	Chief Executive Officer	1,63,04,886	1,11,41,823	B.A. (Eco. Hons.), M.B.A.	32	01.04.2017	AMEX Global Business Travel, Chief Executive Officer - India
Savio Sequeira*	46	Chief Financial Officer	83,40,886	42,98,927	B.Com. (Hons.), A.C.A., C.W.A.	21	01.11.2016	ITC Limited, Manager - Finance
Chandra Sekhar Khaitan*	50	Head of Internal Audit	52,02,919	28,00,309	B.Sc., A.C.A.	24	01.11.2015	ITC Limited, Manager - Audit
Koushik Choudhury*	52	Head - Information Technology	45,33,398	22,25,532	Dip. in Hotel Management, DOEACC "A"	30	01.02.2013	ITC Limited, Sr. Manager - IT
Gokul Kaushik*	45	Head - HR & Car Rental	42,73,919	25,35,978	B.A. (Pol. Sci. Hons.), M.B.A.	24	01.11.2017	ITC Limited, Manager - HR
Ritesh Jain*	28	Head - Accounts & Finance	39,04,566	27,43,994	B.Com. (Hons.), A.C.A.	6	01.03.2018	ITC Limited, Manager - Finance
Janaki Aggarwal*	58	Company Secretary	36,56,017	21,31,918	B.Com. (Hons.), F.C.S., LL.B.	32	01.10.2000	ITC Limited, Assistant Secretary
Asish Bhattacharjee	63	Vice President - Finance (Upto 13th January, 2019)	34,48,234	26,44,195	B.Com. (Hons.), A.C.A.	37	03.05.1993	IB & W Communications Private Limited, Commercial Manager
Jaikiran Ahluwalia	46	Vice President - Operations	32,28,760	24,88,524	B.A. (History Hons.)	12	26.07.2018	Thomas Cook India Limited, Vice - President & Client Management
Bhavna Sachdeva	43	General Manager - Supplier Relations	31,14,743	23,99,066	B.A., PG.D.B.M.	21	30.10.2017	KLM Royal Dutch Airlines, Regional Sales Manager

* On deputation from ITC Limited (ITC).

Notes:

- 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.
- Certain employees who are on deputation from ITC have been granted Stock Options by ITC in previous year(s) 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]. ITC has also granted Employee Stock Appreciation Linked Reward Units (ESAR Units) to certain employees on deputation under its Stock Appreciation Linked Reward Plan. Since these Stock Options and ESAR Units are not tradeable, no perquisite or benefit is conferred upon the employee by such grant of Options / Units, 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.
- The aforesaid employees are neither relative of any Director of the Company nor hold any equity share in the Company.

Place : New Delhi
Date : 15th April, 2019

On behalf of the Board
A Rajput Director
J Singh Director

International Travel House Limited

CEO AND CFO COMPLIANCE CERTIFICATE

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, 2019 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, 2019 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 : 15th April, 2019

S Sequeira
Chief Financial Officer

A Kumar
Chief Executive Officer

International Travel House Limited

BALANCE SHEET

AS AT 31ST MARCH, 2019

	Note	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3A	3,214.68	2,834.53
Capital Work-in-Progress	3B	32.68	90.84
Intangible Assets	3C	214.29	277.79
Intangible Assets Under Development	3D	23.84	34.46
Financial Assets			
Investments	4	-	-
Other Financial Assets	5	49.48	290.52
Deferred Tax Assets (Net)	6	39.65	-
Income Tax Asset (Net)	7	518.69	229.16
Other Non-Current Assets	8	66.28	63.61
Total Non-Current Assets		4,159.59	3,820.91
Current Assets			
Financial Assets			
Investments	9	-	1,484.77
Trade Receivables	10	13,306.21	11,466.62
Cash and Cash Equivalents	11	1,167.58	2,202.15
Other Bank Balances	12	281.69	224.20
Loans	13	-	1.23
Other Financial Assets	14	820.56	348.12
Other Current Assets	15	1,234.71	1,222.30
Total Current Assets		16,810.75	16,949.39
Total Assets		20,970.34	20,770.30
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16	799.45	799.45
Other Equity		15,382.54	15,594.51
Total Equity		16,181.99	16,393.96
LIABILITIES			
Non-Current Liabilities			
Provisions	17	237.79	270.53
Deferred Tax Liabilities (Net)	6	-	73.03
Total Non-Current Liabilities		237.79	343.56
Current Liabilities			
Financial Liabilities			
Trade Payables	18	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,231.98	2,919.63
Other Financial Liabilities	19	69.80	61.51
Other Current Liabilities	20	805.28	654.79
Provisions	21	403.74	300.87
Current Tax Liabilities (Net)	22	39.76	95.98
Total Current Liabilities		4,550.56	4,032.78
Total Equity and Liabilities		20,970.34	20,770.30

The accompanying notes 1 to 34 are an integral part of the Financial Statements.

In terms of our report attached for Deloitte Haskins & Sells LLP

ICAI Firm Registration No.: 117366W/W-100018
Chartered Accountants

Sameer Rohatgi
Partner

Place : New Delhi
Date : 15th April, 2019

On behalf of the Board

A Rajput
Director

A Kumar
Chief Executive Officer

Place : New Delhi
Date : 15th April, 2019

S Sequeira
Chief Financial Officer

J Singh
Director

J Aggarwal
Company Secretary

International Travel House Limited

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2019

	Note	For the year Ended 31st March, 2019 (₹ in lakhs)	For the year Ended 31st March, 2018 (₹ in lakhs)
I Revenue from Operations	24	20,814.21	20,434.51
II Other Income	25	249.78	334.76
III Total Income (I + II)		21,063.99	20,769.27
IV Expenses			
Employee Benefits Expense	26	5,349.28	5,128.57
Finance Costs	27	3.80	22.15
Depreciation and Amortisation Expense		1,052.39	1,102.30
Other Expenses	28	14,233.62	13,365.11
Total Expenses (IV)		20,639.09	19,618.13
V Profit before Tax (III- IV)		424.90	1,151.14
VI Tax Expense:			
Current Tax	29	242.50	559.63
Deferred Tax	29	(85.57)	(103.89)
Total Tax Expense (VI)		156.93	455.74
VII Profit for the year (V - VI)		267.97	695.40
VIII Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Re-measurement of Defined Benefit Plans		(97.44)	(142.76)
Income Tax relating to Re-measurement of Defined Benefit Plans		27.11	49.41
Other Comprehensive Income for the year (VIII)		(70.33)	(93.35)
IX Total Comprehensive Income for the year (VII + VIII)		197.64	602.05
X Earnings Per Share (Face Value of ₹ 10/- each)			
Basic (₹)	30 (i)	3.35	8.70
Diluted (₹)	30 (i)	3.35	8.70

The accompanying notes 1 to 34 are an integral part of the Financial Statements

In terms of our report attached
for Deloitte Haskins & Sells LLP
ICAI Firm Registration No.: I17366W/W-100018
Chartered Accountants

Sameer Rohatgi
Partner

Place : New Delhi
Date : 15th April, 2019

On behalf of the Board

A Rajput
Director
A Kumar
Chief Executive Officer

Place : New Delhi
Date : 15th April, 2019

S Sequeira
Chief Financial Officer

J Singh
Director
J Aggarwal
Company Secretary

International Travel House Limited

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2019

A. Equity Share Capital (₹ in lakhs)

	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, 2018	799.45	-	799.45
For the year ended 31st March, 2019	799.45	-	799.45

B. Other Equity (₹ in lakhs)

Particulars	Reserves and Surplus				Total
	Securities Premium Account	Capital Reserve	General Reserve	Retained Earnings	
Balance as at 31st March, 2017	1,185.59	31.53	1,664.23	12,520.05	15,401.40
Profit for the year	-	-	-	695.40	695.40
Other Comprehensive Income (Net of Tax)	-	-	-	(93.35)	(93.35)
Total Comprehensive Income for the year	-	-	-	602.05	602.05
Dividend Paid [2017 - ₹ 4.25 per share]	-	-	-	(339.77)	(339.77)
Income tax on dividend paid	-	-	-	(69.17)	(69.17)
Balance as at 31st March, 2018	1,185.59	31.53	1,664.23	12,713.16	15,594.51
Profit for the year	-	-	-	267.97	267.97
Other Comprehensive Income (Net of tax)	-	-	-	(70.33)	(70.33)
Total Comprehensive Income for the year	-	-	-	197.64	197.64
Dividend Paid [2018 - ₹ 4.25 per share]	-	-	-	(339.77)	(339.77)
Income tax on dividend paid	-	-	-	(69.84)	(69.84)
Balance as at 31st March, 2019	1,185.59	31.53	1,664.23	12,501.19	15,382.54

The Board of Directors of the Company recommended a dividend of ₹ 2.50 per share (for the year ended 31st March, 2018 - ₹ 4.25 per share) 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 ₹ 199.86 lakhs (for the year ended 31st March, 2018 - ₹ 339.77 lakhs). Income tax on proposed dividend being ₹ 41.08 lakhs (for the year ended 31st March, 2018 - ₹ 69.84 lakhs).

