42nd ANNUAL REPORT

2018-2019

India Trade Promotion Organisation

Shri Mahesh Sharma, Hon'ble Minister of State for Culture and Environment, Forest and Climate Change and Shri C.R. Chaudhary, Hon'ble Minister of State for Commerce and Industry at inauguration of India International Trade Fair, 2018

India Trade Promotion Organisation Annual Report 2018-19

Papers to be laid on the table of
Lok Sabha / Rajya Sabha

AUTHENTICATED

42nd Annual General Meeting of ITPO in Progress

Auditors

M/s S P Chopra & Co.
Chartered Accountants

Main Bankers

Central Bank of India
Canara Bank
Union Bank of India

42nd ANNUAL REPORT 2018-19



India Trade Promotion Organisation

World Class Iconic International Exhibition-Cum-Convention Centre (IECC)

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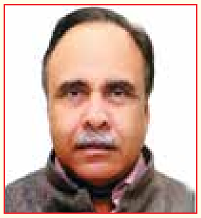
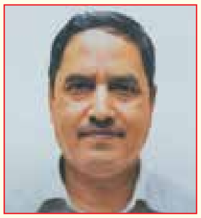
42nd ANNUAL REPORT
2018-19

BOARD OF DIRECTORS

Shri L.C.Goyal
Chairman & Managing Director
(w.e.f. 02.09.2015)



Dr. S. C. Pandey
Special Secretary & Financial Adviser
Ministry of Commerce & Industry
(upto 30-06-2019)



Shri Shashank Priya
Addl. Secretary & Financial Adviser
Ministry of Commerce and Industry
(w.e.f. 28-08-2019)

Shri Sanjay Chadha
Addl. Secretary
Ministry of Commerce and Industry
(Up to 09-12-2018)

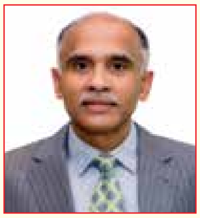
Shri Praveen Bonigala
Joint Secretary
Ministry of Commerce and Industry
(Up to 21-06-2019)

Smt. Nidhi Mani Tripathi
Joint Secretary
Ministry of Commerce and Industry
(w.e.f. 28-08-2019)

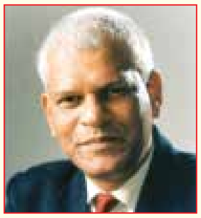
Smt. Alka Nangia Arora
Joint Secretary
Ministry of Micro Small & Medium Enterprises
(w.e.f. 17-08-2017)

Shri Vinod K. Jacob
Joint Secretary(ED)
Ministry of External Affairs
(upto 23-12-2018)

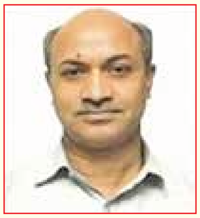
Shri Manoj K Bharthi
Addl. Secretary
Ministry of External Affairs
(upto 30-06-2019)



Shri P Harish
Addl. Secretary
Ministry of External Affairs
(w.e.f. 01-07-2019)



Shri P.N. Vijay
Director
(upto 09-06-2019)



Shri Deepak Kumar
Executive Director
(upto 19-06-2019)

Shri Rajneesh
Executive Director
(upto 27-08-2019)

Shri Rajesh Agrawal
Executive Director
(w.e.f. 28-08-2019)

KEY EXECUTIVES

(As on date of AGM on 27.09.2019)

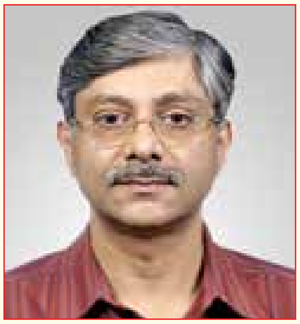
Shri Jayanta Das
Sr. General Manager

Shri Ajay Kumar Vashist
General Manager

Shri D.M. Sharma
FA&CAO

Shri Vikas Malhotra
General Manager

Shri S. R. Sahoo
General Manager & Company Secretary



Shri Ashutosh Varma
General Manager

Ms. Hema Maity
General Manager

India International Trade Fair 2018

India International Trade Fair 2018

ITPO OFFICES INDIA

India Trade
Promotion Organisation

India International Trade Fair 2018

India International Trade Fair 2018

ITPO OFFICES IN INDIA

Registered & Head Office
India Trade Promotion Organisation
Pragati Maidan, New Delhi-110001 (INDIA)
Tel.: 91-11-23371540 (EPABX) Fax : 91-11-23371492
E-mail: info@itpo.gov.in Website : www.indiatradefair.com
Trade Portal : www.tradeportalofindia.com
CIN : U74899DL1976NPL008453

REGIONAL OFFICES

Chennai
Raja Annamalai Building, 2nd Floor,
18-A, Rukmani Lakshmipathi Road,
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Tel.: 91-44-28554655/28587297/28415416/28524655
Fax : 91-44-28554740
E-mail: itpochn@md4.vsnl.net.in
narayanv@itpo.gov.in

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Tel.: 91-33-22825820/22822904/22828586
Fax : 91-33-22828269
E-mail: itpocal@cal3.vsnl.net.in
rroy@itpo.gov.in

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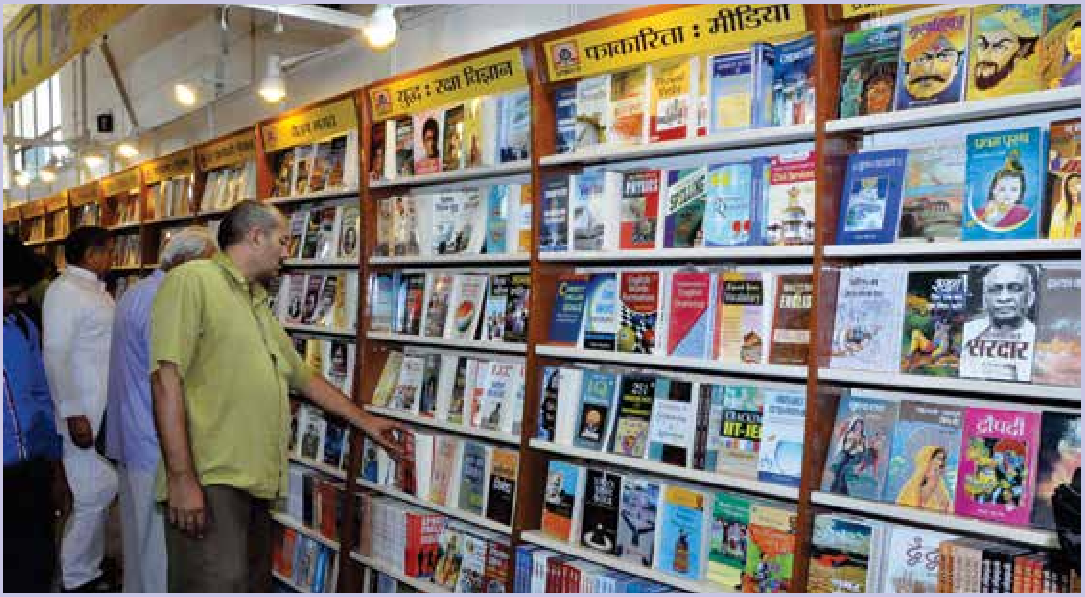
7-Cooperage Road,
3rd Floor, Jhansi Castle,
Mumbai- 400001.
Tel.: 91-22-22026629/22021788/22044918/22021730/22850878
Fax : 91-22-22044922
E-mail: itpo@itpomumbai.com
itpomumbai@gmail.com



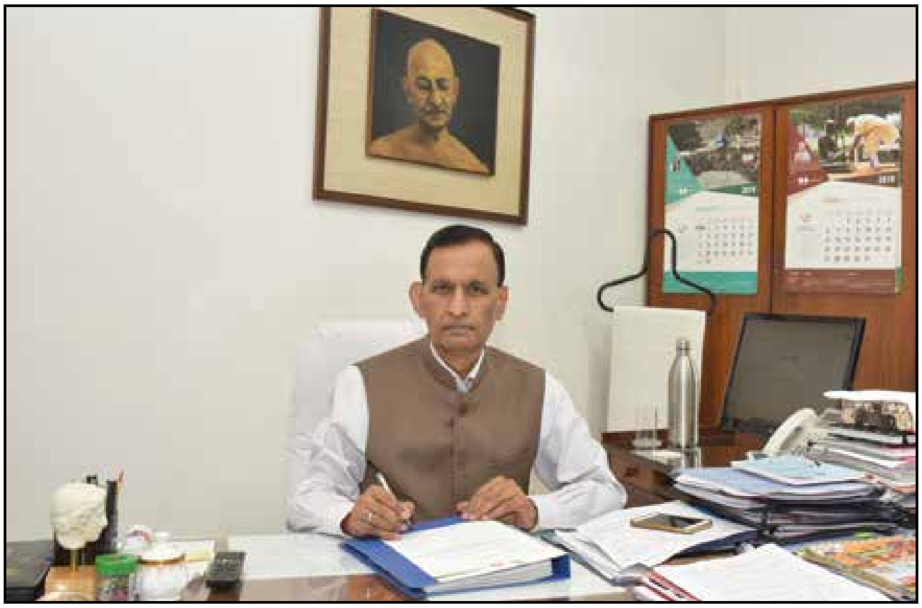
Delhi Book Fair 2018

Delhi Book Fair, Stationery Fair, Office Automation & Corporate Gift Fair 2018

CHAIRMAN'S STATEMENT

India Trade
Promotion Organisation

CHAIRMAN'S STATEMENT 42nd ANNUAL GENERAL MEETING



LADIES & GENTLEMEN,

It is my honour and proud privilege to extend a very warm welcome to you all to the 42nd Annual General Meeting of ITPO.

The Directors' Report and the Audited standalone Accounts and Consolidated Accounts for the financial year 2018-19, along with the Statutory Auditors Report and the Comments of the Comptroller & Auditor General of India (Standalone) have already been circulated. I am extremely delighted to mention that Annual Accounts of ITPO (Standalone) for the year 2018-19 have received 'Nil' comments from C&AG of India. With your permission, I take them as read.

CHALLENGES AND OPPORTUNITIES AHEAD

As I mentioned earlier, the exhibition industry in India is poised for a tremendous growth due to the sustained growth in economy and trade. The ambitious vision of the Hon'ble Prime Minister, Shri Narender Modi to make India a 5 trillion US$ economy gives an opportunity to all the stakeholders to dream big and to make efforts to make the dream come true. As Asia and India in particular will be at the forefront of the Global Exhibition and Convention Industry, your Company is in the midst of implementing a mega IECC Project which is likely to be partially completed within the financial year 2019-20 and the entire project by the end of December, 2020.

Also your Company continues with renewed vigour to take up challenges and opportunities and contribute to the growth of economy by showcasing India's strength and potential through trade fairs/exhibitions in India and abroad. With the upgraded infrastructure including the world-class facilities for exhibitions and conventions on completion of the IECC Project, ITPO will be able to do better and enable more number of exhibitions and conferences. ITPO has taken a major initiative by setting up a Single Point Contact (SPC) for ease of doing business at Pragati Maidan which facilitates third party organisers to resolve issues through a single window while holding events at Pragati Maidan. Further, the requirement of various NOCs can be taken online from DCP(Licensing), instead of seeking individual NOCs

from various departments to obtain the permission of DCP (Licensing) for holding any exhibition/conference at Pragati Maidan. This is likely to be launched very soon. ITPO has taken up the Theme "**Ease of Doing Business**" during IITF, 2019 (14-27 November), where all States and Government Organisations and other stakeholders will put their best foot forward for realisation of the Hon'ble Prime Minister's vision of "New India".

FINANCIAL PERFORMANCE

I am happy to mention that the total income generated by the Company during the year is Rs.253.59 crore against Rs. 359.55 crore (Recast as per Ind-AS) generated in the previous year. The main reasons for decline in total Income are the reduction in exhibition space due to the ongoing IECC Project and the reduction in surplus funds invested with Banks.

MAJOR ACHIEVEMENTS/HIGHLIGHTS OF ACTIVITIES OF ITPO

Performance rating under MoU

Your Company has achieved MoU "**Very Good**" rating for 2017-18, in spite of availability of less area due to the ongoing IECC Project and the reduction in interest income. For the year 2018-19 also, as per self-evaluation, the MoU rating is likely to be "**Very Good**".

During the year, significant initiatives have been undertaken for improving and augmenting the infrastructure capacity and service delivery of ITPO. These include the following:

- **E-Enablement for ease of doing business:**
- Online booking of tickets and business visitor registration implemented for the IITF, Aahar and the New Delhi World Book Fair
- Online space booking system in domestic events.
- Online booking of Halls & service requirements for 3rd party events
- E-procurement from GEMS/e-tendering introduced.
- Comprehensive Mobile Apps of ITPO implemented
- Functioning of E-payment/E-refund
- Wi-fi facility in all AC halls.
- **Customer Friendly Measures**
- Competitive tariff policy introduced for 3rd party events.
- Single Point of Contact(SPC) effectively working
- Inspection & Service delivery team introduced to ensure better delivery services to organisers/ participants.
- Implementation of 'Help Desk' for third-party events.
- Regular interaction with participants/ organizers.
- **Other Measures**
- Economy and austerity measures introduced
- Rationalization of staff

PARTICIPATION IN FAIRS HELD ABROAD

During the year 2018-19, the company organized India's national level participation and organized India shows in 32 overseas trade fairs. These 32 events were held in Europe, Africa/WANA, NAFTA, LAC, ASEAN, South Asia, and NEA. Out of these events, 10 were new events. Some of the major events included Summer Fancy Food Show, New York(USA), SIAL, Paris(France), India Garment Fair and India Home Furnishing Fair, Osaka(Japan), AAPEX, Las Vegas (USA), India Show, Lima(Peru) and India Show, St. Petersburg (Russia). That apart, the company organised 39th and 29th editions of its long established overseas events viz., India Garment Fair and India Home Furnishing Fair, respectively, in Osaka (Japan) which are being organised for the last three decades.

DOMESTIC FAIRS

During 2018-19, 17 no. of national and international trade fairs/ exhibitions were organized in India by your Company. Of these, 14 were organized in Delhi and 3 in other cities. The events organized in Pragati Maidan during the year included the 4th edition of India International Footwear Fair (IIFF); 38th India International Trade Fair (IITF 2018); 34th edition of Aahar – The International Food & Hospitality Fair; 21st India International Security Expo, 14th Nakshtra and Aajeevika. To promote trade in the North Eastern States, the 10th East Himalayan Expo was successfully organized in Shillong, Meghalaya.

- India International Trade Fair, 2018

  The 38th edition of India International Trade Fair was organised from November 14 to 27, 2018 in gross area of about 23,000 sq.mtrs. It was held in a limited area due to the ongoing IECC Project. In spite of space constraint and other difficulties, the event was quite successful. The Theme of the IITF'2018 was "**Rural Enterprises in India**" and it highlighted the initiatives undertaken by the Government to promote enterprises and employment in the rural and small scale sector using local resources and further to deter migration from villages to cities. The fair also showcased various initiatives of the Government of India like Make in India, Startup India, Digital India, Skill India and Swachh Bharat. Around 800 participants, including overseas participants from 17 countries i.e. Afghanistan, China, Hong Kong, Kyrgyzstan, Iran, Myanmar, Nepal, Netherlands, South Africa, South Korea, Thailand, Turkey, Tunisia, Vietnam and UAE and participants from the State and Government sectors, had displayed their products in the event. Around 5 lakh visitors which included 432 overseas trade visitors from 47 countries had visited the fair.

- **34th Aahar – The International Food & Hospitality Fair, 2019, Delhi**

  AAHAR is one of the biggest B2B exhibitions of its kind in South Asia. The 34th edition of Aahar was organized during March, 2019. As in the past, the event was supported by the Ministry of Food Processing Industries (MOFPI), APEDA and other Industry Associates.

  Due to the ongoing Re-development Project, the show was restricted to only 25000 sqm gross area. The show had participation from 560 exhibitors including foreign exhibitors from 17 countries. The countries which participated were USA, China, Denmark, Germany, Italy, Israel, Malaysia, Russia, Turkey, Spain, UK, UAE, Peru, Indonesia, Ukraine, Hong Kong, Singapore and Japan. The show was visited by over 50,000 visitors.

- **24th Delhi Book Fair, 2018**

  The Company organized the 24th edition of Delhi Book Fair from 25th August to 2nd September, 2018 in gross area of 6,000 sq.mtrs. The fair was organized in association with the Federation of Indian Publishers. During the currency of the Fair, Seminars/Workshops/ Authors' Corner/ Children's Programmes/ Book Release Functions were organized. Students with Identity Cards were allowed free entry to the Fair.

- **India International Security Expo' 2018**

  The 21st edition of the India International Security Expo was organised from October 5-7, 2018 in

Hall no. 12 &12A with approximate 1500 sq. mtrs. area. More than 70 participants from all over India participated including those under Start up/Young Entrepreneurs category through Department of Industrial Promotion and Policy (DIPP) and with the financial support through NSIC. Along with the visit of various delegations from all CAPFs, there were seminars on all the three days, Dog Show and Demo on Women Safety by CISF.

- **India International Footwear Fair, Delhi, 2018**

  The IIFF is a B2B show for the Footwear Industry and was organised by ITPO during August, 2018 at Pragati Maidan, New Delhi. The fair was held in a gross area of around 10,000 sq.mts. with a participation of 215 companies including 65 companies from overseas. The three-day event had a visitorship of over 8000 visitors. ITPO had introduced online business visitor registration through a mobile app that was appreciated by both exhibitors and visitors.

- **Aajeevika, Delhi**

  ITPO had organised 'Ajeevika Mela' with the support of the Ministry of Rural Development, (Livelihood Fair) during February 26 to March 7, 2019 in a gross area of 10,000 sq.mtrs. In line with Deen Dayal Antyodaya Yojana-National Rural Livelihood Mission, ITPO took up this initiative of organising 'Aajeevika' to make its contribution in providing marketing support to rural and small scale craftpersons, entrepreneurs and manufacturers for multiple products produced/manufactured by them.

II. FAIRS HELD OUTSIDE DELHI

- **India International Leather Fair (IILF), 2019, Chennai**

  The Company organized the 34th edition of India International Leather Fair (IILF) in Chennai from February 1-3, 2019. The fair was organized in close collaboration with the Council for Leather Exports (CLE), Central Leather Research Institute (CLRI), India Shoe Federation (ISF), Indian Finished Leather Manufacturers and Exporters Association (IFLMEA), Footwear Design & Development Institute (FDDI) and Indian Footwear Components Manufacturers Association (IFCOMA). This event was organized in gross area of 20,000 Sq. mtrs., IILF 2019 featured a wide range of products, machinery and equipment from over 450 companies from India and abroad, while more than 150 exhibitors were taking part from overseas. Significantly, China, France, Germany, Italy and Brazil set up their National Pavilions.

- **23rd India International Leather Fair (IILF), 2018, Kolkata.**

  India International Leather Fair (IILF) is a B2B fair with the aim to promote export of leather goods and finished leather from India especially from West Bengal. The 23rd edition of India International Leather Fair was successfully organized at Biswa Bangla Convention Centre in Kolkata from February 26-28, 2018.

- **10th East Himalayan Expo, 2018, Shillong, Meghalaya**

  ITPO with the Government of Meghalaya as the co organiser organised the 10th edition of East Himalayan Expo at Shillong, Meghalaya, during December, 2018 at SRGT Polo Parking Grounds, Shillong with the active support of the North Eastern Council , CAPART, APEDA and other Apex trade organisations of North East. This was a B2B and B2C event.