Notes

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

Capital Reserve: This Reserve was created in 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 utilized by the Company in accordance with the provisions of the Companies Act, 2013.

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

The accompanying notes I to 34 are an integral part of the Financial Statements.

In terms of our report attached
for Deloitte Haskins & Sells LLP

ICAI Firm Registration No.: I17366W/W-100018
Chartered Accountants

Sameer Rohatgi
Partner

Place : New Delhi
Date : 15th April, 2019

On behalf of the Board

A Rajput
Director

A Kumar
Chief Executive Officer

Place : New Delhi
Date : 15th April, 2019

S Sequeira
Chief Financial Officer

J Singh
Director

J Aggarwal
Company Secretary

International Travel House Limited

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2019

	For the year Ended 31st March, 2019 (₹ in lakhs)	For the year Ended 31st March 2018 (₹ in lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	424.90	1,151.14
Adjustments for :		
Depreciation and Amortisation Expense	1,052.39	1,102.30
Finance Costs	3.80	22.15
Interest Income	(16.66)	(64.88)
Net (Gain) / Loss arising on Financial Assets mandatorily measured at FVTPL	(100.88)	(157.47)
Gain on Sale of Property, Plant & Equipment - Net	(132.24)	(111.48)
Doubtful and Bad Debts	107.96	93.03
Doubtful and Bad Advances etc.	2.10	-
Net Foreign Exchange (Gain) / Loss	(0.83)	(0.67)
Operating Profit Before Working Capital Changes	<u>1,340.54</u>	<u>2,034.12</u>
Adjustments for :		
Trade Receivables	(1,949.66)	(984.98)
Loans, Other Financial Asset and Other Assets	(299.00)	(532.71)
Trade Payables	312.35	(459.38)
Other Liabilities and Provisions	133.47	(108.61)
Cash Generated from / (used in) Operations	<u>(462.30)</u>	<u>(51.56)</u>
Income Tax Paid	(588.25)	(669.76)
Net Cash from / (used in) Operating Activities	<u>(1,050.55)</u>	<u>(721.32)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment and Intangible Asset	(1,445.66)	(310.57)
Sale of Property, Plant & Equipment	277.64	178.85
Purchase of Current Investments	(11,063.00)	(18,110.00)
Sale of Current Investments	12,648.65	20,883.88
Redemption / Maturity of Bank Deposit (having original maturity of more than 3 months)	-	300.00
Interest Received on Bank Deposit	12.92	50.40
Net Cash from / (used in) Investing Activities	<u>430.55</u>	<u>2,992.56</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Increase / Decrease in Restricted Bank Balances	(1.99)	4.18
Interest Paid	(3.80)	(8.97)
Dividend Paid	(339.77)	(339.77)
Income Tax on Dividend Paid	(69.84)	(69.17)
Net Cash used in Financing Activities	<u>(415.40)</u>	<u>(413.73)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(1,035.40)</u>	<u>1,857.51</u>
OPENING CASH AND CASH EQUIVALENTS	2,202.15	343.97
Unrealised Gain / (Loss) on Foreign Currency Cash and Cash Equivalents	0.83	0.67
CLOSING CASH AND CASH EQUIVALENTS (Note 11)	<u>1,167.58</u>	<u>2,202.15</u>

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2019

Notes :

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

The accompanying notes I to 34 are an integral part of the Financial Statements.

In terms of our report attached
for Deloitte Haskins & Sells LLP

ICAI Firm Registration No.: I17366W/W-100018
Chartered Accountants

Sameer Rohatgi
Partner

Place : New Delhi
Date : 15th April, 2019

On behalf of the Board

A Rajput
Director

A Kumar
Chief Executive Officer

Place : New Delhi
Date : 15th April, 2019

S Sequeira
Chief Financial Officer

J Singh
Director

J Aggarwal
Company Secretary

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. The Company has its registered office at 'Travel House, T-2, Community Centre, Sheikh Sarai, Phase I, New Delhi 110017, India.

The financial statements were approved for issue by the Board of Directors on 15th April, 2019.

B. Basis of Preparation of Financial Statements

(i) 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 and the relevant presentation requirements of the Companies Act, 2013.

(ii) 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, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis except for share based payment transactions that are within the scope of Ind AS 102 – Share-based Payment.

The financial statements are presented in Indian Rupee, which is also the Company's functional currency.

A summary of significant accounting policies is set out below.

(iii) 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 I – 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 - Tangible Assets

Property, Plant and 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. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. 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. Office equipments are depreciated over a useful life of 3-5 years. Leasehold improvement are being amortised over lease period or useful lives, whichever is lower.

NOTES TO THE FINANCIAL STATEMENTS

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

Property, Plant and Equipment are subject to review for impairment if triggering events or circumstances indicate that this 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 that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially at cost comprising the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalised at cost. Internally generated brands, websites and customer lists are not recognised as 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 economics 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 upgradation / enhancements are charged to the Statement of Profit and Loss, unless they bring similar significant additional benefits.

Useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimates. .

(iii) Foreign Currencies Transactions

Transactions in foreign currencies are initially recorded by the Company at the exchange rate prevailing on transaction date. Gains / losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

(iv) Financial Instruments

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

Financial Assets

Recognition and Classification: Financial assets include Investments, Trade Receivables, Security Deposits and Cash and Cash Equivalents. Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired.

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

- amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest; and
- fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

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: The Company assesses at each balance sheet date whether a financial asset or a group of financial assets, measured at amortised cost, 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 and 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.

De-recognition: 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

Borrowings, Trade Payables and Other Financial Liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost.

A financial liability is derecognised when the obligation under the liability is extinguished, discharged, cancelled or on expiry.

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 realize the asset and settle the liability simultaneously.

(v) Revenue Recognition

The Company provides travel related services to corporate travellers in India and abroad. The revenue from transport services are recognised on a gross basis and revenue from other travel related services are recognised on net basis. 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 at a point in time other than tour income which is recognised over a period of time with 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 highly probable that a significant reversal in the amount of revenue recognised will not occur and the revenue can be reliably measured and collection is certain. Revenue is measured taking into account contractually agreed terms and excluding taxes or duties collected on behalf of the government. Trade Receivables are recognised when the entity has unconditional right to receive consideration upon the satisfaction of performance obligation.

The Company has applied Ind AS 115 – Revenue from Contracts with Customers using the cumulative effect method with a date of initial application of 01.04.2018. Accordingly, the comparative information has not been restated and continues to be reported as per Ind AS 18 – Revenue and related interpretations. However, there is no material impact on the financial statement resulting from the implementation of the standard. Additionally, the disclosure requirements of Ind AS 115 have not generally been applied to comparative period. There is no impact on financial position and results due to transition.

The Company has applied the practical expedient in paragraph 121 of Ind AS 115 as remaining performance obligation have original expected duration of one year or less or the right to consideration from customer corresponds directly with the value to the customer.

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 the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the 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 dividends paid (including income tax thereon) are recognised in the financial statements when approved by the Board of Directors and final dividend (including income tax thereon) when approved by the shareholders.

(vii) Employee Benefits

The Company make contributions to both defined benefit and defined contribution schemes. The defined benefit schemes

NOTES TO THE FINANCIAL STATEMENTS

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 an 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 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 Compensation**

The cost of employee share-based compensation is recognized based on fair value of the equity settled stock options or cash settled stock appreciation units granted under the applicable Scheme(s) to employees in the Company.

In case of equity settled stock options, the fair value of such options at the grant date is amortised on a straight line basis over the vesting/service period. In case of cash settled stock appreciation units, the fair value of such units at the grant date is initially recognized and subsequently remeasured at each reporting date, until settled. Such cost is recognized as an employee benefits expense in the Statement of Profit and Loss with a corresponding increase in equity, 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 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 tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

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 when the deferred tax balances relate to the same taxable entity and the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

NOTES TO THE FINANCIAL STATEMENTS

(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.