His Excellency the Governor of Meghalaya, Shri Tathagata Roy, inaugurated the Fair. ITPO organized this exhibition under the Act East Policy of the Govt. of India which recognizes the importance of the North East of India as the gateway to the East and thus the development of the North Eastern region is a priority in the policy. This inter regional trade fair provides opportunity to the North Eastern Region to access market of the region, widen trade horizons and enhance business links through its unique platform of trade fairs. Shillong, Meghalaya hosted the fair and showcased the inherent potential of North Eastern Region.

- **Aahar – The International Food & Hospitality Fair, 2018, Chennai**

  The Chennai edition of ITPO's successful event "Aahar" was organised in the Chennai Trade Centre during August, 2018 with more than 100 exhibitors and over 7000 trade visitors. The Culinary show and competition, organised by the South Indian Culinary Association (SICA) during the event, was a big attraction for the visitors.

FAIRS ORGANISED BY THIRD-PARTY ORGANISERS AT PRAGATI MAIDAN, NEW DELHI

A total of 72 third-party events were held in Pragati Maidan during 2018-19. Out of these, 9 were new exhibitions/events, held in Pragati Maidan for the first time. Some of the popular events organized during the year were ET ACETECH, ExpoDent International, 27th Convergence India, International Engineering and Technology Fair, Delhi Jewellery & Gem Fair and ACMA Automechanika and AES 2019. During the year, the Taiwan Expo was organised in Pragati Maidan for the first time by the Taiwan External Trade Development Council (TAITRA), with which ITPO has signed a Memorandum of Understanding (MoU) for mutual cooperation for promotion of bilateral business activities for the benefit of business communities in both the countries.

ITPO successfully managed to retain some of the large exhibitions, despite constraint of space and the ongoing construction work, by improving the ease of doing business and service delivery. Pragati Maidan continues to be the preferred destination for organising events and exhibitions covering a broad spectrum of the MICE Industry. On behalf of the Board, I wish to place on record that ITPO is making all-out efforts to ensure better delivery of services to the organisers/ participants. The tariff policy for the upcoming new exhibition halls, the convention centre and the meeting rooms was finalised and published on March 18, 2019.

OTHER TRADE PROMOTIONAL ACTIVITIES

A total of 500 trade visitors visited various Trade Fairs organized by India Trade Promotion Organisation from April 2018 till March 2019 to explore the possibility of collaborations in trade promotion efforts.

REDEVELOPMENT PROJECT(IECC)

ITPO is in the midst of implementing its ambitious plan of redevelopment of its landmark fairground "Pragati Maidan" into **a modern state-of-the-art International Exhibition-cum-Convention Centre (IECC)** in two phases, bringing it on par with the best Exhibition and Convention Centres across the world. The project is of national importance. The infrastructure is likely to fill critical gaps in requirements for MICE (Meetings, Incentives, Conferences and Events) sector in the National Capital Territory of Delhi (NCT). It is expected to substantially increase foreign exchange earnings of the country and revenues of the services & business sector of Delhi, as many events in MICE Sector may shift to New Delhi from East Asian and other countries of the world. The IECC will be a landmark and an

iconic spot in Delhi and a unique symbol of the Prime Minister's vision of 'New India' in sync with India aspiring to be a global power. Fulfilling aspirations of expanding business fraternity, IECC will mainly cater to G2G, G2B and B2B activities.

The project proposal includes the development of 3,82,188 sqm of total built up area including a state-of-the-art Convention Centre with an area of 53,399 sq.mtrs., six modern exhibition halls with an area of 1,51,687 sq. mtrs, basement parking for 4800 ECUs (Equivalent Car Units) of 1,68,305 sq. mtrs. area and an Administrative Building of 8,857 sq.mtrs. A site of area 3.70 acres on Bhairon Marg with independent entry and exit points is also being monetized for a 5 star hotel as a part of the complex in line with the fact that hospitality, worldwide, is an integral part of any modern MICE destination.

The Convention Centre will be a 32.4 mtr. tall landmark building on par with the best in the world. This structure will be on an elevated podium with a unique sloping facade incorporating the rich architectural heritage of Delhi. The Convention Centre will have a seating facility for 7000 pax in a single format (a Plenary Hall of 3000 pax capacity and a multi-purpose hall of 4000 pax), five times the size of Vigyan Bhawan, along with 25 meeting rooms of different capacities and comprising of specialised G20 and Premium rooms. It will also have an amphitheatre of 3,000 seating capacity. It will significantly add to the grandeur, stature and profile of the capital city of Delhi.

Traffic decongestion interventions vital for better access to the IECC and for the benefit of general public are also concurrently underway. Essentially, Purana Quila Road will be connected to Ring Road through a 6-lane divided tunnel cutting across Pragati Maidan providing access to the basement parking and also an alternative to Bhairon Marg that remains choked beyond its capacity. T-junctions of Bhairon Marg with Ring Road and Mathura Road and the entire stretch of Mathura Road from DPS to W-Point will be made signal free. All of this would decongest traffic in and around Pragati Maidan and would also reduce pollution levels substantially in this area.

The aggregate project cost for both IECC and traffic decongestion interventions is Rs. 3437 crore. The implementation of these two Projects is on track in a fast track mode.

The IECC project at Pragati Maidan will be a real game changer and set a new trend for such exhibition venues across the country. This venue will enable the new opportunities of trade promotion and business growth for not only Indian exhibition and convention industry but also globally. The global exhibition and convention industry is very much excited about the upcoming venue and is eagerly looking forward to its commissioning. Overall, the new venue at Pragati Maidan will help position India globally in terms of its growing strength and potential for trade, investment and manufacturing activity.

TOWARDS ICT ENABLEMENT

ITPO, in its endeavor to be transparent in its dealings, accountable for its activities, faster in its responses and as part of good governance initiatives, continued and expanded utilization of ICT (Information and Communications Technology) for carrying out its functions and achieving the desired results thereby ensuring equitable access to ITPO`s services to the public.

Web-based system for online booking of space & services for third party events being organized in Pragati Maidan was implemented along with back-office integration.

A Seamless system for online ticket sale and its management, crowd management, real-time ticket/ passes authentication and gate management was implemented during ITPO`s flagship event “India International Trade Fair, 2018”.

PROGRESSIVE USE OF THE OFFICIAL LANGUAGE (HINDI)

To ensure proper implementation of the Official Language Policy of the Govt. of India in ITPO, an Official Language Committee has been constituted. The instructions received from Parliamentary Committee on Official Language, Department of Official Language, Town Official Language Implementation Committee (Narakas-II) and Hindi Section of Department of Commerce are duly followed in ITPO. Efforts were made to achieve targets in different areas as laid down by the Dept. of Official Language, Govt. of India.

Hindi workshops are being organised every year to create a conducive atmosphere for executing the official work in Hindi. In addition to the efforts made by ITPO’s own Official Language Implementation Committee, ITPO was also represented in the meetings of TOLIC (Delhi) and Deparment of Commerce.

To encourage the use of Official Language in day-to-day official work, Hindi Noting- drafting, Hindi translation, Hindi Virtani Sansodhan and Hindi Essay competitions were organized in which certificates and Cash Prizes were awarded to the participants. To encourage Hindi in routine file work of ITPO, an Incentive Scheme has already been introduced. Employees of ITPO also participated in various Hindi Competitions organized by the TOLIC (Delhi).

SUBSIDIARY COMPANIES:

Tamilnadu Trade Promotion Organisation (TNTPO)

During 2018-19, 108 exhibitions were held in the Exhibition Halls of Chennai Trade Centre and 77 events took place in the Convention Centre. TNTPO earned a total income of Rs. 57.24 crore as compared to Rs 47.56 crore in the previous year. The net surplus is Rs. 35.02 crore after considering ‘Other comprehensive Income’, as against Rs.31.43 crore(Recast as per Ind-AS) in the previous year.

The Board of TNTPO has approved the construction of a multi-purpose (Exhibition/Convention) hall with an area of 20,322 sq.mtrs. under expansion plan of TNTPO at an approved cost of Rs.289 crore. After the expansion, there will be a total of 2 convention centres and 5 halls for exhibitions in the total area of 39,952 sq.mtrs. in an area of 34.61 acres of land.

Karnataka Trade Promotion Organisation (KTPO):

During 2018-19, 45 events were held in Trade Centre, Bangalore. KTPO earned a total income of Rs 10.50 crore as compared to Rs 11.28 crore in the previous year. The net surplus is Rs. 6.99 crore (previous year Rs. 19.95 crore). The Board has approved the construction of a multi-purpose (convention/exhibition) hall with an area of 7633 sq. mtrs. under expansion plan of KTPO. The construction work for the same was started during 2018-19. After the expansion, there will be a total of 2 halls for conventions and exhibitions with a total area of 14,504 sq.mtrs. The estimated project cost can be upto Rs.67.59 crore.

ASSOCIATE COMPANY

JKTPO (Jammu & Kashmir Trade Promotion Organisation)

JKTPO at Pampore is a Joint Venture Company where ITPO has contributed 40% of equity share capital for promotion of the Regional Trade Centre in the State of J&K.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The thrust of CSR and Sustainability is on capacity building, empowerment of communities, inclusive socio-

economic growth, environment protection, promotion of green and energy efficient technologies, development of backward region, and uplift of marginalized and under-privileged sections of the society.

ITPO has been strictly adhering to the CSR and Sustainability Guidelines issued by Department of Public Enterprises and the applicable Act & Rules of the Companies Act 2013. The CSR initiatives/activities are implemented with the approval /monitoring accordingly. Under ITPO's CSR initiative, Your Company has contributed for the blinds, destitutes, tribal students, leprosy patients, renewable energy, rural development, etc.

CORPORATE GOVERNANCE

Your company complies with the best Corporate Governance practices in true letter and spirit. The Company submitted annual report in Compliance with DPE's Guidelines on Corporate Governance to the Department of Commerce during 2018-19, within the specified timelines and reported an Annual Average Pro-rata Score of 96.77% to qualify for an 'Excellent' Grade. Risk management is also being undertaken to minimise various risks.

CODE OF CONDUCT

The Code of Conduct formulated for the Board members & Senior Management Personnel has been duly complied with. The confirmation of compliance of the same has been obtained from all concerned as per the DPE guidelines and the declaration has been placed as part of the Directors' Report.

ACKNOWLEDGEMENTS

I take this opportunity to thank all the Members of Company for their continued and unstinted support as well as the confidence reposed in the Management. I wish to extend my sincere thanks to the Department of Commerce for the wholehearted and continued support.

I am also thankful to other Ministries/Embassies and offices of Central and State Governments and particularly the Ministry of Housing and Urban Affairs, Ministry of External Affairs, including the Indian Missions, for their continued guidance and assistance. We are also grateful to the CPWD, PWD, MCD, Delhi Police, MTNL, Ministry of Railways and other agencies and individuals for co-operation extended to ITPO.

On behalf of ITPO, I seek support from all stakeholders and assure them to make ITPO a world class venue for MICE industry and a better service provider in terms of both quality and delivery. My sincere thanks to all my colleagues on the Board, Auditors and to all the employees of ITPO for their discipline, devotion, dedication and hard work for the company's continued excellent performance. I am sure that with their support and trust, ITPO will achieve many more milestones and newer heights ahead in the future and together we can take ITPO to the next level, a significant step towards "New India"

Jai Hind.

Sd/-
(L.C. Goyal)
Chairman and Managing Director
India Trade Promotion Organisation

Place : New Delhi
Date : September 27, 2019

Aahar 2019

Aahar 2019

NOTICE OF ANNUAL GENERAL MEETING

India Trade
Promotion Organisation

India International Footwear Fair 2018

India International Footwear Fair 2018

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 42nd ANNUAL GENERAL MEETING OF THE MEMBERS OF M/S INDIA TRADE PROMOTION ORGANISATION WILL BE HELD ON FRIDAY THE 27th DAY OF SEPTEMBER, 2019 AT 3:30 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT PRAGATI MAIDAN, NEW DELHI - 110001 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

To receive, consider, approve and adopt the Standalone Audited Annual Accounts and Consolidated Accounts as on 31st March, 2019 and the Statement of Income & Expenditure for the financial year ended on that date together with the report of Directors and the Auditors' Report thereon.

BY ORDER OF THE BOARD OF DIRECTORS
INDIA TRADE PROMOTION ORGANISATION

Sd/-
(D.M. Sharma)
FA&CAO

Place: New Delhi
Dated: 06-09-2019

NOTES

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF APPOINTING PROXIES SHALL HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 (FORTY-EIGHT) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Proxy form is enclosed herewith.

BY ORDER OF THE BOARD OF DIRECTORS
INDIA TRADE PROMOTION ORGANISATION

Sd/-
(D.M. Sharma)
FA&CAO

Place: New Delhi
Dated: 06-09-2019

FORM NO. MGT -11

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rule, 2014)

CIN: U74899 DL1976 NPL008453

Name: of the Company: INDIA TRADE PROMOTION ORGANISATION

Registered office: ITPO OFFICE, PRAGATI MAIDAN, NEW DELHI-110001

Name of the Member(s):
Registered Address:
Email id:
Folio no/Client id:
DP Id:

I/We being the member of ……………..holding……….shares, hereby appoint

Name :	Name :
Address :	Address :
E-mail ID :	E-mail ID :
Signature :	Signature :
,or failing him	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at………….Annual General Meeting of members of the Company, to be held on …………..at the……………….registered office of the Company at…………and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No:

To receive, consider, approve and adopt the Standalone Audited Annual Accounts and Consolidated Accounts as on 31st March, 2019 and the Statement of Income & Expenditure for the financial year ended on that date together with the report of Directors and the Auditors' Report thereon.

Signed this_______________day of______________2019

Signature of Shareholder

Signature of Proxy holder(s)

AFFIX
REVENUE
STAMP

Note: *This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.*

Nakshatra 2019

Aajeevika 2019

DIRECTORS' REPORT

India Trade
Promotion Organisation

DIRECTORS' REPORT

To the Members,

The Board of Directors has pleasure in presenting the Company's 42nd Annual Report and the Audited Statement of Accounts for the financial year ended on 31st March, 2019.

1. FINANCIAL HIGHLIGHTS

During the year 2018-19, your Company has earned **a surplus of Rs.73.35 crore** net after considering 'Other comprehensive Income', compared to **Rs.134.48 crore (Recast as per Ind-AS)** in the preceding year. The total income generated by the Company during the year is **Rs.253.59 crore** against **Rs. 359.55 crore (Recast as per Ind-AS)** generated in the previous year. The main reasons for decline in total Income are the reduction in exhibition space due to the ongoing IECC Project and the reduction in surplus funds invested with Banks.

The Company is registered under section 25 of the Companies Act, 1956 (now Section 8 of the Companies Act, 2013) and as per the relevant provisions under this Section, as applicable to the Company, declaration of dividend is prohibited. Consequently, the Surplus has been retained and transferred to the 'Other Equity'.

2. BOARD OF DIRECTORS

Shri L.C. Goyal is the Chairman & Managing Director of the Company. Shri Deepak Kumar was Executive Director from 25th May, 2017 till 19th June, 2019. Shri Rajneesh, Joint Secretary, Ministry of Commerce & Industry was Executive Director from 25th June, 2019 till, 27th August, 2019. Shri Rajesh Agrawal took over the charge of the Executive Director, ITPO w.e.f. 28th August, 2019. The non whole-time Directors & Independent Director on the Board of the Company are enumerated below:

Sl. No.	Name of Director	From	To
1	Dr. Subhash Chandra Pandey, Special Secretary & Financial Adviser, Department of Commerce, Udyog Bhawan, New Delhi	08.02.2018	30.06.2019
2	Shri Shashank Priya, Additional Secretary & Financial Adviser, Department of Commerce, Udyog Bhawan, New Delhi	28.08.2019	Continuing
3	Smt. Alka Nangia Arora Joint Secretary, Ministry of Micro Small & Medium Enterprises(MSME), Udyog Bhawan, New Delhi	17.8.2017	Continuing
4	Shri Sanjay Chadha Additional Secretary, Ministry of Commerce & Industry, Udyog Bhawan, New Delhi	30.03.2016	09.12.2018

5	Shri Praveen Bonigala Joint Secretary, Ministry of Commerce & Industry, Udyog Bhawan, New Delhi	10.12.2018	21.06.2019
6	Smt.Nidhi Mani Tripathi Joint Secretary, Ministry of Commerce & Industry, Udyog Bhawan, New Delhi	28.08.2019	Continuing
7	Shri Vinod K. Jacob Joint Secretary (ED), Ministry of External Affairs, New Delhi	05.01.2018	23.12.2018
8	Shri Manoj K. Bharti Additional Secretary (ED & States) Ministry of External Affairs, New Delhi	24.12.2018	30.06.2019
9	Shri P. Harish Additional Secretary (ED & States), Ministry of External Affairs, New Delhi	01.07.2019	Continuing
10	Shri P.N. Vijay Independent Director, Corporate Finance Expert	10.06.2016	09.06.2019

There were a total of 5 Meetings of the Board held during the year 2018-19. The Directors are appointed by the Administrative Ministry as per the Govt. of India policies in this regard.

3. KEY MANAGERIAL PERSONNEL

As per the Section 2(51) of the Companies Act, 2013, the following Key Managerial Personnel of ITPO were appointed to / had relinquished / are continuing the respective offices :-

- Shri L.C. Goyal, CMD, ITPO – continuing w.e.f. 02.09.2015
- Shri Deepak Kumar, ED, ITPO – from 25.05.2017 to 19.06.2019
- Shri Rajneesh, ED, ITPO – from 25.06.2019 to 27.08.2019
- Shri Rajesh Agrawal, ED, ITPO – continuing w.e.f. 28.08..2019
- Shri D.M. Sharma, CFO – continuing w.e.f. 31.7.2015
- Shri S.R. Sahoo, Company Secretary – continuing w.e.f. 27.8.2013

4. MEMORANDAM OF UNDERSTANDING (MOU)

The Company signs an MoU with its Administrative Ministry namely, the Ministry of Commerce & Industry, Government of India every financial year. Accordingly, the MoU for the year 2019-20 was signed on 15th May 2019.

Your Company has achieved MoU **"Very Good"** rating for 2017-18. Inspite of availability of less area due to the ongoing IECC Project and the reduction in interest income, ITPO achieved **"Very Good"** MoU rating . For the year 2018-19 also, as per self-evaluation, the MoU rating is likely to be **"Very Good".**

For the year 2019-20, the 'Excellent' financial target for Revenue from Operations has been fixed at Rs. 270 crore. In view of the ongoing Redevelopment

Dr. Anup Wadhawan, Commerce Secretary and Shri L.C. Goyal, CMD, ITPO & other Senior Officers on the ocassion of signing of MOU 2019-20

Project (IECC), achieving financial targets this year will be difficult. However, ITPO will make all out efforts to achieve MoU targets for the year 2019-20 to the possible extent. Further, ITPO will continue to ensure better services delivery to all stakeholders.

5. FOREIGN FAIRS

During the year 2018-19, the company organized India's national level participation and organized India shows in 32 overseas trade fairs. These 32 events were held in Europe, Africa/WANA, NAFTA, LAC, ASEAN,

HKTDC Food Expo, Hong Kong 2018

South Asia, and NEA. Out of these events, 10 were new events.

Some of the major events included Summer Fancy Food Show, New York(USA), SIAL, Paris(France), India Garment Fair and India Home Furnishing Fair, Osaka(Japan), AAPEX ,Las Vegas (USA), India Show, Lima(Peru) and India Show, St. Petersburg (Russia).

That apart, the company organised 39th and 29th editions of its long established overseas events viz., India Garment Fair and India Home Furnishing Fair, respectively, in Osaka (Japan) which are being organised for the last three decades.