(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

The preparation of financial statements in conformity with IndAS 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. 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.

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

(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 through independent actuarial valuations including determination of amounts to be recognised in the Statement of Profit and Loss. The assumptions include the determination of the discount rate, future salary increases and mortality rates. Information about such valuation is provided in notes to the financial statements.

(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.

(d) Expected Credit Loss Allowance:

The Company has provided allowances for credit losses on trade receivables based on historical credit loss experience and adjusted for forward looking information.

International Travel House Limited

NOTES TO THE FINANCIAL STATEMENTS

(₹ in lakhs)

Particulars	GROSS BLOCK						As At 31st March, 2019
	As At 31st March, 2017	Additions	Withdrawals and Adjustments	As At 31st March, 2018	Additions	Withdrawals and Adjustments	
3A. Property Plant and Equipment							
Buildings:							
Free Hold	36.73	-	-	36.73	-	-	36.73
Lease Hold	182.86	-	-	182.86	-	-	182.86
Total Buildings	219.59	-	-	219.59	-	-	219.59
Plant and Equipment	469.19	123.59	1.91	590.87	49.02	3.36	636.53
Furniture and Fixtures	55.82	1.18	0.42	56.58	4.50	1.77	59.31
Motor Vehicles (Commercial)	4,533.29	65.46	155.90	4,442.85	1,315.78	522.14	5,236.49
Motor Vehicles (Non - Commercial)	187.07	6.12	39.90	153.29	-	51.80	101.49
Office Equipment	61.09	10.14	1.03	70.20	55.90	0.43	125.67
Improvements to Rented / Leased Premises	186.86	6.68	1.00	192.54	20.71	18.81	194.44
Property, Plant and Equipment	5,712.91	213.17	200.16	5,725.92	1,445.91	598.31	6,573.52
3B. Capital Work-in-Progress	36.51	58.16	3.83	90.84	-	58.16	32.68
Total (3A + 3B)	5,749.42	271.33	203.99	5,816.76	1,445.91	656.47	6,606.20
3C. Intangible Assets							
Computer Software	658.32	21.93	16.50	663.75	68.53	-	732.28
Intangible Assets	658.32	21.93	16.50	663.75	68.53	-	732.28
3D. Intangible Assets under Development	13.33	22.42	1.29	34.46	-	10.62	23.84
Total (3C + 3D)	671.65	44.35	17.79	698.21	68.53	10.62	756.12
Grand Total (3A+3B+3C+3D)	6,421.07	315.68	221.78	6,514.97	1,514.44	667.09	7,362.32

International Travel House Limited

NOTES TO THE FINANCIAL STATEMENTS

(₹ in lakhs)

DEPRECIATION AND AMORTISATION						NET BOOK VALUE		
Upto 31st March, 2017	For the year	On Withdrawals and Adjustments	Upto 31st March, 2018	For the year	On Withdrawals and Adjustments	Upto 31st March, 2019	As at 31st March, 2019	As At 31st March, 2018
1.38	0.69	-	2.07	0.69	-	2.76	33.97	34.66
7.97	3.98	-	11.95	3.98	-	15.93	166.93	170.91
9.35	4.67	-	14.02	4.67	-	18.69	200.90	205.57
232.57	97.07	0.58	329.06	83.65	2.44	410.27	226.26	261.81
19.54	5.70	0.24	25.00	4.42	1.29	28.13	31.18	31.58
1,677.01	801.56	121.98	2,356.59	766.25	411.92	2,710.92	2,525.57	2,086.26
36.93	21.39	13.18	45.14	15.31	20.27	40.18	61.31	108.15
23.65	10.01	0.64	33.02	17.01	0.20	49.83	75.84	37.18
59.41	30.07	0.92	88.56	29.05	16.79	100.82	93.62	103.98
2,058.46	970.47	137.54	2,891.39	920.36	452.91	3,358.84	3,214.68	2,834.53
-	-	-	-	-	-	-	32.68	90.84
2,058.46	970.47	137.54	2,891.39	920.36	452.91	3,358.84	3,247.36	2,925.37
265.88	131.83	11.75	385.96	132.03	-	517.99	214.29	277.79
265.88	131.83	11.75	385.96	132.03	-	517.99	214.29	277.79
-	-	-	-	-	-	-	23.84	34.46
265.88	131.83	11.75	385.96	132.03	-	517.99	238.13	312.25
2,324.34	1,102.30	149.29	3,277.35	1,052.39	452.91	3,876.83	3,485.49	3,237.62

Note: The amortisation expense of intangible assets have been included under 'Depreciation and Amortisation Expense' in the Statement of Profit and Loss.

NOTES TO THE FINANCIAL STATEMENTS

	As At 31st March, 2019 (₹ in lakhs)	As at 31 March, 2018 (₹ in lakhs)
4 Non-Current Investments		
Unquoted Equity shares		
Investment Carried at Fair Value Through Profit or Loss		
58,800 Equity shares (2018 - 58,800) of ₹ 10/- each fully paid of Transglobal Impex Limited	-	-
Total	<u>-</u>	<u>-</u>
5 Non-Current Other Financial Assets		
Bank Deposits with more than 12 Months Maturity	-	55.78
Security Deposits	49.48	234.74
Total	<u>49.48</u>	<u>290.52</u>
6 Deferred Tax Assets (Liabilities) - Net		
Deferred Tax Assets		
On Employees' Separation and Retirement etc.	105.09	103.64
On Provision for Doubtful Debts / Advances	87.90	93.80
On Provision for Other Benefits - Leave Encashment	73.38	98.72
On Provision for Bonus	30.18	39.25
	<u>296.55</u>	<u>335.41</u>
Deferred Tax Liabilities		
On Fiscal Allowances on Property, Plant and Equipment and Intangible Asset	256.90	407.54
Net Unrealised Gain on Investments Carried at Fair Value Through Profit or Loss	-	0.90
	<u>256.90</u>	<u>408.44</u>
Deferred Tax Assets (Liabilities) - Net	<u>39.65</u>	<u>(73.03)</u>
7 Income Tax Asset (Net)		
Advance Tax (Net of Provision)	489.20	199.67
Fringe Benefit Tax (Net of Provision)	29.49	29.49
Total	<u>518.69</u>	<u>229.16</u>
8 Other Non - Current Assets		
Deposits [Refer Note 30 (iii)]	38.22	37.67
Prepaid Expenses	28.06	25.94
Total	<u>66.28</u>	<u>63.61</u>
9 Current Investments		
Investments carried at Fair Value Through Profit or Loss		
Investments in Mutual Funds	-	1,484.77
Total	<u>-</u>	<u>1,484.77</u>
Unquoted Mutual Funds		
Aditya Birla Sun Life Floating Rate Fund - Short Term Plan - Direct Plan - Growth	-	741.29
Nil (2018 - 3,19,541.93) Units of ₹ 100 each.		
SBI Magnum Insta Cash Fund - Direct Plan - Growth	-	741.26
Nil (2018 - 19,287.77) Units of ₹ 1000 each.		

NOTES TO THE FINANCIAL STATEMENTS

	As At 31st March, 2019 (₹ in lakhs)	As at 31 March, 2018 (₹ in lakhs)
IDFC Cash Fund - Direct Plan - Growth Nil (2018 - 115.16) Units of ₹ 1000 each.	-	2.22
Total	<u>-</u>	<u>1,484.77</u>
Aggregate Market Value of Quoted Investments	-	-
10 Current Trade Receivables		
Unsecured, Considered Good	13,306.21	11,466.62
Doubtful	304.91	260.25
	<u>13,611.12</u>	<u>11,726.87</u>
Provision for Impairment	(304.91)	(260.25)
Total	<u>13,306.21</u>	<u>11,466.62</u>
Trade Receivables includes:		
Dues from a Private Limited Company in which a Director is a Director	8.85	24.80
	<u>8.85</u>	<u>24.80</u>
11 Cash and Cash Equivalents *		
Balances with Banks		
Current and Deposit Account	1,026.05	2,085.43
Cheques, Drafts on Hand	80.29	69.68
Cash on Hand	61.24	47.04
Total	<u>1,167.58</u>	<u>2,202.15</u>
* 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 Balances		
Earmarked Balances	59.51	61.51
Term Deposit Account *	222.18	162.69
Total	<u>281.69</u>	<u>224.20</u>
* Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.		
13 Current Loans		
Loan to Employees (Unsecured - Considered Good)	-	1.23
Total	<u>-</u>	<u>1.23</u>
14 Current Other Financial Assets		
Security Deposit	231.77	47.87
Interest Accrued on Deposits	1.61	1.57
Income Receivable	587.18	298.68
Total	<u>820.56</u>	<u>348.12</u>

NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
15 Other Current Assets		
Prepaid Expenses	184.25	193.67
Advance with Related Party [Refer Note 31]	-	2.91
Advances to Supplier	843.14	721.91
Balance with Statutory / Government Authorities	123.55	112.75
Others	83.77	191.06
Total	1,234.71	1,222.30

	As at 31st March, 2019 (No. of Shares)	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (No. of Shares)	As at 31st March, 2018 (₹ in lakhs)
16 Equity Share Capital				
Authorised				
Equity Shares of ₹ 10/- each	1,00,00,000	1000.00	1,00,00,000	1000.00
Redeemable Cumulative Preference Shares of ₹100/- each	2,00,000	200.00	2,00,000	200.00
Total	1,02,00,000	1200.00	1,02,00,000	1200.00
Issued				
Equity Shares of ₹ 10/- each	80,00,000	800.00	80,00,000	800.00
Subscribed				
Equity Shares of ₹ 10/- each fully paid up	79,94,500	799.45	79,94,500	799.45
	79,94,500	799.45	79,94,500	799.45
Reconciliation of the number of equity shares outstanding				
As at the beginning of the year	79,94,500	799.45	79,94,500	799.45
Add : Issued during the year	-	-	-	-
As at the end of the year	79,94,500	799.45	79,94,500	799.45
	As at 31st March, 2019 (No. of Shares)	As at 31st March, 2019 %	As at 31st March, 2018 (No. of Shares)	As at 31st March, 2018 %

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%
Russell Investment Limited	10,17,663	12.73%	10,17,663	12.73%

Rights, preferences and restriction attached to the Equity Shares

- A) The Equity Shares of the Company, having par value of ₹ 10.00 per share, rank pari passu in all respects including voting rights and entitlement to dividend.
- B) There were no bonus issue or buy back of equity shares during the period of five years immediately preceding the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
17 Non - Current Provisions		
Provision for Employee benefits [Refer Note 31]		
Retirements Benefits	20.86	27.51
Other Benefits - Leave Encashment	216.93	243.02
Total	<u>237.79</u>	<u>270.53</u>
18 Current Trade Payables		
Trade Payables	3,113.45	2,791.32
Payables for Property, Plant and Equipment and Intangible Asset	60.66	45.87
Other Payables (Employees Related)	57.87	82.44
Total	<u>3,231.98</u>	<u>2,919.63</u>
19 Current Other Financial Liabilities		
Unpaid Dividend *	59.51	61.51
Deposit	10.29	-
Total	<u>69.80</u>	<u>61.51</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.		
20 Other Current Liabilities		
Credit Balance with Customers and Advances received from Suppliers / Customers	539.53	417.24
Statutory Liabilities	265.75	237.55
Total	<u>805.28</u>	<u>654.79</u>
21 Current Provisions		
Provision for Employee Benefits [Refer Note 31]		
Retirement Benefits	356.90	274.87
Other Benefits - Leave Encashment	46.84	26.00
Total	<u>403.74</u>	<u>300.87</u>
22 Current Tax Liabilities (Net)		
Current Tax Liabilities (Net)	39.76	95.98
Total	<u>39.76</u>	<u>95.98</u>

NOTES TO THE FINANCIAL STATEMENTS

23 Financial Instruments

(₹ in lakhs)

A Financial Instruments by Category

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

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Amortised Cost	FVTPL	Amortised Cost	FVTPL
Assets:				
Cash and Cash Equivalents [Refer Note 11]	1,167.58	-	2,202.15	-
Other Bank Balances [Refer Note 12]	281.69	-	224.20	-
Investments				
Unquoted Equity Instrument [Refer Note 4]	-	-	-	-
Liquid Mutual Fund [Refer Note 9]	-	-	-	1,484.77
Trade Receivables [Refer Note 10]	13,306.21	-	11,466.62	-
Loans [Refer Note 13]	-	-	1.23	-
Other Financial Assets [Refer Note 5 & 14]	870.04	-	638.64	-
Total	15,625.52	-	14,532.84	1,484.77
Liabilities:				
Trade Payables [Refer Note 18]	3,231.98	-	2,919.63	-
Other Financial Liabilities [Refer Note 19]	69.80	-	61.51	-
Total	3,301.78	-	2,981.14	-

B Fair Value Hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

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)

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

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 at 31st March, 2019:

Particulars	As at 31st March, 2019	Fair value measurement at the end of the year using		
		Level 1	Level 2	Level 3
Assets				
Investment in Liquid Mutual Fund [Refer Note 9]	-	-	-	-
	-	-	-	-

International Travel House Limited

NOTES TO THE FINANCIAL STATEMENTS

(₹ in lakhs)

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at 31st March, 2018:

Particulars	As at 31st March, 2018	Fair value measurement at the end of the year using		
		Level 1	Level 2	Level 3
Assets				
Investment in Liquid Mutual Fund [Refer Note 9]	1,484.77	1,484.77	-	-
	<u>1,484.77</u>	<u>1,484.77</u>	<u>-</u>	<u>-</u>

	For the Year ended 31st March, 2019 (₹ in lakhs)	For the Year ended 31st March, 2018 (₹ in lakhs)
24 Revenue from Operations		
Sale of Services	19,832.63	19,847.96
Other Operating Revenue	981.58	586.55
Total	<u>20,814.21</u>	<u>20,434.51</u>
25 Other Income		
Interest Income on Bank Deposits - Carried at Amortised Cost	16.66	38.38
Interest Income - Others	-	26.50
Gain on Sale of Property, Plant and Equipment - Net	132.24	111.48
Other Non Operating Income	-	0.93
Net Gain / (Loss) arising on Financial Assets mandatorily measured at FVTPL*	100.88	157.47
Total	<u>249.78</u>	<u>334.76</u>
* Includes ₹ 100.88 lakhs (2018 - ₹ 154.88 lakhs) being net gain / (loss) on sale of investments.		
26 Employee Benefits Expense		
Salaries, Wages and Bonus	4,759.60	4,440.24
Contribution to Provident and Other Funds	256.33	251.01
Share Based Payments to Employees	99.20	126.06
Staff Welfare Expenses	242.62	321.13
	<u>5,357.75</u>	<u>5,138.44</u>
Less : Recoveries made / Reimbursements received	8.47	9.87
Total	<u>5,349.28</u>	<u>5,128.57</u>
27 Finance Costs		
Interest Expense:		
- On Financial Liabilities measured at Amortised Cost	2.37	3.06
- Others	1.43	19.09
Total	<u>3.80</u>	<u>22.15</u>

NOTES TO THE FINANCIAL STATEMENTS

	For the Year ended 31st March, 2019 (₹ in lakhs)	For the Year ended 31st March, 2018 (₹ in lakhs)
28 Other Expenses		
Car Fuel, Oil & Lubricants	905.90	928.98
Car Hire Charges	7,461.49	6,718.92
Service Charges	2,516.13	2,476.57
Car Parking Charges	265.44	313.30
Rent	495.58	455.20
Rates and Taxes	151.44	126.80
Insurance	119.50	150.36
Repairs		
Commercial Cars	394.15	411.06
Others	146.48	105.98
Electricity Expenses	151.46	154.82
Advertisement	3.61	2.35
Business Promotion & Marketing Expenses	144.13	88.60
Doubtful and Bad Debts	107.96	93.03
Doubtful and Bad Advances etc.	2.10	-
Subscription	15.83	18.43
Bank and Credit Card Charges	39.65	68.28
Information Technology Services	577.89	531.68
Travelling and Conveyance	209.95	165.77
Consultancy/ Professional fees [#]	133.87	91.02
Postage, Telephone etc.	135.19	181.87
Printing and Stationery	100.29	100.11
Corporate Social Responsibility [Refer Note 30 (ii)]	34.18	44.40
Miscellaneous Expenses	121.40	137.58
Total	14,233.62	13,365.11

Miscellaneous Expenses includes:

Auditor's Remuneration and Expenses (Excluding taxes)

Audit Fees	15.00	15.00
Tax Audit Fees	5.50	4.00
Fees for Limited Review	19.50	15.00
Fees for Other Services	3.00	-
Reimbursement of Expenses	2.24	-
Total	45.24	34.00

[#] Includes remuneration for professional services rendered by firms of auditors in which some of the partners of the statutory auditors firm are partners ₹ 9.00 lakhs (2018 - Nil).

NOTES TO THE FINANCIAL STATEMENTS

	For the Year ended 31st March, 2019 (₹ in lakhs)	For the Year ended 31st March, 2018 (₹ in lakhs)
29 Income Tax Expenses		
Amount recognised in Profit or Loss		
Current Tax	242.50	559.63
Deferred Tax	<u>(85.57)</u>	<u>(103.89)</u>
Total	<u>156.93</u>	<u>455.74</u>

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

Profit Before Tax	424.90	1,151.14
Enacted Tax Rate	27.82%	34.608%
Expected Tax Expense	118.21	398.39
Effect of Tax relating to Uncertain Tax Positions	27.60	43.63
Donation	0.28	1.21
Corporate Social Responsibility	4.76	7.68
Retirement Benefit	18.52	(7.02)
Others	<u>(12.44)</u>	<u>11.85</u>
Income Tax Expense	<u>156.93</u>	<u>455.74</u>

NOTES TO THE FINANCIAL STATEMENTS

30. Additional Notes to the Financial Statements

(i) Earnings per share

	2019	2018
Earnings per share has been computed as under		
(a) Profit for the year (₹ in lakhs)	267.97	695.40
(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)](₹)	3.35	8.70

(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 ₹ 34.18 lakhs to the ITC Education Trust (Mar'18- ₹ 44.40 lakhs), in accordance with Section 135 read with Schedule VII to the Companies Act, 2013 to discharge its Social Responsibility. (Refer Note 28)

(iii) Contingent Liabilities & Commitments:

a) Contingent Liabilities: Service tax demand of ₹ 23.62 lakhs (Mar'18- ₹ 23.62 lakhs) issued by Commissioner of Service Tax for the years from July, 2003 to March, 2009 for which Company has filed an appeal with Tribunal (Service Tax) and also deposited cumulative amount of ₹ 14.30 lakhs (Mar'18- ₹ 14.30 lakhs) under protest.

b) Commitments:

Capital commitments ₹ 13.11 lakhs (Mar'18 - ₹ 76.10 lakhs).

(iv) Trade Receivables include an amount of ₹ 46.70 lakhs (Mar'18- ₹ 46.70 lakhs) 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, 2019. 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) Information in respect of Options granted under ITC Employee Stock Option Scheme:

The eligible employees in the Company, including employees deputed from ITC Limited (ITC), are covered under the ITC Employee Stock Option Schemes (ITC ESOS) and the ITC Employee Cash Settled Stock Appreciation Linked Reward Plan (ITC ESAR Plan) in accordance with the terms and conditions of such schemes, details of which are as under:

ITC ESOS

Each Option entitles the holder thereof to apply for and be allotted ten ordinary shares of ₹. 1.00 each of ITC upon payment of the exercise price during the exercise period. These options vest over a period of three years from the date of grant and are exercisable within a period of five years from the date of vesting.

The options have been granted at the 'market price' as defined under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

ITC ESAR

Under the ITC ESAR Plan, eligible employees would receive cash linked to appreciation in the value of the shares of ITC in accordance with the terms and conditions of this Plan. The stock appreciation units (SARs) vest over a period of five years from the date of grant and entitles each ESAR grantee to the appreciation for the total number of ESAR Units vested.

The cost of stock options granted under ITC ESOS / SARs granted under ITC ESAR have been recognized in accordance with Ind AS 102 – Share Based Payment. The Company has accounted for the cost of the fair value of such options / stock appreciation

NOTES TO THE FINANCIAL STATEMENTS

units based on the advice/on-charge by ITC. The fair value of the options / SARs granted is determined, using the Black Scholes Option Pricing model, by ITC for all the grantees covered under ITC ESOS / ITC ESAR as a whole.

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

Particulars*	As at 31st March, 2019	As at 31st March, 2018
	No. of Options	No. of Options
Outstanding at the beginning of the year	1,52,841	1,05,935
Add: Granted during the year (including effects of corporate action during the year)@	-	21,900
Less: Lapsed during the year	-	-
Options due to transfer in and transfer out	-	34,506
Less: Exercised during the year	26,693	(9,050)
Outstanding at the end of the year	1,26,148	1,52,841
Options exercisable at the end of the year	1,02,600	1,04,640
Options Vested and Exercisable during the year	24,653	49,503

* The weighted average exercise price of the options granted to all Optionees under ITC ESOS is computed by ITC as a whole.

@ Includes Nil (Mar'18- 9,830) options granted to the Key Management Personnel of the Company. Since such options are not tradeable, no prerequisite or benefit is immediately conferred upon an employee by such grant.

In accordance with Ind AS 102, an amount of ₹ 90.76 lakhs (Mar'18 - ₹126.06 lakhs) towards ITC ESOS and ₹ 8.44 lakhs (Mar'18 - Nil) towards ITC ESAR has been recognised as employee benefits expense (Refer Note 26) with corresponding credit to Financial Liabilities. Out of the above, ₹ 57.51 lakhs (Mar'18- ₹ 67.36 lakhs) is attributable to key management personnel [Mr. S Sequeira ₹ 38.43 lakhs (Mar'18 - ₹ 53.08 lakhs); Mr G. Kaushik ₹ 11.29 lakhs (Mar'18 - Nil) and Ms. J Aggarwal ₹ 7.79 lakhs (Mar'18 - ₹14.28 lakhs)].

(vii) 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 i.e. travel related services.

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

(viii) Standards issued but not yet effective

Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) (Amendment) Rules, 2019 on 30th March, 2019 notifying Ind AS 116, 'Leases' and consequent amendments in other relevant Indian Accounting Standards and amending Ind AS 12 'Income Taxes'; Ind AS 19 'Employee Benefits'; Ind AS 23 'Borrowing Costs'; Ind AS 28 'Investment in Associates and Joint Ventures'; Ind AS 103 'Business Combinations'; Ind AS 109 'Finance Instruments'; Ind AS 111 'Joint Arrangements'. The same are applicable for financial statements pertaining to annual periods beginning on or after 1st April, 2019. The Company expects that there will be no material impact on the financial statements resulting from the implementation of these standards.

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

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Not later than one year	80.51	72.13
Later than one year and not later than five years	61.92	132.25
Later than five years	-	-

NOTES TO THE FINANCIAL STATEMENTS

31 (a) Defined Benefit Plans / Long Term Compensated Absences

Description of Plans

The Company makes contributions to defined benefit plans and defined contribution plans for qualifying employees. Some of these are administered through duly constituted and approved Trusts, which operate 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 review the performance of the Trusts.

Gratuity benefits are funded and leave encashment & medical benefits are unfunded in nature. The defined benefit pension plans are based on employees pensionable remuneration and length of service. Under the Provident Fund and 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: This may arise from volatility in asset values and losses arising due to impairment of assets.

Interest Rate Risk: The Schemes' accounting liabilities are calculated using a discount rate set with reference to the Government security yields. A decrease in yields will increase the funds' liabilities and vice-versa.

Salary Cost Inflation Risk: The Schemes accounting liabilities are calculated with reference to the future salaries of participants under the Plan. 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. Periodic audits are conducted to ensure adequacy of internal controls. The Company's defined benefit pension plans has been closed to new entrants. Future pension obligation of an employee is secured by purchasing annuities thereby de-risking the Plans from future payment obligations.