6. FAIRS IN INDIA

During 2018-19, 17 no. of national and international trade fairs/ exhibitions were organized in India by your Company. Of these, 14 were organized in Delhi and 3 in other cities. The events organized in Pragati Maidan during the year included the 4th edition of India International Footwear Fair (IIFF), August 2-4, 2018; 38th India International Trade Fair (IITF 2018) November 14-27, 2018; 34th edition of Aahar – The International Food & Hospitality Fair, March 12-16, 2019; 21st India International Security Expo, October 05-07, 2018, 14th Nakshtra, February 26– March 7, 2019 and Aajeevika, February 26– March 7, 2019. To promote trade in the North Eastern State, the 10th East Himalayan Expo was successfully organized in Shillong, Meghalaya.

I. MAJOR FAIRS HELD AT PRAGATI MAIDAN, NEW DELHI

- **India International Trade Fair, 2018**

The 38th edition of India International Trade Fair was organised from November 14 to 27, 2018 in gross area of about 23,000 sq.mtrs. It was held in a limited area due to the ongoing IECC Project. In-spite of space constraint and other difficulties the event was quite successful. The Theme of the IITF'2018 was "Rural Enterprises in India" and it highlighted the initiatives undertaken by the Government to promote enterprises and employment in the rural and small scale sector using local resources and further to deter migration from villages to cities. The fair also showcased various initiatives of the Government of India like Make in India, Startup India,

India Internatioanl Trade Fair 2018

India International Trade Fair 2018

Digital India, Skill India and Swachh Bharat. The Fair was inaugurated by Shri Mahesh Sharma, Minister of State for Culture and Environment, Forest and Climate Change and Shri C.R. Chaudhary, Minister of State for Commerce and Industry. The partner country was the Islamic Republic of Afghanistan and the focus country was the Federal Democratic Republic of Nepal. The focus state was Jharkhand. Around 800 participants, including overseas participants from 17 countries i.e. Afghanistan, China, Hong Kong, Kyrgyzstan, Iran, Myanmar, Nepal, Netherlands, South Africa, South Korea, Thailand, Turkey, Tunisia, Vietnam and UAE and participants from the State and Government sectors, had displayed their products in the event. Around 5 lakh visitors which included 432 overseas trade visitors from 47 countries had visited the fair.

- **34th Aahar – The International Food & Hospitality Fair, 2019, Delhi**

AAHAR is one of the biggest B2B exhibitions of its kind in South Asia. The 34th edition of Aahar was organized from March 12-16, 2019. As in the past, the event was supported by the Ministry of Food Processing Industries (MoFPI), APEDA and other Industry Associates.

The show was broadly divided into three categories i.e. 1. Food Products & Beverages 2.F&B equipment (Preparation / Processing /Packing) 3. Hospitality and Décor Solutions.

Due to the ongoing Re-development Project, the show was restricted to only 25000 sqm gross area. The show had participation from 560 exhibitors including foreign exhibitors from 17 countries. The countries which participated were USA, China, Denmark, Germany, Italy, Israel, Malaysia, Russia, Turkey, Spain, UK, UAE, Peru, Indonesia, Ukraine, Hong Kong, Singapore and Japan. The show was visited by over 50,000 visitors.

- **24th Delhi Book Fair, 2018**

The Company organized the 24th edition of Delhi Book Fair from 25th August to 2nd September, 2018 in gross area of 6,000 sq.mtrs. The fair was organized

Aahar 2019

in association with the Federation of Indian Publishers. During the currency of the 24th Delhi Book Fair, Seminars/Workshops/ Authors' Corner/ Children's Programmes/ Book Release Functions were organized. Students with Identity Cards were allowed free entry to the Fair.

- **20th Stationery/4th Office Automation Fair and 4th Corporate Gifts Fair, 2018**

The Company organized the 20th edition of Stationery/4th Office Automation Fairs and 4th edition of Corporate Gifts Fair concurrently with the Delhi Book Fair' 2018 in Hall 7, Pragati Maidan, New Delhi from August 25 to September 2, 2018. Leading companies in stationery, gift items, office automation from all over India participated in the fair. The Fair proved to be a hub for sourcing stationery items, office equipment and corporate gift items etc.

- **India International Security Expo' 2018**

The 21st edition of the India International Security Expo was organised from October 5-7, 2018 in Hall no. 12 &12A with approximate 1500sq.mtrs.area. More than 70 participants from all over India participated including those under Start up/Young Entrepreneurs category through Department of Industrial Promotion and Policy (DIPP) and with the financial support through NSIC. Along with the visit of various delegations from all CAPFs, there were seminars on all the three days, Dog Show and Demo on Women Safety by CISF

- **India International Footwear Fair, Delhi, 2018**

The IIFF is a B2B show for the Footwear Industry and was organised by ITPO from August 2-4, 2018 at Pragati Maidan, New Delhi. To mobilize international visitorship, ITPO, with the support of the Indian Embassy, had held networking meetings in Kenya, Uganda, Ethiopia & Tanzania. The meetings were attended by the representatives of the Footwear industries of these countries. The fair was held in a gross area of around 10,000 sq.mts. with a participation of 215 companies

India International Footwear Fair 2018

including 65 companies from overseas. The three-day event had a visitorship of over 8000 visitors. ITPO had introduced online business visitor registration through a mobile app that was appreciated by both exhibitors and visitors.

- **Aajeevika, Delhi**

ITPO had organised 'Ajeevika Mela' with the support of the Ministry of Rural Development, (Livelihood Fair) during February 26 to March 7, 2019 in a gross area of 10,000 sq.mts. In line with Deen Dayal Antyodaya

Aajeevika, Delhi 2019

Yojana-National Rural Livelihood Mission, ITPO took up this initiative of organising 'Aajeevika' to make its contribution in providing marketing support to rural and small scale craftpersons, entrepreneurs and manufacturers for multiple products produced/ manufactured by them.

II. FAIRS HELD OUTSIDE DELHI

- **India International Leather Fair (IILF), 2019, Chennai**

The Company organized the 34th edition of India International Leather Fair (IILF) in Chennai from February 1-3, 2019. The fair was organized in close collaboration with the Council for Leather Exports (CLE), Central Leather Research Institute (CLRI), India Shoe Federation (ISF), Indian Finished Leather Manufacturers and Exporters Association (IFLMEA), Footwear Design & Development Institute (FDDI) and Indian Footwear Components Manufacturers Association (IFCOMA).

Shri Suresh Prabhu, Hon'ble Minister of Commerce and Industry, Govt. of India inaugurated the Fair on 31st January, 2019. The fair was open to business visitors from February 1-3, 2019.

Covering an area of 10,000 sqmtrs, IILF 2019 featured a wide range of products, machinery and equipment from over 450 companies from India and abroad, while more than 150 exhibitors were taking part from overseas. Significantly, China, France, Germany, Italy and Brazil set up their National Pavilions.

- **10th East Himalayan Expo, 2018, Shillong, Meghalaya**

ITPO with the Government of Meghalaya as the co organiser organised the 10th edition of East Himalayan Expo at Shillong, Meghalaya, from December 10-17, 2018 at SRGT Polo Parking Grounds, Shillong with the active support of the North Eastern Council , CAPART, APEDA and other Apex trade organisations of North East. This is a B2B and B2C event.

East Himalayan Expo, Shillong, Meghalaya 2018

His Excellency the Governor of Meghalaya, Shri Tathagata Roy inaugurated the Fair on 10th December, 2018. ITPO organizing this exhibition under the Act East Policy of the Govt. of India which recognizes the importance of the North East of India as the gateway to the East and thus the development of the North Eastern region is a priority in the policy. This inter regional trade fair provides opportunity to the North Eastern Region to access market of the region, widen trade horizons and enhance business links through its unique platform of trade fairs. Shillong, Meghalaya hosted the fair and showcased the inherent potential of North Eastern Region.

The product profile of the event comprised of Organic sector, Horticulture, Household Goods. Food items included Processed food, Textiles, Handicraft, Leather Products, Electrical and Electronic items, Jute products, textile, Good Living, Cosmetics, Herbal Products, Health & Fitness Equipments, IT Products, furniture, Tourism, Service sector etc.

- **Aahar – The International Food & Hospitality Fair, 2018, Chennai**

The Chennai edition of ITPO's successful event "Aahar" was organised in the Chennai Trade Centre during August 23-25, 2018 with more than 100 exhibitors and over 7000 trade visitors. The Culinary show and competition, organised by the South Indian Culinary Association (SICA) during the event, was a big attraction for the visitors.

III. FAIRS ORGANISED BY THIRD-PARTY ORGANISERS AT PRAGATI MAIDAN, NEW DELHI

A total of 72 third-party events were held in Pragati Maidan during 2018-19. Out of these, 9 were new exhibitions/events, held in Pragati Maidan for the first time.

Some of the popular events organized during the year were ET ACETECH, ExpoDent International, 27th Convergence India, International Engineering and Technology Fair, Delhi Jewellery & Gem Fair and ACMA Automechanika and AES 2019. During the year, the Taiwan Expo was organised in Pragati Maidan for the first time by the Taiwan External Trade Development Council (TAITRA), with which ITPO has signed an Memorandum of Understanding (MoU) for mutual cooperation for promotion of bilateral business activities for the benefit of business communities in both the countries.

ITPO successfully managed to retain some of the large exhibitions, despite constraint of space and the ongoing construction work, by improving the ease of doing business and service delivery. Pragati Maidan continues to be the preferred destination for organising events and exhibitions covering a broad spectrum of the MICE Industry. The Board appreciated the continued support of 3rd party organisers during this transformation phase of ITPO.

The tariff policy for the upcoming new exhibition halls, the convention centre and the meeting rooms was finalised and published on March 18, 2019. An Online application system for submission of applications for booking of halls for third-party events was introduced. For ease of doing business, Single Point of Contact (SPC), Help Desk and Inspection & Service delivery team were introduced to ensure better delivery of services to the organisers/participants and these introductions have proved to be a great success.

6. INITIATIVES AND IMPROVEMENTS TAKEN IN VARIOUS SEGMENTS FOR ALL STAKEHOLDERS

During the year, significant initiatives have been undertaken for improving and augmenting the infrastructure capacity and service delivery of ITPO. These include the following:

- **E-Enablement for ease of doing business:**
  - Online booking of tickets and business visitor registration implemented for the IITF, Aahar and the New Delhi World Book Fair
  - Online space booking system in domestic events.
  - Online booking of Halls & service requirements for 3rd party events
  - E-procurement from GEMS/e-tendering introduced.
  - Comprehensive Mobile Apps of ITPO implemented
  - Functioning of E-payment/E-refund
  - Wi-fi facility in all AC halls.
- **Customer Friendly Measures**
  - Competitive tariff policy introduced for 3rd party events.
  - Single Point of Contact(SPC) has been introduced
  - Inspection & Service delivery team introduced to ensure better delivery services to organisers/ participants.
  - Implementation of 'Help Desk' for third-party events.
  - Regular interaction with participants/ organizers.
- **Other Measures**
  - Economy and austerity measures introduced
  - Rationalization of staff

7. IECC Project

ITPO is in the midst of implementing its ambitious plan of redevelopment of its landmark fairground "Pragati Maidan" into a modern state-of-the-art International Exhibition-cum-Convention Centre (IECC) in two phases, bringing it on par with the best Exhibition and Convention Centres across the world. The project is of national importance. The infrastructure is likely to fill critical gaps in requirements for MICE (Meetings, Incentives, Conferences and Events) sector in the National Capital Territory of Delhi (NCT). It is expected to substantially increase foreign exchange earnings of the country and revenues of the services & business sector of Delhi, as many events in MICE Sector may shift to New Delhi from East Asian and other countries of the world. The IECC will be a landmark and an iconic spot in Delhi and a unique symbol of the Prime Minister's vision of 'New India' in sync with India aspiring to be a global power. Fulfilling aspirations of expanding business fraternity, IECC will mainly cater to G2G, G2B and B2B activities.

The project proposal includes the development of 3,82,188 sqm of total built up area including a state-of-the-art Convention Centre with an area of 53,399 sq.mtrs., six modern exhibition halls with an area of 1,51,687 sq. mtrs, basement parking for 4800 ECUs (Equivalent Car Units) of 1,68,305 sq. mtrs. area and an Administrative Building of 8,857 sq.mtrs. A site of area 3.70 acres on Bhairon Marg with independent entry and exit points is also being monetized for a 5 star hotel as a part of the complex in line with the fact that hospitality, worldwide, is an integral part of any modern MICE destination.

The Convention Centre will be a 32.4 mtr. tall landmark building on par with the best in the world. This structure will be on an elevated podium with a unique sloping facade incorporating the rich architectural heritage of Delhi. The Convention Centre will have a seating facility for 7000 pax in a single format (a Plenary Hall of 3000 pax capacity and a multi-purpose hall of 4000 pax), five times the size of Vigyan Bhawan, along with 25 meeting rooms of different capacities and comprising of specialised G20 and Premium rooms. It will also have an amphitheatre of 3,000 seating capacity. It will significantly add to the grandeur, stature and profile of the capital city of Delhi.

Traffic decongestion interventions vital for better access to the IECC and for the benefit of general public are also concurrently underway. Essentially, Purana Quila Road will be connected to Ring Road through a 6-lane divided tunnel cutting across Pragati Maidan providing access to the basement parking and also an alternative to Bhairon Marg that remains choked beyond its capacity. T-junctions of Bhairon Marg with Ring Road and Mathura Road and the entire stretch of Mathura Road from DPS to W-Point will be made signal free. All of this would decongest traffic in and around Pragati Maidan and would also reduce pollution levels substantially in this area.

The aggregate project cost for both IECC and traffic decongestion interventions is Rs. 3437 crore. The implementation of these two Projects is on track in a fast track mode.

The IECC project at Pragati Maidan will be a real game changer and set a new trend for such exhibition venues across the country. This venue will enable the new opportunities of trade promotion and business growth for not only Indian exhibition and convention industry but also globally. The global exhibition and convention industry is very much excited about the upcoming venue and is eagerly looking forward to its commissioning. Overall, the new venue at Pragati Maidan will help position India globally in terms of its growing strength and potential for trade, investment and manufacturing activity.

8. TRADE DELEGATIONS

A total of 500 trade visitors from 47 countries visited various Trade Fairs organized by India Trade Promotion Organisation from April 2018 till March 2019 to explore the possibility of collaborations in trade promotion efforts. Major delegations during IITF 2018 visited - A Forty Member delegation from ITEC Programme from (38)different countries that visited Hall No.7, Hall No.10, 11& 12 for different products. A Thirty five member delegation from South Korea visited in Hall No.7C, Hall No.10, 11& 12 for different products; A Thirty-eight Member delegation from Russia that visited Hall No.12; A Twenty-eight Member delegation from Vietnam visited in Hall No.12; A Nineteen member delegation from South Korea that visited Hall No.7C, Hall No.10, 11& 12 for different products; A Nineteen member delegation from Vietnam that visited Hall No.7, Hall No.10, 11& 12 for different products; A 13 member delegation from Malaysia that visited the Halls; Delegations that visited Khadi & Village Industries Commission, pavilions of Cosmetics, Health Sector, Electronics, Kitchen Equipments, Computer peripherals, Mobile phones, food products, Leather and textiles and multi-products, Foreign Pavilions and States Pavilions etc.

9. COOPERATION WITH OTHER TRADE PROMOTION ORGANISATIONS

ITPO has been actively participating in the Asian Trade promotion Forum (ATPF), a gathering of Trade Promotion Organisations (TPOs) since very beginning. All the activities of ATPF are coordinated by Japan External Trade Organisation (JETRO). ITPO also participates in the activities organized by the India Convention Promotion Bureau (ICPB). ITPO has become a Member of UFI – The Global Association of the Exhibition Industry, France, an Organisation for promoting the Exhibition Industry. ITPO has become a Member of International Association of Exhibitions and Events (IAEE), USA for the year 2018-2019. IAEE promotes the unique value of exhibitions and other events such as road shows, conferences with an exhibition component, and proprietary corporate exhibitions that bring buyers and sellers together.

10. TRADE INFORMATION RELATED ACTIVITIES

ITPO provides a package of services to exporters enrolled as members. These services include receiving trade enquiries from Indian Missions abroad and from the overseas importers and arranging meetings with visiting delegations during Trade Fairs and Exhibitions organized by ITPO. Trade information on countries, products, overseas tenders and trade fairs, exhibitions organized by ITPO in India and overseas and information on third party events that are held at Pragati Maidan are published in the Indian Export Bulletin. With a view to providing reliable trade information to Indian exporters and overseas buyers, the trade portal of ITPO "www.tradeportalofindia.org" has also been set up which provides information on 102 countries including 27 countries of the European Union.

ITPO's Membership provides access to Global importers, exporters, wholesalers, distributors, manufacturers, agents, access to directory, searchable by product and country through www.tradeportalofindia.org, access to import, export trade statistics of countries across the globe of all products.

Centralized Data Base: A Central Data Base of participants in the fairs organized by India Trade Promotion organisation in India and abroad has been created. The data is extremely useful in mobilizing participation for domestic and foreign fairs organized by ITPO. The accessibility to data by ITPO users is being made through online.

11. TOWARDS ICT ENABLEMENT

ITPO, in its endeavor to be transparent in its dealings, accountable for its activities, faster in its responses and as part of good governance initiatives, continued and expanded utilization of ICT (Information and Communications Technology) for carrying out its functions and achieving the desired results thereby ensuring equitable access to ITPO`s services to the public.

Web-based system for online booking of space & services for third party events being organized in Pragati Maidan was implemented along with back-office integration.

A Seamless system for online ticket sale and its management, crowd management, real-time ticket/passes authentication and gate management was implemented during ITPO`s flagship event "India International Trade Fair, 2018".

An Employee Self Service (ESS) portal for facilitating employees to have access to their personal data such as Payslips, leave details, PF statement etc. was also implemented.

12 ADMINISTRATION & HRD

During the year 2018-19, five officials were appointed through direct recruitment (DR) basis as per the following details.

	SC	ST	OBC	UR	Total
Group 'A'	--	--	01Deputation basis	01Deputation basis	02
Group 'C'	01	01	01	--	03

During the year, 13 officials were promoted. Of these, 5 were from SC, 1 from ST, and 1 from OBC category. 30 officials were granted personal up-gradation under Incentivized Assured Career Progression Scheme (IACPS).

The Voluntary Retirement Scheme (VRS) was extended up-to 30/06/2019.

Reservation Policy of Government of India:

The Guidelines on reservation policy were complied with within ITPO. Liaison officers have been nominated to look after the interests of SCs/STs & OBCs. In every Departmental Promotion/ Selection Committee meetings, an officer of appropriate level belonging to SC/ST and minority category had been associated to look after the interest of the candidates belonging to these categories. The provisions contained in Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act 1995 regarding reservation in posts/services for disabled persons were also complied with. Floral tributes were offered on the occasion of the Birthday of Dr. B.R. Ambedkar.

13. ENGINEERING SERVICES (ARCHITECTURE, CIVIL, ELECTRICAL, AV & CONSERVANCY AND SANITATION)

ITPO provides one stop solution to all the Infrastructure/ facilities required to hold Exhibitions/ Fairs/ Conferences organised at Pragati Maidan and at other locations outside Delhi by ITPO and provides all venue based services to the fairs organized by the organizations other than ITPO. Your Company has a full-fledged and self-sufficient team of Engineers (Civil and Electrical) and Architects to provide maintenance for all services including horticulture.

- Inspections were carried out to ensure compliance of architectural guidelines and service delivery has been ensured for events of 3rd party organizers and Domestic events of ITPO.

14. TRADE PROMOTION CENTRES

CHENNAI TRADE CENTRE

The Chennai Trade Centre is managed by TNTPO, a Joint venture of ITPO and TIDCO. Chennai Trade Centre was setup in 2001 over an area of 25.48 acres of land in Nandambakkam a prime location in Chennai. Hall 1 & 2 were constructed in 2001 encompassing an area of 6160 sq.mtrs. The Convention Centre constructed in 2004 can accommodate 2000 participants with a provision for dividing the hall into two equal parts. Hall 3 measuring 4400 sq.mtrs. was inaugurated in 2008. All the three Exhibition Halls and Convention Centre are interconnected. All the exhibition halls are air-conditioned and are without pillars or columns.