		For the year ended 31st March, 2019				For the year ended 31st March, 2018			
		(₹ in lakhs)				(₹ in lakhs)			
		Pension	Gratuity	Leave Encashment	Medical	Pension	Gratuity	Leave Encashment	Medical
		Funded		Unfunded		Funded		Unfunded	
I	Components of Employer Expense								
	Recognised in Profit or Loss								
1	Current Service Cost	16.76	37.94	35.01	2.19	23.09	43.16	19.80	3.64
2	Past Service Cost - Vested	-	-	-	-	-	1.97	-	-
3	Net Interest Cost	20.12	(0.22)	20.16	2.54	5.09	5.11	19.16	2.68
4	Total expense recognised in the Statement of Profit and Loss	36.88	37.72	55.17	4.73	28.18	50.24	38.96	6.32
	Re-measurements recognised in Other Comprehensive Income								
5	(Return) on plan assets (excluding amounts included in Net interest cost)	15.27	9.60	-	-	4.05	(3.72)	-	-
6	Effect of changes in demographic assumptions	-	23.73	-	(12.70)	-	-	-	-
7	Effect of changes in financial assumptions	-	-	-	-	(12.75)	(31.71)	-	(1.46)
8	Changes in asset ceiling (excluding interest income)	-	-	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

		For the year ended 31st March, 2019				For the year ended 31st March, 2018			
		(₹ in lakhs)				(₹ in lakhs)			
		Pension	Gratuity	Leave Encashment	Medical	Pension	Gratuity	Leave Encashment	Medical
		Funded		Unfunded		Funded		Unfunded	
9	Effect of experience adjustments	71.56	(7.07)	-	(2.95)	189.07	8.52	-	(9.24)
10	Total re-measurements included in OCI	86.83	26.26	-	(15.65)	180.37	(26.91)	-	(10.70)
11	Total defined benefit cost recognised in Profit and Loss and Other Comprehensive Income (4+10)	123.71	63.98	55.17	(10.92)	208.55	23.32	38.96	(4.38)

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”, Medical in “Staff Welfare Expenses” and Leave Encashment in “Salaries and wages” under Note 26. The re-measurements of the net defined benefit liability are included in Other Comprehensive Income.

		For the year ended 31st March, 2019				For the year ended 31st March, 2018			
		(₹ in lakhs)				(₹ in lakhs)			
		Pension	Gratuity	Leave Encashment	Medical	Pension	Gratuity	Leave Encashment	Medical
II	Actual Returns	7.96	24.21	-	-	27.68	30.46	-	-

III Net Asset / (Liability) recognised in Balance Sheet									
1	Present Value of Defined Benefit Obligation	398.40	454.46	263.77	22.27	578.49	448.32	269.02	33.85
2	Fair Value of Plan Assets	86.16	411.21	-	-	309.96	451.23	-	-
3	Status [Surplus/(Deficit)]	(312.24)	(43.25)	(263.77)	(22.27)	(268.53)	2.91	(269.02)	(33.85)
4	Restrictions on Asset Recognised	-	-	-	-	-	-	-	-

5 Net Asset / (Liability) recognised in Balance Sheet		As at 31st March, 2019 (₹ in lakhs)		As at 31st March, 2018 (₹ in lakhs)	
		Current	Non-current	Current	Non-current
	Pension	(312.24)	-	(268.53)	-
	Gratuity	(43.25)	-	2.91	-
	Leave Encashment	(46.84)	(216.93)	(26.00)	(243.02)
	Medical	(1.41)	(20.86)	(6.34)	(27.51)

NOTES TO THE FINANCIAL STATEMENTS

		For the year ended 31st March, 2019				For the year ended 31st March, 2018			
		(₹ in lakhs)				(₹ in lakhs)			
		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	578.49	448.32	269.02	33.85	545.48	471.80	283.88	38.29
2	Current Service Cost	16.76	37.94	35.01	2.20	23.09	43.16	19.80	3.64
3	Interest Cost	43.36	33.60	20.16	2.54	36.82	31.85	19.16	2.68
4	Remeasurement gains / (losses):								
	Effect of changes in demographic assumptions	-	23.73	-	(12.70)	-	-	-	-
	Effect of changes in financial assumptions	-	-	-	-	(12.75)	(31.71)	-	(1.46)
	Changes in asset ceiling (excluding interest income)	-	-	-	-	-	-	-	-
	Effect of experience adjustments	71.56	(7.07)	-	(2.96)	189.07	8.52	-	(9.24)
5	Past Service Cost - Vested	-	-	-	-	-	1.97	-	-
6	Curtailement Cost / (Credit)	-	-	-	-	-	-	-	-
7	Settlement Cost / (Credits)	-	-	-	-	-	-	-	-
8	Liabilities assumed in business combination	-	-	-	-	-	-	-	-
9	Exchange difference on foreign plans	-	-	-	-	-	-	-	-
10	Benefits Paid	(311.77)	(82.06)	(60.42)	(0.66)	(203.22)	(77.27)	(53.82)	(0.06)
11	Present Value of DBO at the end of the year	398.40	454.46	263.77	22.27	578.49	448.32	269.02	33.85

V	Best Estimate of Employer's Expected Contribution for the next year	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
	Pension	18.43	51.57
	Gratuity	39.96	47.90
	Leave Encashment	75.92	65.64
	Medical	5.21	6.87

		For the year ended 31st March, 2019				For the year ended 31st March, 2018			
		(₹ in lakhs)				(₹ in lakhs)			
		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	309.96	451.23	-	-	470.05	396.10	-	-
2	Asset acquired in Business Combination	-	-	-	-	-	-	-	-
3	Expected Return on Plan Assets	23.23	33.81	-	-	31.73	26.74	-	-
4	Remeasurement Gains/(Losses) on plan assets	(15.27)	(9.60)	-	-	(4.05)	3.72	-	-
5	Actual Company Contributions	80.00	17.83	-	-	15.45	101.94	-	-
6	Benefits Paid	(311.77)	(82.06)	-	-	(203.22)	(77.27)	-	-
7	Plan Assets at the end of the year	86.16	411.21	-	-	309.96	451.23	-	-

NOTES TO THE FINANCIAL STATEMENTS

VII	Actuarial Assumptions	As at 31st March, 2019	As at 31st, March 2018
		Discount Rate (%)	Discount Rate (%)
1	Pension	7.50	7.50
2	Gratuity	7.50	7.50
3	Leave Encashment	7.50	7.50
4	Medical	7.50	7.50

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.

VIII	Major Category of Plan Assets as a percentage of the Total Plan Asset	As at 31st March, 2019	As at 31st March, 2018
	Pension		
1	Government Securities / Special Deposit with RBI	38.50	10.70
2	High Quality Corporate Bonds	-	-
3	Insurer Managed Funds*	16.70	77.73
4	Mutual Funds	4.00	1.06
5	Cash and Cash Equivalents	8.50	1.54
6	Term Deposits	32.30	8.97

	Gratuity	As at 31st March, 2019	As at 31st March, 2018
1	Government Securities / Special Deposit with RBI	-	-
2	High Quality Corporate Bonds	-	-
3	Insurer Managed Funds*	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 of 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, 2019 (₹ in lakhs)				For the year ended 31st March, 2018 (₹ in lakhs)			
		Pension	Gratuity	Leave Encashment	Medical	Pension	Gratuity	Leave Encashment	Medical
1	Present Value of Defined Benefit Obligation	398.40	454.46	263.77	22.27	578.49	448.32	269.02	33.85
2	Fair Value of Plan Assets	86.16	411.21	-	-	309.96	451.23	-	-
3	Status [Surplus/(Deficit)]	(312.24)	(43.25)	(263.77)	(22.27)	(268.53)	2.91	(269.02)	(33.85)
4	Experience Adjustment of Plan Assets [Gain / (Loss)]	-	-	-	-	-	-	-	-
5	Experience Adjustment of obligation [(Gain) / Loss]	71.56	(7.07)	-	(2.96)	189.07	8.52	-	(9.24)

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

(₹ in lakhs)

		DBO as at 31st March, 2019	DBO as at 31st March, 2018
1	Discount Rate +0.50%	(25.50)	(27.68)
2	Discount Rate - 0.50%	28.09	41.92
3	Salary Increase Rate +0.50%	9.34	43.06
4	Salary Increase Rate -0.50%	(6.60)	(28.42)

Gratuity

(₹ in lakhs)

		DBO as at 31st March, 2019	DBO as at 31st March, 2018
1	Discount Rate +0.50%	(14.45)	(25.85)
2	Discount Rate - 0.50%	15.29	23.73
3	Salary Increase Rate +0.50%	15.30	24.37
4	Salary Increase Rate -0.50%	(14.61)	(26.55)

Leave Encashment

(₹ in lakhs)

		DBO as at 31st March, 2019	DBO as at 31st March, 2018
1	Discount Rate +0.50%	(7.37)	(23.87)
2	Discount Rate - 0.50%	7.78	20.27
3	Salary Increase Rate +0.50%	7.85	24.51
4	Salary Increase Rate -0.50%	(7.51)	(20.82)

(b) Amounts towards Defined Contribution Plans have been recognised under “Contribution to Provident and other funds” in Note 26, ₹ 172.88 lakhs (Mar’18 - ₹ 179.61 lakhs).