During 2018-19, 108 exhibitions were held in the Exhibition Halls of Chennai Trade Centre and 77 events took place in the Convention Centre. TNTPO earned a total income of Rs 57.24 crore as compared to Rs 47.56 in the previous year. The net surplus is Rs. 35.02 crore after considering ‘Other comprehensive Income’, as against Rs. 31.43 crore(Recast as per Ind-AS) in the previous year.

The Board of TNTPO has approved the construction of a multi-purpose (Exhibition/Convention) hall with an area of 20,322 sq.mtrs. under expansion plan of TNTPO at an approved cost of Rs.289 crore. After the expansion, there will be a total of 2 convention centres and 5 halls for exhibitions in the total area of 39,952 sq.mtrs. in an area of 34.61 acres of land.

TRADE CENTRE, BANGALORE

Located at a prime area in Whitefield, Bangalore, it covers an area of 48.35 acres. It has an air-conditioned Exhibition hall of 5,371 sq.mtrs. 11 open exhibition areas have been constructed all around the exhibition hall for display of heavy equipments and machineries and for setting up of Food Courts, Business Centre etc. The Trade Centre is being managed by Karnataka Trade Promotion Organisation (KTPO), a joint venture of ITPO and Karnataka Industrial Area Development Board (KIADB). During 2018-19, 45 events were held in Trade Centre, Bangalore. KTPO earned a total income of Rs.10.50 crore as compared to Rs.11.28 crore in the previous year. The net surplus is Rs.6.99 crore (Previous year 19.95 crore).

The Board has approved the construction of a multi-purpose (convention/exhibition) hall with an area of 7633 sq. mtrs. under expansion plan of KTPO. The construction work for the same was started during

2018-19. After the expansion, there will be a total of 2 halls for conventions and for exhibitions with a total area of 14,504 sq.mtrs. The estimated project cost can be upto Rs.67.59 crore.

15. PROGRESSIVE USE OF THE OFFICIAL LANGUAGE (HINDI)

To ensure proper implementation of the Official Language Policy of the Govt. of India in ITPO, an Official Language Committee has been constituted under the Chairmanship of CMD, ITPO and its meetings are organised regularly. The instructions received from Parliamentary Committee on Official Language, Department of Official Language, Town Official Language Implementation Committee (Narakas-II) and Hindi Section of Department of Commerce are duly followed in ITPO. Efforts were made to achieve targets in different areas as laid down by the Dept. of Official Language, Govt. of India.

Hindi workshops are being organised every year to create a conducive atmosphere for executing the official work in Hindi. In addition to the efforts made by ITPO's own Official Language Implementation Committee, ITPO was also represented in the meetings of TOLIC (Delhi) and Deparment of Commerce. The Corporate website of ITPO www.indiatradefair.com in bilingual is updated regularly.

To encourage the use of Official Language in day-to-day official work, Hindi Noting- drafting, Hindi translation, Hindi Virtani Sansodhan and Hindi Essay competitions were organized in which certificates and Cash Prizes were awarded to the participants. In addition, the book (Hindi) compilation of complete stories of 'Subhadra Kumari Chauhan' Edited by Dr. Madhu Sharma was given as incentive to each participant. Likewise, Translation and Noting–Drafting Competition was organised in all regional offices of ITPO. To encourage Hindi in routine file work of ITPO, an Incentive Scheme has already been introduced. Employees of ITPO also participated in various Hindi Competitions organized by the TOLIC (Delhi).

Besides, Business Visitor's Guides, Backgrounder of IITF, Mobilization folders of different exhibitions organized by ITPO at Pragati Maidan, Annual Report, the Memorandum of Understanding between ITPO and the Department of Commerce were brought out in Hindi as well as English.

16. SECURITY

ITPO had made necessary security arrangements, fire fighting arrangements and parking arrangements during various fairs, including IITF 2018, and other events organized by ITPO during Financial Year 2018-19. Further, the various security arrangements made by third-party fair organizers were also monitored during 2018-19. New Parking spaces were explored inside the ground to facilitate organizers. Buses of delegates during various fairs were allowed to drop-off and pick up, upto halls.

Fire service week was celebrated during 14th to 20th April 2019 with an aim to aware and prepare the employees regarding fire safety. Basics of fire safety and fire warden training were conducted for all the employees. One mock drill was conducted during this period and one mega fire evacuation drill was conducted for the all officials.

17. VIGILANCE

Vigilance Division ensured maintaining transparency and integrity in general administration and functioning of various Divisions of ITPO. Besides investigating complaints and conduct of disciplinary proceedings under ITPO Employees (CDA) Rules, Vigilance Division performs inspection of office spaces and conducts surprise visits in exhibition halls.

Circulars and system improvement directives were issued to develop awareness among the employees of ITPO. As preventive measures, Vigilance Division is also monitoring timely payments of bills to contractors/ suppliers/service providers through the mechanism of monthly reports from concerned divisions certifying that all bills have been processed within the approved timeline.

In order to ensure transparency and also efficient Vigilance Administration, use of Information Technology Innovations are actively pursued. An online system is operational to process cases of vigilance clearance for Senior Executives (Senior Manager and above). It aims to fast track process of cases of vigilance clearance to officials.

Vigilance Division scrutinized the annual property returns of the employees on a continuous basis and also files various monthly, quarterly, half yearly and annual returns/reports to Department of Commerce, CVC and CBI. The Central Vigilance Commission has dispensed with the offline mode of submission of the Monthly/Annual reports by the CVO and introduced online mode of submission of Quarterly/Annual Report. Accordingly, online Quarterly Reports in respect of ITPO are uploaded online through CVC's online Quarterly Report module.

In accordance with the instructions issued by the Central Vigilance Commission, Vigilance Awareness Week was observed in ITPO and its Regional Offices in order to spread awareness on the values of practicing ethical and transparent business transactions in day-to-day official works and public interface. Link of CVC's E-Pledge was uploaded on ITPO's website and given publicity among employees and encouraged to take integrity pledge by visiting the website. The concept of E-Integrity Pledge was also promoted among the persons with whom ITPO deals with i.e. exhibitors and participants of fairs and events in ITPO.

18. SUBSIDIARY & ASSOCIATE COMPANIES

The Company holds 51% equity in each of its two Subsidiary Companies viz. Tamil Nadu Trade Promotion Organisation and Karnataka Trade Promotion Organisation. Further, National Centre for Trade Information (NCTI), has been set up jointly by ITPO and National Informatics Centre (NIC), Government of India at Pragati Maidan which is a 50:50 joint venture and Jammu & Kashmir Trade Promotion Organisation (JKTPO) at Pampore is a Joint venture Company. The Government of Jammu and Kashmir has 51.25% equity share, India Trade Promotion Organization (ITPO) with 40% equity share, Export Promotion Council for Handicrafts (EPCH) with 4.55% equity share and Carpet Export Promotion Council with 4.20% equity share of the company.

A Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures, pursuant to section 129 of the Companies Act, 2013 forms part of this report (Annexure - I).

19. The extract of Annual Return, as provided under sub section (3) of Section 92 of Companies Act 2013, forms part of this Report (Annexure- II).

20. FIXED DEPOSITS, Loans, Guarantees or Investments

During the year, the Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 and Rules made there under.

21. RELATED PARTIES TRANSACTIONS

There is no related party transaction which is to be reported.(Refer disclosure at Note 31.13)

22. AUDITORS

M/s. S P Chopra & Co., Chartered Accountants, New Delhi were appointed as Statutory Auditors of the Company for the Financial Year 2018-19 by the Comptroller and Auditor General (C&AG), Government of India.

23. STATUTORY AUDITORS' REPORT

The replies of the Board to each of the points raised in the Audit Report would form part of this report. (Annexure-III).

The comments of CAG on the annual accounts of the Company for the year ended 31st March, 2019 would form part of this report. (Annexure-IV& V).

24. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures. IFRS audit has been conducted and reported to the Board.

25. CORPORATE GOVERNANCE

The Board of Directors, the Audit Committee and the Remuneration Committee have been constituted in line with the Guidelines of DPE on Corporate Governance. Both the Board as well as the Audit Committee have been meeting at regular intervals.

The Company submitted annual report in Compliance with DPE's Guidelines on Corporate Governance to the Department of Commerce during 2018-19, within the specified timelines and reported an Annual Average Pro-rata Score of 96.77% to qualify for an 'Excellent' Grade. A detailed report is set out and appended which forms part of this report (Annexure- VI &VII).

26. RISK MANAGEMENT

Your Company regularly analyses the risks related to its operations and all steps were taken to manage & mitigate the known risks by insurance & other means.

27. RIGHT TO INFORMATION (RTI)

The RTI Cell operating under the Admin. Division of ITPO is extremely active and ensures that all Applications/ Appeals received under RTI are disposed off. RTI Cell received 134 Applications and followed by 07 Appeals during the period April, 2018 to March, 2019.

28. CODE OF CONDUCT

ITPO has formulated a Code of Conduct for the Board of Directors and Senior Management Personnel. The confirmation of compliance of the same is obtained from all concerned on annual basis. All Board Members and Senior Management Personnel have given their confirmation of compliance for the year under review. A declaration duly signed by CMD is annexed to this report. (Annexure-VIII).

29. CORPORATE SOCIAL RESPONSIBILITY

The thrust of CSR and Sustainability is on capacity building, empowerment of communities, inclusive socio-economic growth, environment protection, promotion of green and energy efficient technologies, development of backward region, and uplift of marginalized and under-privileged sections of the society.

ITPO has been strictly adhering to the CSR and Sustainability Guidelines issued by Department of Public Enterprises and the applicable Act & Rules of the Companies Act 2013. The CSR initiatives/activities are implemented with the approval /monitoring accordingly. The detailed policy about CSR initiatives of ITPO is available at http://www.indiatradefair.com/csr.php. The complete details of CSR initiatives by ITPO are enclosed at annexure- IX).

30. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report has separately been appended herewith and forms part of this Report. (Annexure-X).

31. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(A) Conservation of Energy:

The Company's activities do not involve continuous consumption of energy. However, necessary conservation measures, to the maximum extent, have already been implemented like limited use of lights, fans, air conditioners, etc.

(B) Technology Absorption:

The Company has not absorbed any technology from any source. ITPO is in the service sector and, being a trade promotion organisation, the company is taking every necessary step to increase the export activities from the country.

(C) Foreign Exchange Earnings And Outgo

	Current Year (2018-19) (Rs. In crores)	Previous Year (2017-18) (Rs. In crores)
Earnings	10.60	12.52
Outgo	27.14	18.94

32. DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 134(5) of the Companies Act, 2013, the Directors subscribe to the "Directors' Responsibility Statement" and confirm as under:

I. That, in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

II. That, the Directors have selected such accounting policies and applied them consistently and made estimates that are reasonable and prudent so as to give a true and fair view of the financial year and of income over expenditure of the Company for that period;

III. That, the Directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

IV. That, the Directors have prepared the annual accounts on a going concern basis;

V. The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively;

VI. That, the Directors had devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

33. ACKNOWLEDGEMENTS

We are thankful to the Central Government Ministries and Departments, particularly the Ministry of Commerce and Industry, the Ministry of Housing and Urban Affairs, the Ministry of External Affairs, including the Indian Missions for their continued guidance and assistance. The Directors are also grateful to the Delhi Development Authority, Ministry of Railways, the State Governments, the Public Sector Enterprises, the

Central Public Works Department, PWD,DJB,BSES, the Municipal Corporation of Delhi, the Delhi Police, the Mahanagar Telephone Nigam Limited and other agencies and individuals for their willing co-operation extended to ITPO. The Board of Directors is also grateful to the Comptroller and Auditor General of India, the Department of Public Enterprises and the Ministry of Corporate Affairs for their valuable co-operation.

For and on behalf of the Board of Directors

Sd/-
(L.C. Goyal)
Chairman and Managing Director
DIN No.02389348

Place: New Delhi
Date: 29.08.2019

Annexure- I

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details	
1.	Name of the subsidiary as on 31.3.2019	Tamilnadu Trade Promotion Organisation	Karnataka Trade Promotion Organisation
2.	The date since when subsidiary was acquired	17.11.2000	06.12.2000
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	N.A.
5.	Share capital	Rs.1,00,000/-	Rs.20,00,00,000/-
6.	Reserves & surplus	Rs.290,07,38,146	Rs.1,17,38,44,207/-
7.	Total assets	Rs.302,52,33,416	Rs.1,39,39,52,618/-
8.	Total Liabilities	Rs.12,43,95,270	Rs.2,01,08,411/-
9.	Investments	--	-
10.	Turnover	Rs.57,24,49,598	Rs.10,49,75,991/-
11.	Profit before taxation	Rs.35,02,04,579	Rs.6,99,05,077/-
12.	Provision for taxation	-	-
13.	Profit after taxation	Rs.35,02,04,579	Rs.6,99,05,077/-
14.	Proposed Dividend	N.A.(Prohibited to declare dividend as incorporated U/s 8 of the Companies Act,2013	N.A.(Prohibited to declare dividend as incorporated U/s 8 of the Companies Act,2013
15	Extent of shareholding (%)	51%	51%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

1. Names of associates or joint ventures which are yet to commence operations.
2. Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

Name of associates/Joint Ventures	Name 1	Name2	Name3
1. Latest audited Balance Sheet Date:31 March,2019	National Centre for Trade Information	Jammu & Kashmir Trade Promotion Organisation	
2. Date on which the Associate or Joint Venture was associated or acquired	31.03.1995	30.05.2018	
3. Shares of Associate/Joint Ventures held by the company on the year end			
No.	2,00,000	2,20,000	
Amount of Investment in Associates/Joint Venture	Rs.2,00,00,000/-	Rs.2,20,00,000/-	
Extend of Holding%	50%	44%	
4. Description of how there is significant influence	There is significant influence due to 50% share capital held by ITPO	There is significant influence due to 44% share capital held by ITPO (holding voting right more than 20%)	
5. Reason why the associate/joint venture is not consolidated	Ind AS-28	Ind AS-28	
6. Net worth attributable to shareholding as per latest audited Balance Sheet	Rs.83,26,245/-	Rs.2,25,68,091.48/-	
7. Profit/Loss for the year			
I. Considered in Consolidation	(69,31,854)	Rs.5,68,091/-	
II. Not Considered in Consolidation	(69,31,854)	Rs.7,23,026/-	

Sd/-	Sd/-	Sd/-
(S.R. Sahoo)	(D.M. Sharma)	(L.C. Goyal)
Company Secretary	Chief Financial Officer	Chairman & Managing Director

Annexure-II

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	U74899DL1976NPL008453
ii)	Registration Date	30/12/1976
iii)	Name of the Company	INDIA TRADE PROMOTION ORGANISATION
iv)	Category / Sub-Category of the Company	Mini- Ratna Category-1
v)	Address of the Registered office and contact details	Pragati Maidan,New Delhi-110001 Tel. : 91-11-23371540 (EPABX) Fax : 91-11-23371492, 23371493 email : info@itpo.gov.in
vi)	Whether listed company	~~Yes~~ / No
vii)	Name, Address and Contact	
	details of Registrar and Transfer Agent, if any	N/A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

SI. NO.	Name and Description of main products/ services	NIC Code of the Product/ services	% to Total turnover of the company
1	Organising Fairs/ Exhibitions for promotion of India's trade	-	100%
2	-	-	-
3	-	-	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S.NO	NAME AND ADDRESS OF THE COMPANY	CIN/GIN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Tamilnadu Trade Promotion Organisation CTC Complex Nandambakkam Chennai 600089	U91120TN2000NPL046140	SUBSIDIARY	51%	Sec.25 now Sec.8
2	Karnataka Trade Promotion Organisation Plot No.121,Road No.5,EPIP,2nd Phase, Whitefield Industrial Area, Bengaluru - 560066	U92490KA2000NPL028238	SUBSIDIARY	51%	Sec.25 now Sec.8
3	National Centre For Trade Information Hall # 19, Pragati Maidan, New Delhi - 110001	U74899DL1995NPL067008	ASSOCIATE	50%	Sec.25 now Sec.8
4	Jammu & Kashmir Trade Promotion Organisation Jammu and Kashmir Industries, Old Secretariat, Srinagar 190001	U93090JK2018NPL010473	ASSOCIATE	44%	Sec.8

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

(i) CATEGORY-WISE SHARE HOLDING

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
A. Promoters (1) Indian	-	-	-
(a) Individual/ HUF	-	-	-
(b) Central Govt • President of India (24998) • CommerceSecretary, DOC(1) • CMD,ITPO (1)	25000/-	25000/-	0%
(a) State Govt(s)	-	-	-
(b) Bodies Corp.	-	-	-
(c) Banks/FI	-	-	-
(d) Any Other	-	-	-
Sub-total (A)(1):-	25000/-	25000/-	0%

(2) Foreign	-	-	-
(a) NRIs - Individuals	-	-	-
(b) Other - Individuals	-	-	-
(c) Bodies Corp	-	-	-
(d) Banks / FI	-	-	-
(e) Any Other….	-	-	-
Sub-total (A) (2):-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	25000/-	25000/-	0%
B. Public Shareholding **1. Institutions**	-	-	-
(a) Mutual Funds	-	-	-
(b) Banks/FI	-	-	-
(c) Central Govt	-	-	-
(d) State Govt(s)	-	-	-
(e) Venture Capital Funds	-	-	-
(f) Venture Capital Funds	-	-	-
(g) Insurance Companies	-	-	-
(h) FIIs	-	-	-
(i) Foreign Venture Capital Funds	-	-	-
(j) Others (specify)	-	-	-
Sub-total (B)(1):-	-	-	-
2. Non Institutions a) Bodies Corp.	-	-	-
i) Indian	-	-	-
ii) Overseas	-	-	-
(b) Individuals	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-
(c) Others (specify)	-	-	-
Sub-total (B)(2):-	-	-	-
Total Public Shareholding (B) = (B)(1)+(B)(2)	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-
Grand total (A+B+C)	25000/-	25000/-	0%

(II) SHAREHOLDING OF PROMOTERS

SL. NO.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of shares pledged / encumberred to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encunberred to total shares	% change in share holding during the year
1	President of India	24998	99.98%	NO	24998	99.98%	NO	0%
2	Commerce Secretary, DOC	1	0.01%	NO	1	0.01%	NO	0%
3	CMD,ITPO	1	0.01%	NO	1	0.01%	NO	0%
	Total	25000	100%	NO	25000	100%	NO	0%

(III) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)

SL.NO.		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	NA	-	NA	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	NA	-	NA	-

(IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

SL. NO.		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	NA	-	NA	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	NA	-	NA	-

(V) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	CMD,ITPO (1)	.01%	CMD,ITPO (1)	.01%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NIL	-	NIL	-
	At the End of the year	CMD,ITPO (1)	.01%	CMD,ITPO (1)	.01%

V. INDEBTEDNESS

INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT

	Secured loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (i) Principal Amount	NIL	NIL	-	NIL
(ii) Interest due but not Paid	-	-	-	-
(iii) Interest accrued but not due	NA	-	-	NA
Total (I + ii+ iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
• Addition	-	-	-	-
• Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (I + ii+ iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			
		CMD	**ED**	**Ex-ED (Shubhra Singh)**	**Total Amount**
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income- tax Act, 1961	23,35,500/-	30,24,836/-	1,88,810/-	55,49,146/-

	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3,50,325/-	-	-	3,50,325/-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission -as % of profit-others, specify…..	-	-	-	-
5	Others, please specify…..	22,16,535/- (Accommodation payment)			22,16,535/-
	Total (A)	49,02,360/-	30,24,836/-	1,88,810/-	81,16,006/-
	Ceiling as per the Act				

B. REMUNERATION TO OTHER DIRECTORS:

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount
1.	**Independent Directors** • Fee for attending board committee meetings	Shri P.N. Vijay Rs. 20,000/- per meeting	Rs. 2,40,000/-
	Commission	-	-
	Others, please specify(Air Travel)	Rs. 1,80,214/-	Rs. 1,80,214/-
	Total (1)	Rs. 2,40,000/-	Rs. 2,40,000/-
2.	**Other Non-Executive Directors** • Fee for attending board committee meetings	NIL	NIL
	Commission	-	-
	Others, please specify	-	-
	Total (2)	NIL	NIL
	Total (B)=(1+2)	Rs. 4,20,214/-	Rs. 4,20,214/-
	Total Managerial Remuneration		
	Overall Ceiling as per the Act.		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	**Gross Salary**				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	NA	Rs. 24,18,025/-	Rs. 29,33,538/-	Rs. 53,51,563/-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	Rs. 1,84,192/-	Rs. 2,89,693/-	Rs. 4,73,885/-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	**-**	Rs. 26,02,217/-	Rs. 32,23,231/-	Rs. 58,25,448/-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Annexure-III

INDEPENDENT AUDITOR'S REPORT

Management Replies

TO THE MEMBERS OF 'INDIA TRADE PROMOTION ORGANISATION'

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **'India Trade Promotion Organisation'** (the "Company"), which comprise the Standalone Balance Sheet as at 31st March, 2019, the Standalone Statement of Income and Expenditure (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements including 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 standalone 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019 and its surplus (including Other Comprehensive Income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the following matters in the Notes to the financial statements:

1. Non-carrying out of physical verification of property, plant & equipment which was due in the year 2017-18 as per the policy of the Company. (Refer Note 3.4 of the standalone financial statements).	Factual Statement. Note No 3.4 of the financial statement refers.
2. Non-confirmation/ reconciliation of certain balances under trade receivables, loans and advances, trade payables and other parties of the Company. (Refer Note 31.6 of the standalone financial statements).	Factual Statement. Note No 31.6 of the financial statement refers.
3. Recognition of an amount of Rs. 1694.92 lakhs (net of GST of Rs. 305.08 lakhs) as an exceptional income towards forfeiture of bid security of a bidder for development cum operation of a 5 star hotel at Pragati Maidan. The bidder has contested the said forfeiture and has filed a writ petition before the Hon'ble High Court of Delhi, which is pending disposal. (Refer Note 31.7(c) of the standalone financial statements).	Factual Statement. Note No 31.7(c) of the financial statement refers.