32 **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 Limited
- b Russell Credit Limited

ii Subsidiaries of ITC Limited and its subsidiaries

- a ITC Infotech India Limited
- b Srinivasa Resorts Limited
- c Surya Nepal Private Limited
- d Fortune Park Hotels Limited
- e Landbase India Limited
- f Greenacre Holdings Limited
- g WelcomHotels Lanka (Private) Limited, Sri Lanka
- h Technico Agri Sciences Limited

iii a) Key Management Personnel ('KMP')

N Anand	Non Executive Chairman
P V Dhobale	Non Executive Independent Director (w.e.f. 01.11.2018)
A Nayak	Non Executive Independent Director (w.e.f. 30.07.2018)
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 (upto 13.11.2018)
J Singh	Non Executive Director

Members - Corporate Management Committee - ITHL

- A Kumar
- S Sequeira
- A Bhattacharjee (upto 13.01.2019)
- G Kaushik (w.e.f. 30.07.2018)
- J Ahluwalia (w.e.f. 30.07.2018)

Company Secretary

- J Aggarwal

b) Relatives of KMP of ITHL

- Ms 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 and Ms S Anand - Daughter in-law of Mr N Anand
- Ms A Rajput - Wife of Mr A Rajput, Mr K Rajput and Mr N Bhalla - Sons of Mr A Rajput, Ms P Sharma - Daughter in-law of Mr A Rajput, Ms S Rajput - Daughter of Mr A Rajput
- Ms P Thapar - Wife of Mr K L Thapar, Ms D Thapar - Daughter of Mr K L Thapar
- Ms R Singh - Wife of Mr J Singh, Mr J Singh and Mr A Singh - Sons of Mr J Singh
- Mr A Aggarwal - Husband of Ms J Aggarwal, Mr R Aggarwal - Son of Ms J Aggarwal, Ms K Aggarwal - Daughter of Ms J Aggarwal, Ms S V Subramoni - Sister of Ms J Aggarwal
- Ms P Sequeira - Mother of Mr S Sequeira, Ms J Sequeira - Wife of Mr S Sequeira, Mr J Sequeira and Mr J Sequeira - Sons of Mr S Sequeira
- Ms D Bhattacharjee - Wife of Mr A Bhattacharjee, Mr R Bhattacharjee - Son of Mr A Bhattacharjee
- Mr A V S Manium - Father of Mr G Kaushik

iv Enterprise on which KMP exercise significant influence

- Asian Institute of Transport Development (upto 13.11.2018)

v Employee trusts where there is significant influence

- Travel House Superannuation Fund
- International Travel House Limited Gratuity Fund

NOTES TO THE FINANCIAL STATEMENTS

32. Related Party Disclosure (contd.)
Disclosure of transactions between the Company and Related Parties and the status of outstanding balances as at 31st March, 2019
(₹ in lakhs)

Related Party Transactions	Companies with respect to which ITHL is an associate or subsidiaries of ITC Limited and its subsidiaries		Key Management Personnel		Key Management Personnel Relatives / Enterprises		Employee Trusts		Total	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018
Sale of Services (Gross)[^]										
ITC Limited	8,388.29	6,685.84	-	-	-	-	-	-	8,388.29	6,685.84
Russell Credit Limited	0.38	1.21	-	-	-	-	-	-	0.38	1.21
Others	3,249.49	3,098.49	29.71	27.88	80.54	46.93	-	-	3,359.74	3,173.30
Total	11,638.16	9,785.54	29.71	27.88	80.54	46.93	-	-	11,748.41	9,860.35
Purchase of Goods and Services										
ITC Limited	272.07	244.15	-	-	-	-	-	-	272.07	244.15
Others	317.18	295.45	-	-	-	-	-	-	317.18	295.45
Total	589.25	539.60	-	-	-	-	-	-	589.25	539.60
Remuneration to Key Management Personnel *										
a) short-term employee benefits	-	-	226.01	186.59	-	-	-	-	226.01	186.59
b) share-based payment [Refer Note 30 (vi)]	-	-	-	-	-	-	-	-	-	-
c) Remuneration to Key Management Personnel on Deputation Reimbursed #	-	-	144.60	108.43	-	-	-	-	144.60	108.43
Total	-	-	370.61	295.02	-	-	-	-	370.61	295.02
Directors Fees										
Mr. P V Dhobale	-	-	0.50	-	-	-	-	-	0.50	-
Mr. A. Nayak	-	-	0.70	-	-	-	-	-	0.70	-
Mr. K. L. Thapar	-	-	1.50	2.10	-	-	-	-	1.50	2.10
Mr. H. P. Ramina	-	-	2.00	1.80	-	-	-	-	2.00	1.80
Mrs S Pillai	-	-	2.10	2.20	-	-	-	-	2.10	2.20
Total	-	-	6.80	6.10	-	-	-	-	6.80	6.10
Rent Paid										
ITC Limited	85.78	87.77	-	-	-	-	-	-	85.78	87.77
Others	19.16	17.98	-	-	-	-	-	-	19.16	17.98
Total	104.94	105.75	-	-	-	-	-	-	104.94	105.75

[^] Gross transaction value of sale of services rendered.

*Liability for Leave Encashment, Gratuity and Superannuation are determined on an actuarial basis for the Company as a whole and hence not separately provided.

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

NOTES TO THE FINANCIAL STATEMENTS

32 Related Party Disclosure (contd.)
Disclosure of transactions between the Company and Related Parties and the status of outstanding balances as at 31st March, 2019 (₹ in lakhs)

Related Party Transactions	Companies with respect to which ITHL is an associate or subsidiaries of ITC Limited and its subsidiaries		Key Management Personnel		Key Management Personnel Relatives / Enterprises		Employee Trusts		Total
	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018	
Remuneration of Managers / Key Management Personnel on Deputation Reimbursed **									
ITC Limited	382.78	337.69	-	-	-	-	-	-	337.69
Others	-	33.06	3.58	-	-	-	-	-	33.06
Total	382.78	370.75	3.58	-	-	-	-	-	370.75
Remuneration of Managers on Deputation Recovered									
ITC Limited	8.47	9.87	-	-	-	-	-	-	9.87
Contribution to Employees' Benefit Plans									
Travel House Superannuation Fund	-	-	-	-	-	-	80.00	15.45	15.45
International Travel House Limited Gratuity Fund	-	-	-	-	-	-	17.83	101.94	101.94
Total	-	-	-	-	-	-	97.83	117.39	117.39
Dividend Payments									
ITC Limited	12.22	12.22	-	-	-	-	-	-	12.22
Russell Credit Limited	154.13	154.13	-	-	-	-	-	-	154.13
Others	-	-	-	-	-	-	-	-	-
Total	166.35	166.35	-	-	-	-	-	-	166.35
Expenses Reimbursed									
ITC Limited	44.02	40.75	-	-	-	-	-	-	40.75
Advances Given during the year									
ITC Limited	11.61	-	-	-	-	-	-	-	11.61
Adjustment / Receipt towards Refund of Advances									
ITC Limited	11.61	-	-	-	-	-	-	-	11.61
Advances Received during the year									
ITC Limited	46.67	-	-	-	-	-	-	-	46.67
Adjustment / Payment towards Refund of Advances									
ITC Limited	18.47	-	-	-	-	-	-	-	18.47

** Includes cost of fair value of option granted under ITC Employees Stock Option Scheme [Refer note 30(vi)]

NOTES TO THE FINANCIAL STATEMENTS

32 Related Party Disclosure (contd.)
Disclosure of transactions between the Company and Related Parties and the status of outstanding balances as at 31st March, 2019

(₹ in lakhs)

Outstanding Balances	Companies with respect to which ITHL is an associate or subsidiaries of ITC Limited and its subsidiaries		Key Management Personnel		Key Management Personnel Relatives / Enterprises		Employee Trusts		Total	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018
Receivables										
ITC Limited	3,363.66	1,805.92	-	-	-	-	-	-	3,363.66	1,805.92
Russell Credit Limited	0.12	0.10	-	-	-	-	-	-	0.12	0.10
Others	235.75	63.49	-	-	0.46	2.97	-	-	236.21	66.46
Deposits Given										
ITC Limited	6.68	6.98	-	-	-	-	-	-	6.68	6.98
Others	56.61	56.61	-	-	-	-	-	-	56.61	56.61
Advances Given										
ITC Limited	-	-	-	-	-	-	-	-	-	-
International Travel House Limited Gratuity Fund	-	-	-	-	-	-	2.91	-	-	2.91
Advances Received										
ITC Limited	28.20	-	-	-	-	-	-	-	28.20	-
Payables										
ITC Limited	52.77	107.78	-	-	-	-	-	-	52.77	107.78
Travel House Superannuation Fund	-	-	-	-	-	-	312.24	268.53	312.24	268.53
International Travel House Limited Gratuity Fund	-	-	-	-	-	-	43.25	-	43.25	-
Others	0.20	0.18	-	-	-	-	-	-	0.20	0.18