Our opinion is not modified in respect of the above matters.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Corporate Governance Report and Directors' Report, including annexures thereon, but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors 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 the Board of Directors 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 Responsibilities for the audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

1. The 'Companies (Auditor's Report) Order, 2016' ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act is not applicable to the Company in terms of paragraph 1 sub-para 2(iii) of Companies (Auditors Report's) Order, 2016, as the Company is licensed to operate under section 8 of the Companies Act, 2013.

2. We are enclosing our report in terms of section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us by the management, in Annexure 'A', on the directions and sub-directions issued by Comptroller and Auditor General of India.

3. As required by Section 143(3) of the Act, we report that:

   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

c) the Standalone Balance Sheet, the Standalone Statement of Income and Expenditure (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;

e) the matters described in Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;

f) being a Government Company, pursuant to notification no. GSR 463 (E) dated 5th June, 2015 of the Government of India, provision of sub section (2) of section 164 of the Companies Act, 2013 is not applicable to the Company;

g) with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure-‘B’;

h) being a Government Company, pursuant to notification no. GSR 463 (E) dated 5th June, 2015 of the Government of India, provision of section 197 of the Companies Act, 2013 is not applicable to the Company; and

I) with respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 31.1 to the standalone financial statements;

ii) The Company has not entered into any long-term contracts including derivative contracts.

iii) Being section 8 Company, Company is prohibited from the payment of dividend to its members hence the clause relating to transfer of amounts to the Investor Education and Protection Fund by the Company is not applicable.

For S.P. Chopra & Co.
Chartered Accountants
Firm Registration No. 000346N

Sd/-
Ankur Goyal
Partner
Membership No. 99143
UDIN 19099143AAAAAN6737

Place : New Delhi
Date : 29th August, 2019

ANNEXURE -'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of he Independent Auditor's Report of even date on the standalone financial statements of India Trade Promotion Organisation for the year ended 31st March, 2019)

Directions and Sub-Directions issued by the Comptroller & Auditor General of India under section 143 (5) of the Companies Act, 2013 in respect of annual accounts of India Trade Promotion Organisation for the year 2018-19.

Sr. No.	Directions/ Sub Directions	Auditor's Responses	Action taken thereon by management	Impact on financial statements
A	**Directions**			
1	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	According to information and explanations given to us, the accounting transaction of the Company are accounted in 'Tally ERP9' accounting software and are not processed outside IT system.	No action is required	No Impact
2	Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/ loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	According to information and explanations given to us, the Company has NIL borrowings as at 31.03.2019. Hence, there is no restructuring of an existing loan or cases of waiver/ write off of debts/ loans/ interest etc. made by a lender to the Company due to the Company's inability to repay the loan.	No action is required	No Impact

3	Whether funds received/ receivable for specific schemes from Central/ State agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	Funds for trade promotion are received/ receivable by ITPO from Central/ State agencies against specific schemes. According to information and explanations given to us, funds received/ receivable for specific schemes from Central/ State agencies were properly accounted for/ utilized as per its term and conditions.	No action is required	No Impact
B	**Sub-Directions**			
	NIL			

For S.P. Chopra & Co.
Chartered Accountants
Firm Registration No. 000346N

Sd/-
Ankur Goyal
Partner
Membership No. 99143
UDIN 19099143AAAAAN6737

Place : New Delhi
Date : 29th August, 2019

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 3(g) under `Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date on the standalone financial statements of India Trade Promotion Organisation for the year ended 31st March, 2019)

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

We have audited the internal financial controls over financial reporting of **'India Trade Promotion Organisation'** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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" (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). 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 Act.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' 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 maintained, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 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 S.P. Chopra & Co.
Chartered Accountants
Firm Registration No. 000346N

Sd/-
Ankur Goyal
Partner
Membership No. 99143
UDIN 19099143AAAAAN6737

Place : New Delhi
Date : 29th August, 2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF 'INDIA TRADE PROMOTION ORGANISATION'

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of **'India Trade Promotion Organisation'** (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its jointly controlled entity and its associate which comprise the consolidated Balance Sheet as at 31st March, 2019, the consolidated Statement of Income and Expenditure (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of matters described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group, jointly controlled entity and associate as at 31st March, 2019 and its consolidated surplus (including Other Comprehensive Income), its consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

We conducted our audit 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 Consolidated Financial Statements section of our report. We are independent of the Group, jointly controlled entity and associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements, except for the following matters:

1. Subsidiary Company - TNTPO

a) 'Service Tax Recoverable' item under Note 9 'Other Non-current Assets' amounting to Rs. 83.29 lakhs pertains to service tax paid on advances received upto 30/06/2017 for which adjustment is not allowable in GST due to non-filing of GST TRAN-1.

In this connection, it is observed that this cannot be set off against any GST/ Service Tax liability. Further, no claim for refund is possible since time limit for filing refund claim has already expired (1 year from date of payment of service tax as per Section 11B of Central Excise Act).

Based on the above, said amount of Rs. 83.29 lakhs is to be written off as expense. Consequently, surplus for the year and current tax assets are overstated to that extent.

b) It is observed that GST is not paid on receipt of advances from customers from 1 July 2017 to 31 August 2018. As on 31.03.2019, such advances received between 1 July 2017 and 31 August 2018 can be categorized into –

i) Advances which are forfeited/ cancelled on which no GST was paid – GST liability to be quantified with interest and to be provided in financial statements. This will have reduction impact in surplus.

ii) Advances which are pending for future events and no GST was paid on these items - GST liability to be quantified with interest and provided in financial statements.

iii) Advances in respect of which billing is completed and GST was paid – Interest liability in respect of such items at 18% per annum is applicable as per GST law for the timing difference (i.e., from the date of advance receipt and the date of invoice/ billing).

iv) Advances which were refunded to parties – Interest liability in respect of period from advance collection date to refund date for GST component of advance to be provided. Consequently, Current Tax Assets is overstated and Advance from customer (for future events/ refundable amounts)/ Trade receivable is understated to that extent.

c) It is observed that GST is not paid on certain advances from customers amounting to Rs. 70.97 lakhs during the period 1 September 2018 to 31 March 2019.

Resulting additional GST liability to be accounted amounts to Rs. 12.77 lakhs.

d) Advance from customers, Trade Receivables, TDS Receivable, Miscellaneous Income and GST adjustments

Balance of the following items for the past several years remain to be reconciled between subsidiary records (i.e., Advance workings maintained in excel) and general ledger (Tally System):

Sr. No.	Item	Classified under	Financial Statement Note reference
1	Trade Receivables	Trade Receivables	11
2	Advances from customers for future events/ refund to organizers	Other Current Liabilities	25
3	Income Tax/ TDS Recoverable	Non-current Tax Assets	8
4	Forfeiture of event related advances forming part of “other non-operating Income”	Other Income	28

Due to nature of inter-relationship amongst the above said items, any change in one of the items will impact balances of other items.

On completion of reconciliation, adjustments, if any required, remain to be effected appropriately in Statement of Income and Expenditure and Balance Sheet.

Based on above impact, “Disclosure under Ind AS-115 on Revenue from contracts with customers” under note 34 to standalone financial statements of TNTPO is to be modified accordingly.

2. Subsidiary Company – KTPO

Non-provision of Income Tax for financial years 2008-09 and 2012-13 to 2018-19

Reference is made to Note No. 33.4 (iii) of consolidated financial statements on the issue of Income Tax liability. KTPO has been filing Income Tax returns declaring income as Nil from its very incorporation claiming exemption under section 11 of the Income Tax Act, 1961. However, the assessing authorities have rejected this claim on the ground that section 2(15) of the Income Tax Act has been amended by the Finance Act 2008, by adding the proviso

which states that "advancement of any other object of general public utility shall not be charitable purpose, if it involves the carrying on of (a) Any activity in the nature of trade, commerce or business (b) Any activity of rendering service in relation to any trade, commerce or business, for a cess or fee or any other consideration, irrespective of the nature of use or application, or retention of the income from such activity". Accordingly, the Income Tax department has assessed the tax payable by KTPO from the assessment year 2009-10 (financial year 2008-09) as per details given below:

Assessment Year	Demands raised (Rs. in lakhs)	TDS refund claimed by KTPO (Rs. in lakhs)	Current Position
2009-10	Assessment Pending	7.16	Assessment pending
2010-11	Nil	8.35	Appeal filed against Assessment allowed. Department's appeal in Appellate Tribunal dismissed
2011-12	58.31	31.38	Appeal filed against Assessment allowed. Department's appeal in Appellate Tribunal pending
2012-13	110.47	48.80	Appeal filed against Assessment allowed. Department's appeal in Appellate Tribunal pending
2013-14	238.80	70.50	Appeal Filed and pending
2014-15	158.75	83.57	Appeal Filed and pending
2015-16	Pending	95.06	Assessment pending
2016-17	239.80	69.99	Appeal filed with Asst. Commissioner (Appeals) against the intimation received u/s 143(1) pending
2017-18	Pending	579.24	Assessment Pending
2018-19	Pending	232.17	Assessment Pending
2019-20	Pending	76.89	Assessment Pending

KTPO had received notice on 26.02.2013 from the Additional Commissioner of Income Tax (Tech)- I proposing to cancel the original approval granted under section 10(23c) (iv) of the Act for assessment years 2003-04 to 2008-09 with effect from 1-04-2009, i.e. from the date of amendment to section 2(15) and onwards. KTPO had filed written submissions for reconsideration of the notice and no further communications have been received by KTPO in this regard.

KTPO had also received Show Cause Notice for cancellation of registration under section 12AA (3) of Income Tax Act, 1961. In response, KTPO had made representation to Department of Income Tax to drop the case as the said issue should have to be dealt only at the time of assessment, decision in this regard is still awaited. For the Assessment year 2016-17, the assessing officer issued intimation on 17.03.2018 under section 143(1) of Income Tax Act disallowing claim of accumulation since Form 10 (in electronic mode) was not submitted within due date. An appeal has been filed before the Assistant Commissioner of Income Tax (Appeals) to condone the delay which is also pending.

KTPO has not made any provision towards Income Tax liability in the standalone financial statements. It has also shown in the said statements an amount of Rs.1310.92 lakhs as TDS refundable by the department. However, the department has adjusted/ retained these amounts against its demands. Considering the above facts and the amended provisions of section 2(15) of the Income Tax Act, KTPO should have provided for the tax for the financial years 2008-09 and 2012-13 to 2017-18. The provision required against demands raised by the department for the financial years 2012-13, 2013-14 and 2015-16 is indicated in the table shown above. For the other financial years, we are unable to quantify the amount of provision in absence of required information/ details.

3. Jointly Controlled Entity – NCTI

We draw attention that winding up of NCTI was discussed at the board meeting and it has been decided that the winding up formalities of NCTI may be initiated soon. As such, we are unable to express our opinion on its ability to continue as a going concern. This situation indicates that a material uncertainty exists that may cast significant doubt on NCTI's ability to continue as a going concern. (Refer Note 38 of standalone financial statements of NCTI)

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated 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.

Subsidiary Company – TNTPO

a) Pending Judicial decision on withdrawal of exemption under section 11(15) or section 10(23C) (iv) of the Income Tax Act, 1961, no provision for income tax and deferred tax have been made by TNTPO. (Refer note no. 33.4 (ii) forming part of consolidated financial statements)

b) Miniscule staff strength of TNTPO is affecting the internal financial control system and its operating effectiveness.

c) Deficiencies in Internal Control:

- Financial Powers and Accountability - Existing document delegating financial powers is silent about powers and responsibilities of Manager (Accounts), Deputy Manager (Accounts) and other functionaries from outsourced manpower service providers who perform various stages of financial transactions.

  Document clearly defining roles and responsibilities of employees and outsourced manpower functionaries is not established. Hence, there is a difficulty in affixing accountability to safeguard the assets of the organization.

- Authorization and approval of transactions - Controls to ensure that only authorized transactions are entered in Tally financial accounting system are not established. Further, mechanism for post facto approval of transaction is not established.

  Specifically, in respect of journal entries not having direct cash inflow/ outflow impact, entries passed are not supported by authenticated workings and relevant evidence. Examples of these entries include capitalization entries, depreciation entries, rectification entries, advance adjustment entries, TDS receivable and GST adjustment entries.

  Instances of incorrect journal entries and exceptional journal entries passed in respect of Property, Plant and Equipment are described below:

A. Deficiency in Internal Control

In the following cases, journal entries have been passed indiscriminately for significant amounts without proper authenticated workings, explanations and relevant evidence -

Extract of Entries

Entry no. 1A – Original entry in FY 17-18

Date	Particulars	Vch Type	Vch. No.	Debit amount	Credit amount
01-04-2017	Depreciation Reserve Dr.	JV (Ad) Entries	2 and 4	56,66,667.00	
	To Plant and Machinery				56,66,667.00
Being the entry for excess depreciation charges for old chillers replaced during the year 2014-15 since corrected.					

Entry no. 1 B – Reversal of entry no. 1A (As above) effected in FY 18-19

Date	Particulars	Vch Type	Vch. No.	Debit amount	Credit amount
31-03-2019	Plant and Machinery Dr.	JV-Ind AS Transaction Entries	1 and 2	56,66,667.00	
	To Depreciation Reserve				56,66,667.00
Being the rectification entry for wrong disclosure and removal of plant and machinery from gross block and accumulated depreciation.					

Entry No. 2A –Original entry in FY 17-18

Date	Particulars	Vch Type	Vch. No.	Debit amount	Credit amount
01-04-2017	Depreciation reserve Dr.	JV (Adj. Entries)	3	3,69,203.00	
	To Car				3,69,203.00
Being the entry for car sold during the year 2014-15 since taken into account					

Entry No. 2B –Reversal of entry no. 2A (As above) effected in FY 2018-19

Date	Particulars	Vch Type	Vch. No.	Debit amount	Credit amount
31-03-2019	Car Dr.	JV-Ind AS Transaction Entries	6	3,69,203.00	
	To Depreciation Reserve				3,69,203.00

Being the asset already sold off and considered at Zero cost for Ind AS adoption further disclosed in 17-18 financials as disposal adjustments hence to be rectified.

Entry no. 3A – Original entry in FY 18-19

Date	Particulars	Vch Type	Vch. No.	Debit amount	Credit amount
31-03-2019	Plant and Machinery Dr.	JV	1676	8,82,345.00	
	GST ITC Dr.			1,58,822.00	
	To Blue Star				10,05,873.00
	To TDS on GST				17,647.00
	To Income tax TDS				17,647.00
Being the entry towards replacement of chillers, Air handling units along with accessories at convention Centre. Payable to M/s Blue Star Ltd. Vide bill no. OS/368 dated 04.04.2019					

Entry no. 3B reversal of entry no. 3 A (As above) effected in FY 18-19

Date	Particulars	Vch Type	Vch. No.	Debit amount	Credit amount
31-03-2019	Blue Star Dr.	JV- adjustment	3	10,05,873.00	
	TDS on GST Dr.			17,647.00	
	Income tax TDS Dr.			17,647.00	
	To Plant and Machinery				8,82,345.00
	To GST ITC				1,58,822.00
Being the entry reversed due to the excess addition made in the fixed asset block in Plant and Machinery for the year 2018-19 since rectified.					

B. On reconciliation of Income Tax TDS balances as per 26AS Statement with TDS balances accounted in Tally Financial Accounting Package, TDS accounted in Tally was rectified vide journal vouchers (Adjustments) 26 and 29.

<u>Notes on verification of above said rectifications for FY : 2018-19 (Transaction date 31.03.2019) entered in Tally system</u>

Limitation:

i) Details of reference of originating journal entry for TDS Receivable reversal made is not provided for all the rectification entries made in respect of 35 customer accounts as per “journal vouchers (Adjustments) voucher” numbering 28 & 29.

ii) Details of event names provided in the rectification entries accounted are incomplete.

Subject to above limitations we made a quick limited review and our observations are as under:

Observation – 1

In the case of customer 43rd AOMSI Conference without considering the TDS receivable reversal entry, refund of Rs. 2,23,048/- was made on 10/05/2019 in respect of event by name "43rd AOMSI Conference - 2019 held from 12-13th October, 2018 vide bill no. CTC/109 Dt.24/10/2018". Also refer payment voucher no. 169 dated 10/05/2019.

If reversal as per journal vouchers (Adjustments) numbering 29 is considered, an amount of Rs. 3.86,212/- is recoverable as on 10/05/2019 instead of Rs. 1,63,164/- on account of erroneous refund.

Observation – 2

TDS Receivable originally entered under JV No. 12 on 09/04/2018 in respect of Vijay Television P. Ltd. was Rs. 1,80,517/-.

TDS Receivable originally entered under JV No.772 on 16/11/2018 in respect of Voltech Engineers Pvt. Ltd. was Rs.1.31 lakhs.

The above two entries were incorrectly rectified by reducing amount of Rs. 0.49 lakh in Vijay Television P. Ltd. and increasing the same amount in Voltech Engineers Pvt. Ltd.

The prima facie error will result in excess/ short refund among the two above parties.

Observation – 3

In the case of customer Industries Department, Govt. of TN without considering the TDS receivable reversal entry, final settlement amounting to Rs. 3,14,28,423/- was recovered on 25th May, 2019 in respect of event by name "TNGIM-2019 from 22-23rd Jan 2019 vide bill no. CTC/160 & CCC/161 Dt.31/01/2019." Also, refer Receipt no.21 dated 25 May 2019.

If reversal as per journal voucher (Adjustments) numbering 29 is considered an amount of Rs. 29.32 lakhs is further recoverable as on 25/05/2019.

- Logical Access Controls in application program level (Billing software and Tally financial accounting system) are not established for handling transaction entry, transaction processing, generation of reports, maintaining accuracy of the financial and related operational data.

  Separate user credentials were not created for every employee/ outsourced functionary and hence accountability cannot be fixed.

- Controls to reconcile between various departments and accounts department to ensure accuracy of transactions and balance are not established.
- Controls in respect of annual closure of books to ensure accuracy and completeness of closing entries are not established.
- Controls are not established to prevent back dated entries/ subsequent modification or deletion of entries in Tally financial accounting system, which should have audit trails/ logs of track/ identity such instances. Audit trails/ logs are essential to identify the person effecting the back dated transaction/ modification with date and time of entry so that accountability can be assigned.

d) Note 24 on "Other Financial Liabilities" of consolidated financial statements as on 31.03.2019 includes balance of Rs. 28,77,715/- relating to arrears emoluments of employees and pending for long period. Approval for grant of these benefits is not yet accorded by the management.

e) Property, Plant & Equipment Adjustment entries related to prior period error amounting to Rs. 60.41 lakhs in Gross Carrying Amount and Rs. 60.39 lakhs in Depreciation Reserve is disclosed as footnote to "Note 3 of standalone financial statements of TNTPO under Property, Plant and Machinery". Working on rectification entries passed are yet to be reconciled with fixed asset item wise register and to be approved.

Material Uncertainty Related to Going Concern

As mentioned in Basis for Qualified Opinion section of our report, we draw attention that winding up of NCTI was discussed at the board meeting and it has been decided that the winding up formalities of the said Company may be initiated soon. As such we are unable to express or opinion on the ability to continue as a going concern. This situation indicates that a material uncertainty exists that may cast significant doubt on the said Company's ability to continue as a going concern.

Emphasis of Matter

We draw attention to the following matters in the Notes to the financial statements:

1. **Holding Company**

   a) Non-carrying out of physical verification of property, plant & equipment which was due in the year 2017-18 as per the policy of the Holding Company. (Refer Note 3.4 of the consolidated financial statements).

   b) Non-confirmation/ reconciliation of certain balances under trade receivables, loans and advances, trade payables and other parties of the Holding Company. (Refer Note 33.7 of the consolidated financial statements).

   c) Recognition of an amount of Rs. 1694.92 lakhs (net of GST of Rs. 305.08 lakhs) as an exceptional income towards forfeiture of bid security of a bidder for development cum operation of a 5 star hotel at Pragati Maidan. The bidder has contested the said forfeiture and has filed a writ petition before the Hon'ble High Court of Delhi, which is pending disposal. (Refer Note 33.8(c) of the consolidated financial statements).

2. **Jointly controlled entity – NCTI**

   Without qualifying our report, we draw attention to the following:

   a) Balances are subject to confirmation and reconciliation as under:

      i) Share application money pending allotment Rs. 57.86 lakhs (Refer Note 31 of standalone financial statements of NCTI)

      ii) NCTI has contravened the provisions of The Companies (Acceptance of Deposit) Rules 2014 in relation to the share application money of Rs. 57.86 lakhs by not refunding the money as provided therein.

      iii) Credit and Debit balances of various parties. (Refer Note 34 of standalone financial statements).

      iv) Rs. 5 lakhs from ITPO and Rs. 5.35 lakhs from NIC towards share capital of NCTI shown under "Other Current Liabilities" (Refer Note 28 of standalone financial statements of NCTI).

      v) TDS recoverable Rs. 43.31 lakhs shown under "Other Current Assets" is subject to reconciliation.

   b) Provision for doubtful debts/ advances is not made in respect of dues outstanding for more than three financial years for followings:

      i) Ministry of Commerce & Industry Rs. 0.07 lakh.

      ii) ITPO-Projects of Rs. 13.25 lakhs.

Our opinion is not modified in respect of the above matters.

Information Other than the Consolidated Financial Statements and Auditor’s Report thereon

The Holding Company’s Board of Directors is responsible for the other information. The other information comprises the Corporate Governance Report and Directors’ Report, including annexures thereon, but does not include the consolidated financial statements and our auditor’s report thereon.

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

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

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company’s Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group, jointly controlled entity and associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

The respective Board of Directors of the Companies included in the Group, jointly controlled entity and associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, jointly controlled entity and associate 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group, jointly controlled entity and associate are responsible for assessing the ability of the Group, jointly controlled entity and associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group, jointly controlled entity and associate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group, jointly controlled entity and associate are responsible for overseeing the financial reporting process of the Group, jointly controlled entity and associate.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

As part of an audit in accordance with SAs, we along with auditor's of Subsidiary Companies, Jointly Controlled Entity and Associate, exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 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 holding 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 Group's, jointly controlled entity's and associate'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 consolidated 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 Group, jointly controlled entity and associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, jointly controlled entity and associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We ccommunicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are independent auditors 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 consolidated 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.

Other Matters

We did not audit the financial statements of subsidiary companies namely Tamilnadu Trade Promotion Organisation and Karnataka Trade Promotion Organisation, jointly controlled entity namely National Center for Trade Information and associate namely Jammu and Kashmir Trade Promotion Organisation, whose financial statements reflect total assets of Rs. 44991.96 lakhs as at 31st March, 2019, and total revenues of Rs. 6815.80 lakhs, total comprehensive income (net) of Rs. 4074.50 lakhs and cash inflows (net) of Rs. 2109.68 lakhs for the year ended on that date, as considered in the consolidated financial statements.

The financial statements of subsidiary companies namely Tamilnadu Trade Promotion Organisation and Karnataka Trade Promotion Organisation, jointly controlled entity namely National Center for Trade Information and associate namely Jammu and Kashmir Trade Promotion Organisation have been audited by its auditor’s whose report have been furnished to us by the Holding Company’s management and our opinion on the consolidated financial statements, in so far it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entity and associate and our report in terms of Section 143(3), in so far it relates to these subsidiaries, jointly controlled entity and associate is based solely on the reports of the respective auditor.

Our opinion on the consolidated financial statements, and our Report on Other Legal and Regulatory Requirements below, is not modified in respect of above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as appears from our examination of those books and reports of the other auditors.

c) the consolidated Balance Sheet, the consolidated Statement of Income and Expenditure (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) in our opinion, except for the matters described in Basis for Qualified Opinion and Emphasis of Matter paragraph above, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

e) the matters described in Basis for Qualified Opinion and Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Group, jointly controlled entity and associate;

f) being Government Companies, pursuant to notification no. GSR 463 (E) dated 5th June, 2015 of the Government of India, provision of sub section (2) of section 164 of the Companies Act, 2013 is not applicable to the Group, jointly controlled entity and associate;

g) with respect to the adequacy of the internal financial controls with reference to financial statements and operating effectiveness of such controls of the Holding Company audited by us, and of the subsidiary company, jointly controlled entity and associate, not audited by us (as reported by their auditors), refer to our separate report in Annexure-'A';

h) being Government Companies, pursuant to notification no. GSR 463 (E) dated 5th June, 2015 of the Government of India, provision of section 197 of the Companies Act, 2013 is not applicable to the Group, jointly controlled entity and associate; and

i) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, jointly controlled entity and associate – Refer Note 33.1 to the consolidated financial statements;

   ii) The Holding Company and its subsidiaries, jointly controlled entity and associate companies have not entered into any long-term contracts including derivative contracts.

   iii) Being section 8 Companies, Group, jointly controlled entity and associate are prohibited from the payment of dividend to its members hence the clause relating to transfer of amounts to the Investor Education and Protection Fund by the Group, jointly controlled entity and associate Companies is not applicable.

For S.P. Chopra & Co.
Chartered Accountants
Firm Registration No. 000346N

Sd/-
Ankur Goyal
Partner
Membership No. 99143
UDIN 19099143AAAAAO9412

Place : New Delhi
Date : 29th August, 2019

ANNEXURE-'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (g) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date on the consolidated financial statements of India Trade Promotion Organisation for the year ended 31st March, 2019)

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

We have audited the internal financial controls over financial reporting of **'India Trade Promotion Organisation'** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), jointly controlled entity and associate for the year ended 31st March, 2019, in conjunction with our audit of the consolidated financial statements of the Group, jointly controlled entity and associate for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiaries, jointly controlled entity and associate are 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" (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). 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 Act.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' 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 authorizations of management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

Basis of Qualified Opinion

According to the information and explanations given to us and based on the audit of Subsidiary Company – KTPO by the other auditor, following material weaknesses have been identified as at March 31, 2019:

a) The minuscule staff strength of KTPO is affecting the Internal Financial Control System and its operating effectiveness.

b) The internal control system for complying with applicable provisions of various statutes is inadequate which could result in payment of additional levies and damages.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of KTPO's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, to the best of our information and according to the explanations given to us, except for the effects/ possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Holding Company and its subsidiaries, jointly controlled entity and associate have, in all material respects, adequate internal financial controls with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Group, jointly controlled entity and associate 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal

financial controls with reference to the financial statements in so far as it relates to the Subsidiary Company namely Karnataka Trade Promotion Organisation, Jointly Controlled Entity namely National Center for Trade Information and Associate namely Jammu and Kashmir Trade Promotion Organisation, is based on the corresponding report of the auditor of the respective Company. Further, the said report as per the report of auditor of Tamilnadu Trade Promotion Organisation, subsidiary company is exempt for the said company for the current year as per notification no. GSR 464(E) dated 5th June 2015 as amended by notification no. GSR 583 (E) dated 13th June 2017.

Our opinion is not modified in respect of above matter.

For S.P. Chopra & Co.
Chartered Accountants
Firm Registration No. 000346N

Sd/-
Ankur Goyal
Partner
Membership No. 99143
UDIN 19099143AAAAAO9412

Place : New Delhi
Date : 29th August, 2019

Annexure-IV

COMMENTS OF THE CAG OF INDIA

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF INDIA TRADE PROMOTION ORGANISATION FOR THE YEAR ENDED 31 MARCH 2019.

The preparation of financial statements of INDIA TRADE PROMOTION ORGANISATION for the year ended 31 March'2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 August 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary of the financial statements of INDIA TRADE PROMOTION ORGANISATION for the year ended 31 March 2019 under Section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records. On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under Section 143(6) (b) of the Act.

For and on behalf of the
Comptroller and Auditor General of India

Sd/-
(Prachi Pandey)
Principal Director of Commercial Audit
& Ex-officio Member Audit Board-I,
New Delhi.

Place: New Delhi
Dated: 27 September 2019

Annexure-V

COMMENTS OF THE CAG OF INDIA

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIA TRADE PROMOTION ORGANISATION FOR THE YEAR ENDED 31 MARCH 2019.

The preparation of consolidated financial statements of **INDIA TRADE PROMOTION ORGANISATION** for the year ended 31 March, 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) read with Section 129(4) of the Act is responsible for expressing opinion on the financial statements under Section 143 read with Section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 August 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of **INDIA TRADE PROMOTION ORGANISATION** for the year ended 31 March 2019 under Section 143(6) (a) read with Section 129(4) of the Act. We conducted a supplementary audit of the financial statements of **INDIA TRADE PROMOTION ORGANISATION**, its subsidiary Karnataka Trade Promotion Organisation and Tamilnadu Trade Promotion Organisation, its associate Jammu and Kashmir Trade Promotion Organisation, but did not conduct supplementary audit of the financial statements of joint venture company National Centre for Trade Information for the year ended 31 March 2019. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under Section 143(6) (b) of the Act.

For and on behalf of the
Comptroller and Auditor General of India

Sd/-
(Prachi Pandey)
Principal Director of Commercial Audit
& Ex-officio Member Audit Board-I,
New Delhi.

Place: New Delhi
Dated: 18 November 2019

Annexure- VI

REPORT ON CORPORATE GOVERNANCE

1. THE COMPANY'S GOVERNANCE PHILOSOPHY

India Trade Promotion Organization (ITPO), the premier trade promotion agency of the Ministry of Commerce & Industry, Government of India, is committed to showcase excellence achieved by the country in diverse fields especially trade, commerce and governance.

ITPO is fully committed towards good corporate governance entailing trusteeship, empowerment and accountability of the management while remaining proactive to the Government policies. ITPO's Governance process is focused towards its mission of "wide spectrum of services to trade and industry and acting as a catalyst for growth of India's trade". The company follows guidelines on Corporate Governance issued by the Department of Public Enterprises.

The main activities and services of ITPO are:

- To promote, organize and participate in industrial trade through fairs and exhibitions in India and abroad and to take all measures incidental thereto for boosting up country's trade
- To publicize in India and abroad international trade fairs and exhibitions to be held in India and to mobilize the foreign participants to participate in them.
- To organize trade in commodities connected with or relating to such fairs, exhibitions in India and abroad.
- To promote exports and to explore new markets for traditional items of exports and develop export of new items with a view to maintaining, diversifying and expanding the export trade.
- To support and assist small and medium enterprise to access markets – both in India and abroad.
- To prepare and update trade related database for dissemination among trade and industry in India.
- Organizing seminars, conferences and workshops on trade related issues.
- To lease out its exhibition halls and facilities to other organizers for holding trade related events.

The compliance of the company on Corporate Governance and the disclosure requirements under Companies Act are given below:

2. BOARD OF DIRECTORS

2.1 Size of the Board

ITPO is a Section 25 (now section-8) Company as per the Companies Act, 1956 and the President of India presently holds 100% of the total paid-up share capital. As per Articles of Association, the power to appoint Directors rests with the President of India. In terms of Articles of Association of the Company, the strength of our Board shall not be less than four Directors or more than twelve Directors.

2.2 Composition of the Board

The Board comprised of 7 Directors, out of which 2 were Functional Directors including the Chairman and Managing Director, 4 were Nominee Directors of Government of India and 1 was Independent Director.

Shri L.C.Goyal had taken over the charge of Chairman and Managing Director of ITPO w.e.f. 2nd September, 2015.

2.3 Board Meeting and Attendance

The meetings of the Board of Directors are normally held at the Registered Office of the Company. The meetings are generally scheduled well in advance and the Notice, detailed Board agenda, management reports and other explanatory Board notes are circulated to the Directors. The members of the Board have complete access to all information of the Company. The Senior Management is also invited to the Board meetings to provide additional input to the items being discussed by the Board, as and when required.

During the financial year ended 31st March, 2019, the Board Meetings were held on 26th June,2018, 29th August, 2018,28th November,2018, 20th February, 2019 and 25th March, 2019 respectively.

The details of number of Board Meetings attended by Directors, attendance at last Annual General Meeting (AGM), number of other Directorships in Body Corporates (other than ITPO) held by Directors during the financial year 2018-19 are tabled below:

Sl. No.	Name of Director	Board Meetings		Attendance at last AGM held on (22nd October 2018)	As on March 31, 2019 (No. of other Director-ship
		Held during the tenure	Attendance		
1.	Shri L.C. Goyal	5	5	Yes	2 (KTPO, TNTPO)
2.	Shri Deepak Kumar	5	5	No	5 (JKTPO,KTPO, TNTPO, WBTPO, NCTI)
3.	Dr. Subhash Chandra Pandey	5	5	No	9 (MMTC, STC, NTC, HMT Ltd, BHEL, Invest India, India International Convention and Exhibition Centre Ltd, National Jute Board, National Jute Manufactures Corporation Ltd.)
4.	Shri Sanjay Chadha	3	0	No	-
5.	Shri Praveen Bonigala	2	1	Yes	2 (KTPO, TNTPO)
6.	Smt. Alka Nangia Arora	5	2	No	2 (NSIC, DSIIDC)
7.	Shri Vinod K. Jacob	3	0	No	2 (WAPCOS, Invest India)

8.	Shri Manoj K. Bharti	2	0	No	2 (WAPCOS, Invest India)
9.	Shri P.N. Vijay	3	3	No	5 (Dabur India Ltd, ILFA, MSL, H & B Stores Ltd, Rainbow Digital Services Pvt. Ltd.)

2.4 INFORMATION REQUIRED TO BE PLACED BEFORE THE BOARD OF DIRECTORS:

The Board has complete access to any information of the Company. The information regularly supplied to the Board includes:

1. Annual operating plans, budgets and any updates.
2. Annual Accounts, Directors' Report, etc.
3. Minutes of meetings of audit committee and other committees of the Board.
4. Major Investments, information of Subsidiaries and Joint Ventures, Strategic Alliances, etc.
5. Award of large Contracts.
6. Disclosure of Interest by Directors about directorship and committee positions occupied by them in other Companies.
7. Report on the status of various ongoing projects/Schemes and Budget Utilization.
8. Any significant development in Human Resources/ Industrial Relations like signing of wage agreement, etc.
9. Non-compliance of any regulatory, statutory and shareholders' service.
10. Short-term investment of surplus funds.
11. Other materially important information including the requirements of Companies Act.

3. COMMITTEES OF THE BOARD OF DIRECTORS

The Board has constituted the following Committees:

i) Audit Committee

ii) Remuneration Committee

iii) CSR Committee.

3.1 Composition of Audit Committee, Meetings held and Attendance of Audit Committee during the year 2018-19

The Company has complied with the Corporate Governance guidelines and accordingly, three Audit Committee Meetings were held on 26th June, 2018, 29th August, 2018 and 20th February, 2019 respectively.

Sl No .	Name of Committee Members	Designation	Position in Committee	Meetings	
				Held during the tenure	Attendance
1.	Shri P.N. Vijay	Independent Director	Chairman	3	3
2.	Dr. Subhash Chandra Pandey	Part Time official Director	Member	3	3
3.	Shri Sanjay Chadha	Part Time official Director	Member	2	0
4.	Shri Praveen Bonigala	Part Time official Director	Member	1	0
5.	Smt. Alka Nangia Arora	Part Time official Director	Member	3	1
6.	Shri Deepak Kumar	Functional Director	Member	3	3
7	Shri Vinod K. Jacob	Part Time official Director	Member	2	0
8	Shri Manoj K. Bharti	Part Time official Director	Member	1	0

3.2 COMPOSITION OF REMUNERATION COMMITTEE, MEETINGS HELD AND ATTENDANCE IN REMUNERATION COMMITTEE DURING THE YEAR 2018-2019

During the Year 2018-19, No meeting of the Remuneration Committee was held.

Sl No .	Name of Remuneration Committee Members	Designation	Position in Remuneration Committee	Meetings	
				Held during the tenure	Attendance
1.	Shri P.N. Vijay	Independent Director	Chairman	-	-
2.	Dr. Subhash Chandra Pandey	Part Time official Director	Member	-	-
3.	Shri Sanjay Chadha	Part Time official Director	Member	-	-
4.	Shri Praveen Bonigala	Part Time official Director	Member	-	-
5.	Smt. Alka Nangia Arora	Part Time official Director	Member	-	-
6.	Shri Deepak Kumar	Functional Director	Member	-	-
7	Shri Vinod K. Jacob	Part Time official Director	Member	-	-
8	Shri Manoj K. Bharti	Part Time official Director	Member	-	-

3.3 COMPOSITION OF CSR COMMITTEE, MEETINGS HELD AND ATTENDANCE IN CSR COMMITTEE DURING THE YEAR 2018-2019.

The Company has complied with the Guidelines issued by the Department of Public Enterprises/Companies Act, 2013.

Sl No .	Name of CSR Committee Members	Designation	Position in CSR Committee	Meetings	
				Held during the tenure	Attendance
1.	Dr. Subhash Chandra Pandey	Part Time official Director	Chairman	2	2
2.	Shri Sanjay Chadha	Part Time official Director	Member	2	0
3.	Shri Praveen Bonigala	Part Time official Director	Member	0	0
4.	Smt. Alka Nangia Arora	Part Time official Director	Member	2	1
5.	Shri Deepak Kumar	Functional Director	Member	2	2
6.	Shri P.N. Vijay	Independent Director	Member	2	2

During the Year 2018-19, two meetings of the CSR Committee were held on 26th June, 2018 and 29th August, 2018 respectively.