33 Financial risk management objectives and policies

The Company has a system-based approach to business risk management. The financial risk management process enables the early identification, evaluation and effective management of key financial risks including market risk, credit risk and liquidity risk that may arise as a consequence of its business activities as well as investing and financing activities. 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 risk comprise three types of risk- interest rate risk, foreign currency risk and price risk. Treasury activities, focussed on managing investments in debt instruments, are centralised and administered under a set of approved policies and procedures guided by the tenets of liquidity, safety and returns. 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

Fixed deposits are held with highly rated banks and companies and have a short tenure and are not subject to interest rate volatility. Since majority of the financial assets 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. The Company invests in mutual funds of leading fund houses. The Company's Board of Directors has approved an investment policy for the Company. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

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 investing 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 score card and individual credit limits are defined in accordance with this assessment. Concentrations of credit risk is limited as the Company's customer base is large and diverse. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counter party etc. 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

NOTES TO THE FINANCIAL STATEMENTS

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.

The Company's maximum exposure to credit risk for the components of the Balance Sheet at 31st March, 2019 and 31st March, 2018 is the carrying amounts as illustrated below:

(₹ in lakhs)			
Particulars	Note	As at 31st March, 2019	As at 31st March, 2018
Loans	13	-	1.23
Investments in Mutual Funds and Equity Shares	4 & 9	-	1,484.77
Trade Receivables	10	13,306.21	11,466.62
Cash and Cash Equivalents and Other Bank Balances	11 & 12	1,449.27	2,426.35
Other Financial Assets	5 & 14	870.04	638.64
Total		15,625.52	16,017.61

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 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 Company's Current Assets aggregate to ₹ 16,810.75 lakhs (Mar'18 - ₹ 16,949.39 lakhs) including Current Investments, Cash and Cash Equivalents and Other Bank Balances of ₹ 1,449.27 lakhs (Mar'18 - ₹ 3,911.12 lakhs) against an aggregate Current Liability of ₹ 4,550.56 lakhs (Mar'18 - ₹ 4,032.78 lakhs). There are no non-current financial liabilities on the reporting date. Further, the Company has no borrowings. In such circumstances, liquidity risk or risk that the Company may not be able to settle or meet its obligations as they become due does not exist.

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.

34. Figures for the previous periods are re-arranged, wherever necessary, to conform to the figures of the current period.

As per our report of even date

for Deloitte Haskins & Sells LLP
ICAI Firm Registration No.: 117366W/W-100018
Chartered Accountants

Sameer Rohatgi
Partner

Place : New Delhi
Date : 15th April, 2019

Signature to Notes 1 to 34
On behalf of the Board

A Rajput
Director

A Kumar
Chief Executive Officer

Place : New Delhi
Date : 15th April, 2019

S Sequeira
Chief Financial Officer

J Singh
Director

J Aggarwal
Company Secretary

INDEPENDENT AUDITOR’S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of International Travel House Limited (“the Company”), which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2019 and its profit, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor’s Response
I.	<p>Recoverability of Trade Receivables</p> <p>We refer to note I(iv) (Significant Accounting Policies), note 2(d) (Use of Estimates) and note 10 (Trade Receivables) of the financial statements.</p> <p>Trade receivable balances were significant to the Company as they represented 64% of the Company’s total assets as at 31 March 2019. The collectability of trade receivables is a key element of the Company’s working capital management, which is managed on an ongoing basis by management. Trade receivables impairment assessment requires significant judgement from management. In making the assessment the management has considered the historical credit loss experience adjusted for forward looking information as well as customer specific profiles and risks. Hence, we determined that this is a key audit matter.</p>	<p>As part of our audit procedures, we assessed the Company’s processes and key controls relating to the monitoring of trade receivables and aging considered to identify collection risks. We performed audit procedures, amongst others, sending trade receivable confirmations, and reviewing for collectability by way of obtaining evidence of subsequent receipts from the trade receivables. We had discussions with management on the recoverability of long outstanding debts and analysed historical trend of collections for such trade debtors and assessed management’s assumptions used to determine the credit loss for trade receivables including consideration of customer specific profiles and risks. We also assessed the adequacy of the Company’s disclosures on the trade receivables and the related credit risk in Notes 10 and 33B. to the financial statements.</p>

INDEPENDENT AUDITOR'S REPORT

Information Other than the Financial Statements and Auditors' report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this Auditor's report.

- Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

- When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other 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 Act with respect to the preparation of these 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 the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying

INDEPENDENT AUDITOR'S REPORT

transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

report on Other Legal and regulatory requirements

I. As required by Section 143(3) of the Act, based on our audit 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, the Statement of Profit and Loss including Other Comprehensive Income, the 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 financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Company as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) 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, as amended, 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 financial statements [Refer Note 30.iii];
 - 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.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration Number: 117366W/W-100018

Sameer Rohatgi
Partner

Membership Number: 094039

Place : New Delhi
Date : 15th April, 2019

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph I (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 of 31st March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that 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 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 Company's 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 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, to the best of our information and according to the explanations given to us, 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 31st March, 2019, 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 Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration Number: 117366W/W-100018

Sameer Rohatgi
Partner

Place : New Delhi
Date : 15th April, 2019

Membership Number: 094039

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of its Property, Plant & Equipment:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.
 - b) The property, plant & equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant & equipment at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and the records examined by us and based on the examination of the title deed provided to us, we report that, the conveyance deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except the following:

Particulars of the land and Building	Carrying Amount as at 31st March, 2019 (₹ in lakhs)	Remarks
Building No. 1	45.64	As explained to us, the registration process of transferring the property in the name of Company was initiated in 2014-2015
Building No. 2	7.90	As explained to us, the registration process of transferring the property in the name of Company was initiated in 2014-2015

In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial

According to information and explanations given to us, disputed dues of Service Tax that have not been deposited are as follows:-

Name of the Statute	Nature of Dues	Amount (₹ in lakhs)	Paid under Protest (₹ in lakhs)	Year to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax Demand on various incomes	146.16	14.30	2004-2009	CESTAT
Finance Act, 1994	Service Tax Demand on various incomes	519.42	22.50	April, 2010 to March, 2015	CESTAT

statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

- (ii) The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.
- (iii) 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.
- (iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the order is not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. There are no unclaimed deposits and hence reporting under clause (v) of the order is not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(I) of the Companies Act, 2013.
- (vii) According to the information and explanations given to us in respect of statutory dues:
 - a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employee's State Insurance, Income-tax, Goods and Service Tax and other material statutory dues applicable to it with the appropriate authorities.
 - b) There were no undisputed amounts payable in respect of Provident Fund, Employee's State Insurance, Income-tax, Goods and Service Tax and other material statutory dues in arrears as at 31st March, 2019 for a period of more than six months from the date they became payable.
 - c) There are no dues of Income Tax, Sales Tax, Value Added Tax, Customs duty, Excise Duty and Goods & Service Tax that have not been deposited on account of any dispute.

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

Name of the Statute	Nature of Dues	Amount (₹ in lakhs)	Paid under Protest (₹ in lakhs)	Year to which the amount relates	Forum where dispute is pending
Value Added Tax Act, Telangana, 2005	VAT Demand on Car Rentals	343.77	7.50	November, 2011 to September, 2013	High Court, Telangana
Value Added Tax Act, Telangana, 2005	VAT Demand on Car Rentals	266.17	-	October, 2013 to June, 2017	High Court, Telangana

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to bank. The Company has not taken any loan or borrowing from financial institutions and Government neither it has issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance

with Sections 177 and 188 of the Companies Act, 2013, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate Company or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration Number: 117366W/W-100018

Place : New Delhi
Date : 15th April, 2019

Sameer Rohatgi
Partner
Membership Number: 094039

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ITH continuously strives to deliver a superior customer experience. In a recent survey, 88.80% of our clients are happy to refer ITH to friends, family and colleagues. This appreciation encourages us to work harder towards higher standards of service excellence.



International Travel House Limited

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