4. REMUNERATION OF DIRECTORS

The remuneration of CMD & ED is as per the terms of appointment issued by Govt. of India and rules applicable thereof. The Company pays a sitting Fee of Rs.20,000/- per meeting, to each part-time Independent Director who attends any Board Meeting or Meeting of any Sub-Committee of the Board. However, no remuneration is paid to the part-time Government Nominee Director.

5. GENERAL BODY MEETING.

Date, time and location where the last three Annual General Meetings were held, are as under.

Year	Date	Time	Venue	Special Resolution
2016-17	29.9.2016	12.00 Noon	Pragati Bhawan Pragati Maidan New Delhi- 110 001	Nil
2017-18	26.9.2017	3:00 PM	Pragati Bhawan Pragati Maidan New Delhi- 110 001	Nil
2018-19	22.10.2018	3:00 PM	ITPO Office Pragati Maidan New Delhi- 110 001	Nil

Date, time and location where the last Extraordinary General Meeting was held, are as under.

Year	Date	Time	Venue	Special Resolution
2018-19	14.12.2018	12:30 PM	ITPO Office Pragati Maidan New Delhi- 110 001	Yes - One

6. DISCLOSURES

(I) The transactions with related parties are disclosed as per the requirement of the Companies Act, 2013.

(II) ITPO is complying with the applicable accounting standards. Only after the review of financial statements by Statutory Auditors and CAG, the financial statements are passed by the Board & Shareholders.

(III) There are no penalties or strictures imposed on the Company by statutory authority on any matter related to any guidelines issued by the Government during the last three years.

(IV) With respect to the Whistle Blower Policy, the Policy has been formulated and implemented after the approval of the Competent Authority.

(V) The Board and the Senior Management of ITPO have no personal interest, which has a potential conflict with the interest of the Company.

(VI) A Comprehensive Risk Management Policy, as per DPE Guidelines, was approved by the Board on 26-03-2013 and has since been implemented.

(VII) No item of expenditure was debited in the Books of Accounts which was not for the purpose of the organization.

(VIII) No expenses of personal nature of the Members of the Board of Directors were incurred out of the funds of the Company.

7. MEANS OF COMMUNICATION

The Company is an unlisted, Section 25 company (now section 8 of the new Companies Act, 2013) and, therefore, its quarterly or half-yearly results are not communicated like listed companies.

8. AUDIT QUALIFICATION

The audit observations/comments, if any, and replies, thereto, of the management for the financial year 2018-19 will be a part of the Annual Report.

9. TRAINING OF BOARD OF DIRECTORS

Training of Directors are being conducted as per the need of the Directors.

10. WHISTLE BLOWER POLICY

ITPO has formulated its Whistle Blower Policy and the same has been implemented with the approval of the Competent Authority.

11. CORPORATE SOCIAL RESPONSIBILITY

ITPO has constituted a CSR Committee, as per the DPE guidelines and the Companies Act, which reviews the CSR activities.

As per the Companies Act, 2013, CPSEs have to spend at least two per cent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its CSR Policy. The 2% of the average net profit made by ITPO during the years 2015-16, 2016-17 and 2017-18 was Rs. 3.13 crore (approx.) which ITPO had to spend on its CSR activities for the year 2018-19. Further, the unspent amount of Rs. 3.56 crore (approx.) which ITPO could not spend on CSR activities for the year 2017-18 had been carried forward to this amount resulting in a total amount of Rs. 6.69 crore (approx.) which was to be spent on CSR activities for the year 2018-19.

For the year 2018-19, ITPO continued its efforts towards promotion of Sanitation by contributing Rs. Fifty lakh each towards “Swachh Bharat Kosh”, Govt. of India and “Clean Ganga Fund“, Govt. of India. In addition, the proposals amounting to Rs.3.37 cr approx like Promotion of Solar Energy by International Solar Alliance, Construction of building for Blind Institution, Education of Tribal Students, Promotion of Indian Culture and Heritage, Environment by tree plantation, Social Welfare for needy elderly citizens, Women Empowerment for destitute women and their children, Health & Education for tribal population of Araku constituency etc. are under implementation.

Annexure-VII

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,

The Members
India Trade Promotion Organisation
New Delhi

We have examined the compliance of Guidelines of Corporate Governance by India Trade Promotion Organization for the year ended March 31, 2019 as stipulated in Notification No. 18(8)/2005- GM, dated 14th May 2010, issued by Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises, Government of India For Corporate Governance. According to the statutory records of the Company provided to us for the period 01/04/2018 to 31/03/2019, the Company has appointed one Independent directors w.e.f 10/06/2016 and has complied with the requirements of sub-section (4) of Section 149 and other applicable provisions of The Companies Act, 2013 as well as the requirements of DPE Guidelines. The Compliance of guidelines on Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in above mentioned Guidelines. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governances as stipulated in DPE Guidelines. We further state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the Management has conducted affairs of the company.

For Rajesh Mittal & Associates
Company Secretaries

Sd/-
(Rajesh Mittal)
(Membership No.ACS 13275, C.P No. 3254)

Place :New Delhi
Dated : 24.06.2019

Annexure-VIII

INDIA TRADE PROMOTION ORGANISATION

(A Govt. of India Enterprise)
ITPO Office, Pragati Maidan, New Delhi – 110 001
Tele : 011-23371540, 23371491, Fax : 011-23371492
E-mail : info@itpo.gov.in; Website : www.indiatradefair.com

DECLARATION

As per DPE guidelines on Corporate Governance for CPSE's, this is to confirm that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct of the Company for the Financial Year 2018-19.

Sd/-
(L.C. Goyal)
Chairman and Managing Director

Place : New Delhi

Dated : 13.08.2019

Annexure-IX

CORPORATE SOCIAL RESPONSIBILITY

1. The thrust of CSR and Sustainability is on capacity building, empowerment of communities, inclusive socio-economic growth, environment protection, promotion of green and energy efficient technologies, development of backward region, and uplift of the marginalized and under-privileged section of the society.

ITPO has been strictly adhering to CSR and Sustainability Guidelines issued by Department of Public Enterprises and the applicable Act & Rules of the Companies Act 2013. The CSR initiatives/ activities will be implemented with the approval/ monitoring accordingly. The detailed policy about CSR initiatives of ITPO is available at http://indiatradefair.com/information/details/csr_initiative

ITPO has been an active contributor towards the welfare of various communities under its CSR initiatives. For the years 2011-12 to 2013-14, ITPO extended support to Asha Kiran Home, Leprosy affected persons and Department of Social Welfare, Govt. of NCT, Delhi. For the year 2014-15, ITPO contributed towards “Swachh Bharat Kosh” of Govt. of India and also provided CSR support to small artisans of leather goods in the form of free space to display their products in the India International Leather Fair 2014, Delhi.

For the year 2016-17, ITPO continued its efforts towards promotion of Sanitation by contributing Rs. One crore each towards “Swachh Bharat Kosh”, Govt. of India and “Clean Ganga Fund“, Govt. of India. In addition, the proposals amounting to Rs. 0.92 crore like Sponsorship of Two Ambulances, Sponsorship of three distribution vehicles to transport cooked meals to schools under Mid-Day Meal programme, Donation of Charkha to Khadi Artisans (200 nos. at Rs. 13,500/- per Charkha), and contribution towards Health Minister’s Cancer Patient Fund are under implementation

For the year 2017-18, ITPO continued its efforts towards promotion of Sanitation by contributing Rs. One crore each towards “Swachh Bharat Kosh”, Govt. of India and “Clean Ganga Fund“, Govt. of India. In addition, the proposals amounting to Rs 1.33 crore approx like construction of building for Blind Institution, Skills Development, Infrastructure up- gradation in Schools, Promotion of Art and Culture, Improvement in health’s for school children’s etc,

For the year 2018-19, ITPO further continued its efforts towards promotion of Sanitation by contributing Rs.50 lakh each towards “Swachh Bharat Kosh”, Govt. of India and ‘Clean Ganga Fund’, Govt. of India. In addition, the proposals amounting to Rs.3.37 cr approx like Promotion of Solar Energy by International Solar Alliance, Construction of building for Blind Institution, Education of Tribal Students, Promotion of Indian Culture and Heritage, Environment by tree plantation, Social Welfare for needy elderly citizens, Women Empowerment for destitute women and their children, Health & Education for tribal population of Araku constituency etc.

Contribution to "Swachh Bharat Kosh", Govt. of India under CSR

ITPO has constituted CSR Committee as per the DPE guidelines that reviewed the CSR activities. The Committee comprises of following Board members:

- AS&FA, DoC - Chairman
- Nominee Director, MSME - Member
- Executive Director, ITPO - Member
- Nominee Director, DoC - Member
- Independent Director (Sh. P. N. Vijay) - Member

2. The average net profit of the company for the last three financial years (2015-16, 2016-17 and 2017-18) is Rs.156.3 crore (approx.).

3. The amount sanction on CSR activities for the year 2018-19 is Rs.3.13 crore (approx.) (2% of average net profit of the company for the last three financial years). In addition, Rs.3.56 crore (approx.) was the amount that

ITPO could not spend on its CSR activities during the year 2017-18. Therefore, the total amount ITPO had to spend on its CSR activities for the year 2018-19 is Rs.6.69 crore (approx.).

4. Details of the amount spent during the financial year 2018-19 are detailed below:

Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or Programs 1. Local area or other 2. Specify the State and District where projects or programs were undertaken.	Amount outlay (budget) project or program wise	Amount spent on the project or programs Sub-heads" 1.Direct expenditure 2. Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	Swachh Bharat Kosh, GoI	Sanitation & cleanliness	Govt. of India Projects in rural and urban areas	Rs.Fifty lakh	Rs. Fifty lakh Spend as Direct Expenditurte. No overheads	Rs.Fifty lakh	Rs.Fifty lakh Contributed directly to Deptt. of Expendiutre, Ministry of Finance, Govt. of India
2.	Clean Ganga Fund, GoI	Sanitation & cleanliness	Govt. of India project involving River Ganga	Rs.Fifty lakh	Rs.Fifty lakh spent as Direct expenditure. No overheads	Rs.Fifty lakh	Rs.Fifty lakh Contributed directly to Ministry of Water Resources, River Development & Ganga Rejuvenation, Govt. of India
3	Awareness Programmes on the Govt. Schemes for poor rural people by Bhartiya Sankalp Path Foundation in Bihar	Social Welfare	East Champaran District, Bihar	Rs.Nine lakh	Rs.Nine lakh Spent as Direct expenditure	Rs.Nine lakh	Rs.Nine lakh Contributed directly to Bhartiya Sankalp Path Foundation (BSPF)

4	Promotion of Indian Culture and heritage by SPIC MACAY, Delhi	Promotion of Art and Culture	Delhi	Rs.Ten lakh	Rs.Ten lakh spent as Direct Expendiutre	Rs.Ten lakh	Rs.Ten lakh Contributed directly to Society for the Promotion of Indian Classical Music and Culture Amongst Youth (SPIC MACAY)
5	Promotion of Solar Energy by International Solar Alliance (ISA), Govt. of India initiative scheme	Govt. of India initiative for ISA – future energy	Govt. of India initiative scheme	Rs.Two crore thirty three lakh	Rs.Two crore thirty three lakh Spent as Direct expenditure	Rs.Two crore thirty three lakh	Rs.Two crore thirty three lakh Contributed directly to International Solar Allilance (ISA)
6	Andh Vidyalaya (Institution for the Blind), Delhi	Social Welfare	Delhi	Rs.Thirty lakh	Rs.Thirty lakh Spent as Direct expenditure	Rs.Thirty lakh	Contributed through NBCC
7	Education to the Tribal Students by Kalinga Institute of Social Sciences (KISS), Odisha	Education	Odisha	Rs.Fifteen lakh	Rs.Fifteen lakh Spent as Direct expenditure	Rs.Fifteen lakh	Rs.15 lakh Contributed directly to Kalinga Institute of Social Science (KISS)
8	Development of Araku constituentcy, Andhra Pradesh for education and health for tribal population	Education and Health	Andhra Pradesh	Rs.Ten lakh	Rs.Ten Lakh Spent as Direct expenditure	Rs. Ten lakh	Rs.Ten lakh contributed through Govt. Departments

9	Destitute women and their children by Society for Participatory Integrated Development (SPID), Delhi	Women Empowerment	Delhi	Rs.Ten lakh	Rs.Ten Lakh Spent as Direct expenditure	Rs.Ten lakh	Rs.Ten lakh Contributed directly to Society for Participatory Integrated Development (SPID)
10	Tree Plantation by Green Society of India (GSI), Delhi	Environment	Delhi	Rs.Ten lakh	Rs.Ten lakh Spent as Direct expenditure	Rs.Ten lakh	Rs.Ten lakh Contributed directly to Green Society of India (GSI)
11	For needy elderly citizens by The Earth Saviours Foundation (TESF), Haryana	Social Welfare	Haryana	Rs.Ten lakh	Rs.Ten lakh Spent as Direct expenditure	Rs.Ten lakh	Rs.Ten lakh Contributed directly to The Earth Saviours Foundation (TESF)

5. The unspent amount on CSR activities that ITPO could not spend (Rs.2.32 crore) (approx.) during the year 2018-19 has been carried forward to the year 2019-20. The reasons for not spending are operational, although management is very much keen on spending on CSR activities in the next financial year along with the amount to be spent for the year 2019-20 as per the provisions of the Companies Act, 2013.

6. CSR committee is of the view that the implementation and monitoring of ITPO's CSR Policy complies with CSR objectives and Policy of the company.

Sd/-
(L.C. Goyal)
Chairman & Managing Director

Sd/-
(S.C. Pandey)/Ex-officio of SS&FA, DoC
Chairman, CSR Committee

Annexure-X

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry structure, vision and mission

India Trade Promotion Organisation (ITPO) is the premier trade promotion agency of India, providing a broad spectrum of services to trade and industry and acting as a catalyst for growth of India's trade. The main objectives of ITPO are:

- To promote external and domestic trade of India in a cost effective manner by organizing and participating in international trade fairs in India and abroad; by organizing buyer-seller meets and contact promotion programmes abroad; by conducting overseas market surveys, exchanging and coordinating visits of business delegations, and by undertaking need based research to facilitate trade in specific sectors/markets;
- To support and assist small and medium enterprises to access markets both in India and abroad;
- To disseminate trade information and facilitate E-commerce/trade;
- To develop quality physical infrastructure, services and management so as to enable holding of trade promotion events such as conventions and trade exhibitions of international standard; and
- To enlist the involvement and support of the State Governments, other government trade promotion agencies, trade and industry associations in trade promotion of India's external and domestic trade.

With its Headquarters at Pragati Maidan, New Delhi and regional offices at Chennai, Kolkata and Mumbai, ITPO ensures representative participation of trade and industry from different regions of the country in its events in India and abroad.

Vision

To be a leader amongst world class trade promotion organizations, leveraging India's strengths internationally. Rapid growth in India's share of global trade and investments, quality of our services and customer satisfaction will be the touchstone of our success.

Mission

To promote, facilitate, encourage and coordinate various activities and programmes to enhance India's share of export through trade in goods and services.

As per the Memorandum & Articles of Association, the Company is under Section 8 of the Companies Act, 2013, and no dividend is payable. Therefore, the excess of income over expenditure has been carried forward to the Reserve and Surplus Account for the utilization of the same in furtherance of its objectives

FINANCIAL HIGHLIGHTS

The operations of the Company for the period ended on 31st March, 2019, have yielded a surplus of Rs. 73.35 crore

as against Rs. 134.48 crore (Recast as per Ind-AS) for the fiscal year 2017-18. The total income generated during 2018-19 is Rs.253.59 crore compared to Rs. 359.55 crore (Recast as per Ind-AS) in the preceding year 2017-18.

SWOT

ITPO has its own exhibition ground at a prime location having State-of-the-art Exhibition Halls and other Convention/ Conference facilities. It has a team of Professional and experienced officers of various disciplines like Engineering, Architect, Design, Fairs, etc. for organizing B2B and B2C fairs/exhibitions on national/international standards. ITPO has 40 years of experience in industry with rich exposure in various trends and requirements. ITPO has a wide network with Ministries like MEA, other TPOs and it is the only Govt. PSU with a back up of various Govt. agencies / departments, thereby providing confidence among the participants. Due to restriction by govt. policies, there are limitations on the ground's Multi-use. Further, the company has to adhere the objective of Section 8 Companies i.e. not to maximize profit. The Company faces Competition from private organisers and substantial change in Government Policies

Future Outlook

ITPO is in the midst of implementing its ambitious plan of redevelopment of its landmark fairground "Pragati Maidan" into **a modern state-of-the-art International Exhibition-cum-Convention Centre (IECC)** in two phases, bringing it on par with the best Exhibition and Convention Centres across the world. The project is of national importance. The infrastructure is likely to fill critical gaps in requirements for MICE (Meetings, Incentives, Conferences and Events) sector in the National Capital Territory of Delhi (NCT). It is expected to substantially increase foreign exchange earnings of the country and revenues of the services & business sector of Delhi, as many events in MICE Sector may shift to New Delhi from East Asian and other countries of the world. The IECC will be a landmark and an iconic spot in Delhi and a unique symbol of the Prime Minister's vision of 'New India' in sync with India aspiring to be a global power. Fulfilling aspirations of expanding business fraternity, IECC will mainly cater to G2G, G2B and B2B activities.

The project proposal includes the development of 3,82,188 sqm of total built up area including a state-of-the-art Convention Centre with an area of 53,399 sq.mtrs., six modern exhibition halls with an area of 1,51,687 sq. mtrs, basement parking for 4800 ECUs (Equivalent Car Units) of 1,68,305 sq. mtrs. area and an Administrative Building of 8,857 sq.mtrs. A site of area 3.70 acres on Bhairon Marg with independent entry and exit points is also being monetized for a 5 star hotel as a part of the complex in line with the fact that hospitality, worldwide, is an integral part of any modern MICE destination.

The convention Centre will be a 32.4 m tall landmark building on par with the best in the world. This structure will be on an elevated podium with a unique sloping facade incorporating the rich architectural heritage of Delhi. The Convention Centre will have a seating facility for 7000 pax in a single format (a Plenary Hall of 3000 pax capacity and a multi-purpose hall of 4000 pax), five times the size of Vigyan Bhawan, along with 25 meeting rooms of different capacities and comprising of specialised G20 and Premium rooms. It will also have an amphitheatre of 3,000 seating capacity. It will significantly add to the grandeur, stature and profile of the capital city of Delhi.

Traffic decongestion interventions vital for better access to the IECC and for the benefit of general public are also concurrently underway. Essentially, Purana Quila Road will be connected to Ring Road through a 6-lane divided tunnel cutting across Pragati Maidan providing access to the basement parking and also an alternative to Bhairon Marg that remains choked beyond its capacity. T-junctions of Bhairon Marg with Ring Road and Mathura Road and the entire stretch of Mathura Road from DPS to W-Point will be made signal free. All of this would decongest traffic in and around Pragati Maidan and would also reduce pollution levels substantially in this area.

The aggregate project cost for both IECC and traffic decongestion interventions is Rs. 3437 crore. The implementation of these two Projects is on track in a fast track mode.

The IECC project at Pragati Maidan will be a real game changer and set a new trend for such exhibition venues across the country. This venue will enable the new opportunities of trade promotion and business growth for not only Indian exhibition and convention industry but also globally. The global exhibition and convention industry is very much excited about the upcoming venue and is eagerly looking forward to its commissioning. Overall, the new venue at Pragati Maidan will help position India globally in terms of its growing strength and potential for trade, investment and manufacturing activity.

Internal control systems and their adequacy

Internal controls are continually evaluated by the Management and the Internal Auditors. Findings from internal audits are reviewed regularly by the Management and corrective actions and control measures to maintain proper accounting, monitoring of various operations are followed wherever required.

Internal Financial control systems and their adequacy

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

Material developments in human resources, industrial relations

Your company, being in the service industry believes that human resources are the critical assets. The company duly recognizes the talents of the employees and encourages sharing of knowledge between experienced manpower and young group. The Company provides various skill development training to its employees in-house and outside trainings nominating for various workshops and seminars etc. Employees opted VRS which was in operational.

Environmental protection and conservation, technological conservation, renewable energy development.

Your company is a non-manufacturing company. However, ITPO is very much concerned about the environment

and the conservation of energy and resources like water, power etc. All the care has been taken in respect of environment protection regulations in the redevelopment project.

Risk Management

Your Company regularly analyses the risks related to its operations and all steps were taken to manage & mitigate the known risks by insurance & other means. HoDs have been advised to bring any risk/potential risk to the attention of management.

Corporate Social Responsibility

Corporate Social Responsibility (**CSR**) is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.

In ITPO the thrust of CSR and Sustainability is on capacity building, empowerment of communities, inclusive socio-economic growth, environment protection, promotion of green and energy efficient technologies, development of backward region, and upliftment of the marginalized and under-privileged section of the society.

The Statements in this Management Analysis and Discussion Report describing the Company's performance may be forward looking within the meaning of applicable laws and regulations. Depending upon the various Government policies and the prevailing economic conditions, results may differ from those expressed or implied herein.

East Himalayan Expo 2018

India International Security Expo 2018

2018 - 2019

ACCOUNTS

India Trade
Promotion Organisation

Standalone Accounts

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2019

(Rs. in Lakhs)

Particulars	Note No.	As at 31st March 2019	As at 31st March 2018
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	1,903.27	2,066.80
Capital work in progress	3	132,317.68	28,419.90
Other Intangible Assets	4	40.38	49.79
Investments in Subsidiaries, Joint Venture & Associate	5	1,323.77	1,173.09
Financial Assets			
Investments	6	-	-
Loans	7	449.60	521.22
Non-current tax assets	8	22,638.77	20,561.01
Other non-current assets	9	4,412.12	34,318.78
Current assets			
Financial Assets			
Investments	10	80.33	78.75
Trade receivables	11	605.39	936.18
Cash and cash equivalents	12	5,669.31	3,709.16
Bank balances other than cash and cash equivalents	13	43,899.00	90,101.00
Loans	14	1,633.35	2,953.23
Other Financial assets	15	5,465.60	30,715.10
Other Current Assets	16	1,507.71	1,264.20
Total Assets		221,946.28	216,868.21
EQUITY AND LIABILITIES			
Equity Share Capital	17	25.00	25.00
Other Equity	18	203,710.06	196,375.49
Liabilities			
Non-current liabilities			
Non-current Provisions	19	2,032.32	2,191.69
Other non-current liabilities	20	939.65	815.65
Current Liabilities			
Financial liabilities			
Trade payables	21		
- Total outstanding dues of Micro Enterprises and Small Enterprises		2.69	-
- Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		1,715.49	1,698.93
Other financial liabilities	22	3,484.25	3,985.99
Other current liabilities	23	5,545.61	3,554.01
Current Provisions	24	4,491.21	8,221.45
Total Equity and Liabilities		221,946.28	216,868.21

'Significant Accounting Policies' and 'Notes'- 1 to 31 form an integral part of the Financial Statements.

Sd/- (S.R.Sahoo) Company Secretary M. No. F5595	Sd/- (D.M.Sharma) Chief Financial Officer M. No. 084838	Sd/- (Rajesh Agrawal) Executive Director PAN: ABZPA5327N	Sd/- (L.C.Goyal) Chairman & Managing Director DIN: 02389348

As per our Report of even date attached
For S P Chopra & Co.
Chartered Accountants
Firm Regn. No. 000346N
Sd/-
Ankur Goyal
Partner
Membership No. 099143

Place: New Delhi
Dated: 29.08.2019

STANDALONE STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 31ST MARCH, 2019

(Rs. in Lakhs)

Particulars	Note No.	Year ended 31st March 2019	Year ended 31st March 2018
Income			
Revenue From Operations	25	18,005.65	24,747.99
Other Income	26	7,353.30	11,206.98
Total Income		25,358.95	35,954.97
Expenditure			
Employee benefits expense	27	11,016.68	10,606.58
Depreciation and amortization expense	28	188.63	412.44
Other expenses	29	8,243.42	10,116.76
Total Expenditure		19,448.73	21,135.78
Excess of Income over Expenditure before exceptional items and tax		5,910.22	14,819.19
Exceptional Items	30	1,694.92	(1,378.39)
Excess of Income over Expenditure before tax		7,605.14	13,440.80
Tax expense	31.4 (A)	-	-
Surplus for the year		7,605.14	13,440.80
Other Comprehensive Income			
Items that will not be reclassified to Income & Expenditure:			
Remeasurement gain/ (loss) on defined benefit plans	31.11 (II)	(270.57)	6.81
Other Comprehensive Income/ (Loss) for the year		(270.57)	6.81
Total comprehensive income for the year		7,334.57	13,447.61
Earnings per share- Basic/ Diluted (Face Value of Rs. 100/- each)	31.12	0.30	0.54

'Significant Accounting Policies' and 'Notes'- 1 to 31 form an integral part of the Financial Statements.

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
(S.R.Sahoo)	**(D.M.Sharma)**	**(Rajesh Agrawal)**	**(L.C.Goyal)**
Company Secretary	Chief Financial Officer	Executive Director	Chairman & Managing Director
M. No. F5595	M. No. 084838	PAN: ABZPA5327N	DIN: 02389348

As per our Report of even date attached
For S P Chopra & Co.
Chartered Accountants
Firm Regn. No. 000346N
Sd/-
Ankur Goyal
Partner
Membership No. 099143

Place: New Delhi
Dated: 29.08.2019

STANDALONE CASH FLOWS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(Rs. in Lakhs)

	Particulars	Year ended 31st March 2019		Year ended 31st March 2018	
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Excess of income over expenditure before Tax		7,605.14		13,440.80
	Adjustments For:				
	Other Comprehensive Income	(270.57)		6.81	
	Depreciation and Amortisation Expenses	188.63		412.44	
	Loss/ (Profit) on Sale of PPE (net)	(19.74)		1,323.71	
	Interest & Dividend Income	(6,280.22)		(10,077.35)	
	Provisions/ Write-offs	131.16		134.83	
	Provisions/Liabilities no longer required, written back	(580.10)		(329.01)	
	Provision for Impairment Loss on investment in JV	69.32		13.53	
	Fair value (gain)/ loss on Mutual funds	4.36	(6,757.16)	2.88	(8,512.15)
	Operating Profit before working capital changes		**847.98**		**4,928.65**
	Less: Net Increase (decrease) in Working Capital:				
	Increase (Decrease) in Non-Current Financial Loans	(71.62)		(97.68)	
	Increase (Decrease) in Non-Current Tax Assets	2,077.76		2,393.82	
	Increase (Decrease) in Other Non-Current Assets	14.27		186.47	
	Increase (Decrease) in Trade Receivables	(477.59)		(89.43)	
	Increase (Decrease) in Bank Balance	(46,202.00)		(53,498.99)	
	Increase (Decrease) in Current Loans	(1,319.88)		167.50	
	Increase (Decrease) in Other Current Financial Assets	(25,199.48)		18,408.33	
	Increase (Decrease) in Other Current Assets	280.06		475.65	
	(Increase) Decrease in Non-Current Provisions	159.37		225.88	
	(Increase) Decrease in Other Non-Current Liabilities	(124.00)		37.89	
	(Increase) Decrease in Trade Payables	(19.25)		308.93	
	(Increase) Decrease in Other Current Financial Liabilities	489.04		166.32	
	(Increase) Decrease in Other Current Liabilities	(1,991.60)		(90.11)	
	(Increase) Decrease in Current Provisions	3,730.24		126.60	
	Provisions/Liabilities no longer required, written back	(388.71)	(69,043.39)	(172.00)	(31,450.82)
	Net cash from Operating Activities [A]		69,891.37		36,379.47
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Investment in Associate (JKTPO)		(220.00)		
	Adv. For IECC Project		(72,487.55)		(46,234.90)
	Capital Expenditure (WIP)		(1,489.30)		(392.15)
	Purchase of PPE/ other Intangible assets		(37.82)		(204.07)
	Sale of PPE		29.17		521.19
	Investments & Intercorporate Deposits		(5.94)		(9.23)
	Interest & Dividend Income		6,280.22		10,077.35
	Net cash from Investing Activities [B]		(67,931.22)		(36,241.80)

C	**CASH FLOW FROM FINANCING ACTIVITIES [C]**		NIL		NIL
	Net Increase / Decrease in Cash and Cash equivalents [A+B+C]		1,960.15		137.66
	Cash and Cash equivalents at the beginning of the year		3,709.16		3,571.50
	Cash and Cash equivalents at the end of the year		5,669.31		3,709.16
	Components of Cash and Cash Equivalents at the end of the year				
	Cash in Hand and Cash equivalents (Refer note 1)		75.68		33.01
	Balance with Banks - in Current & Saving Accounts		5,593.63		3,676.15
			5,669.31		**3,709.16**

Note:-

1. Cash and Cash equivalents include Cash on hand and Drafts/Cheques on hand.
2. Outflow from Operating Activities at 'A' includes Rs. 7.25 lakhs (previous year Rs. 266.27 lakhs) for expenditure on CSR Activities.
3. Amendment to Ind-AS 7: Effective April 1, 2017, the Company adopted the amendment to Ind-AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material effect on the financial statements.

   'Significant Accounting Policies' and 'Notes'- 1 to 31 form an integral part of the Financial Statements

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
(S.R.Sahoo)	**(D.M.Sharma)**	**(Rajesh Agrawal)**	**(L.C.Goyal)**
Company Secretary	Chief Financial Officer	Executive Director	Chairman & Managing Director
M. No. F5595	M. No. 084838	PAN: ABZPA5327N	DIN: 02389348

As per our Report of even date attached
For S P Chopra & Co.
Chartered Accountants
Firm Regn. No. 000346N

Sd/-
Ankur Goyal
Partner
Membership No. 099143

Place: New Delhi
Dated: 29.08.2019

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2019

A. Equity Share Capital (Refer Note. 17)

For the year ended 31st March 2019 **(Rs. in Lakhs)**

Particulars	No. of shares	Amount
Balance as at 1 April 2018	25,000	25.00
Changes in equity share capital during the year	-	-
Balance as at 31 March 2019	**25,000**	**25.00**

For the year ended 31st March 2018 **(Rs in Lakhs)**

Particulars	No. of shares	Amount
Balance as at 1 April 2017	25,000	25.00
Changes in equity share capital during the year	-	-
Balance as at 31 March 2018	**25,000**	**25.00**

B. Other Equity (Refer note 18)

For the year ended 31st March 2019 **(Rs. in Lakhs)**

Particulars	Reserves and Surplus				Total
	Retained Earnings	Capital Reserve			
		Promoter's Contribution for KTPO	Promoter's Contribution for ITPO	Others	
Balance as at 1 April, 2018	195,337.39	1,020.00	-	18.10	196,375.49
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated Balance as at the 1 April, 2018	195,337.39	1,020.00	-	18.10	196,375.49
Add: Surplus for the year	7,605.14	-	-	-	7,605.14
Add: Other Comprehensive Income/(Loss) for the year	(270.57)	-	-	-	(270.57)
Balance as at 31 March 2019	202,671.96	1,020.00	-	18.10	203,710.06

For the year ended 31st March 2018 **(Rs in Lakhs)**

Particulars	Reserves and Surplus				Total
	Retained Earnings	Capital Reserve			
		Promoter's Contribution for KTPO	Promoter's Contribution for ITPO	Others	
Balance as at 1 April 2017	176,623.06	1,325.22	4,965.62	18.10	182,932.00
Changes in accounting policy or prior period errors	(4.12)	-	-	-	(4.12)
Restated balance as at 1 April 2017	176,618.94	1,325.22	4,965.62	18.10	182,927.88
Add: Transfer from Capital Reserve	5,270.84	-	-	-	5,270.84
Add: Surplus for the year	13,440.80	-	-	-	13,440.80
Add: Other Comprehensive income/(loss) for the year	6.81	-	-	-	6.81
(Less): Transfer to Retained Earnings	-	(305.22)	(4,965.62)	-	(5,270.84)
Balance as at 31 March,2018	195,337.39	1,020.00	-	18.10	196,375.49

‘Significant Accounting Policies and Notes’- 1 to 31 form an integral part of the Financial Statements.

Sd/-	Sd/-	Sd/-	Sd/-
(S.R.Sahoo)	**(D.M.Sharma)**	**(Rajesh Agrawal)**	**(L.C.Goyal)**
Company Secretary	Chief Financial Officer	Executive Director	Chairman & Managing Director
M. No. F5595	M. No. 084838	PAN: ABZPA5327N	DIN: 02389348

As per our Report of even date attached
For S P Chopra & Co.
Chartered Accountants
Firm Regn. No. 000346N
Sd/-
Ankur Goyal
Partner
Membership No. 099143

Place: New Delhi
Dated: 29.08.2019

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

1. COMPANY INFORMATION

The Company was incorporated in India under Section - 8 of the Companies Act, 2013 (previously section 25 of the Companies Act, 1956) on 30.12.1976 under the name and style Trade Fair Authority of India (TFAI) with the main object of promoting India's trade primarily through the medium of organizing trade fairs and exhibitions in India and abroad. Subsequent to the merger of erstwhile Trade Development Authority of India with TFAI on 01.01.1992, the merged Organisation was renamed as India Trade Promotion Organisation (ITPO) and approved by Registrar of Companies on 16.04.1992. The Company is the apex trade promotion body of the Government of India and functions under the administrative control of the Department of Commerce in the Ministry of Commerce and Industry. The registered office of the company is located at Pragati Bhawan, Pragati Maidan New Delhi-110001 with offices in various states in India and is domiciled in India.

The financial statements for the year ended March 31, 2019 were approved by the Board of Directors on 29th August 2019.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of Compliance and Basis of Preparation

a. Compliance with Indian Accounting Standards (Ind-AS)

The financial statements have been prepared in accordance with the Indian Accounting Standards (‘Ind AS’) notified under Section 133 of the Companies Act, 2013 (the ‘Act’) read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Companies Act, 2013.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All the assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle and other criteria as set out in Division II of Schedule III to the Companies Act, 2013.

b. Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except certain financial assets and financial liabilities which are measured at fair value:

- Certain financial assets and liabilities measured at fair value.
- Plan assets of defined employee benefit plans.

The methods used to measure fair values are discussed in Notes to accounts.

c. Functional and presentation currency

The financial statements are prepared in Indian Rupees (‘Rs.’), which is the Company’s functional and presentation currency. All financial information presented in Indian Rupees has been rounded to the nearest lakh with two decimal places, unless stated otherwise.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

d. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it is: -

- expected to be realized, or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within 12 months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it is:

- expected to be settled in the normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within 12 months after the reporting date; or
- there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

Operating Cycle:

The operating cycle is the time period between acquisition of assets for processing and their realization in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

e. Use of estimates and judgments

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosure and the disclosure of contingent liabilities. Uncertainty about these estimates and assumptions could result in outcomes that require material adjustments to the carrying amount of the assets and liabilities in future period(s).

These estimates and assumptions are based on the facts and events, that existed as at the date of Balance Sheet, or that occurred after that date but provide additional evidence about conditions existing as at the Balance Sheet date.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are given below:

i. Useful lives of Property Plant and Equipment

The Property, Plant and Equipment are depreciated on a pro-rate basis on straight line basis over their respective useful lives. Management estimates the useful lives of these assets are not higher than the useful lives & residual value prescribed in Schedule II of the Companies Act, 2013. Changes in the expected level of usage, technological developments, level of wear and tear could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised and could have an impact on the profit in future years.

ii. Retirement Benefit obligation

The cost of retirement benefits and present value of the retirement benefit obligations in respect of Gratuity and Leave Encashment is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, these retirement benefit obligations are sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Details about the assumptions used, including a sensitivity analysis are given in Notes to accounts.

iii. Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

iv. Impairment of Financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment for doubtful debts/ advances is made in respect of dues, including Government Dues, outstanding for more than three financial years, or otherwise, except cases where the Company is hopeful of recovery.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

v. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An assets recoverable amount is the higher of an asset's fair value less cost of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

2.2. PROPERTY, PLANT AND EQUIPMENT

An item of Property, Plant & Equipment is recognized as an asset, if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, Plant & Equipment are accounted for on historical cost basis (inclusive of the cost of installation/ acquisition/ construction and other incidental costs till completion of the installation/acquisition/construction of the item) net of recoverable taxes, less accumulated depreciation and impairment loss, if any. In cases where final settlement of bill/invoice of any contractor/ executing agency is pending, but the asset is complete and available for use, capitalisation is done on the basis of contract awarded/ statement of account/ utilisation certificate subject to the necessary adjustments, including those arising out of settlement of arbitration/court cases.

Subsequent costs are added to the existing asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Income and Expenditure during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognized in the Statement of Income and Expenditure.

Leasehold land acquired on perpetual lease basis is not amortized.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

Depreciation is charged to Statement of Income & Expenditure on straight-line basis over the estimated useful life of an asset estimated by the management, in the manner prescribed in Schedule II of the Companies Act, 2013. The useful lives in the following cases are different from those prescribed in Schedule II of the Companies Act, 2013.

Asset	Useful life as per Schedule II of the Companies Act, 2013 (No. of Years)	Useful life as assessed / estimated by the Company (No. of Years)
Buildings - Leasehold/ Freehold	60	40/20/10
Plant & Machinery	15	15/10/8
Vehicles	8	5

Based on usage pattern and internal assessment, the management believes that the useful lives as given above best represent the period over which the management expects to use these assets.

The property, plant and equipment costing up to Rs. 5,000/-each are fully depreciated during the year of addition.

In case of additions to/ deductions from assets, depreciation is charged on pro-rata basis from/ up to the month in which the asset is available for use/ disposal.

2.3. CAPITAL WORK-IN-PROGRESS

Property, Plant and Equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as “Capital work-in-progress”.

In cases where final settlement of bills with contractors/ executing agency is pending, Cost/ Expenditure are recognised as CWIP on the basis of contract awarded/ statement of accounts/ utilisation certificate subject to necessary adjustments, including those arising out of settlement of arbitration/court cases.

2.4 INTANGIBLE ASSETS

Intangible assets are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any.

An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of Income & Expenditure.

Intangible assets are fully amortised equally over the period of legal right to use or three financial years, whichever is earlier, from the year in which the asset is available for use.

2.5 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company assesses, at each reporting date, using external and internal sources, whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous period(s). If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying value of an asset exceeds its recoverable amount.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

The recoverable amount is determined:

- in the case of an individual asset, at the higher of the asset's fair value less cost of sell and value in use; and
- in the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of the cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that effects current market assessments of the time value of money and the risks specific to that asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

An impairment loss for an asset is reversed, if and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized, the carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss being recognized for the asset in prior year/s.

2.6 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand, drafts/cheques on hand, bank balances, deposits with banks and short term investments, which are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

2.7 INVENTORIES

Inventories are valued at lower of the cost or net realizable value. Obsolete, defective and unserviceable stocks are provided for, wherever required.

2.8 FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are recorded at the average rate of remittances. Monetary assets and liabilities in foreign currency existing at balance sheet date are translated at the year-end exchange rates. Exchange rate differences arising on settlement of transaction and translation of monetary items are recognized as income or expenses in the year in which they arise.

Non- monetary items that are measured in terms of historical cost in foreign currency are translated using the average rate of remittances. In case previous funds are utilised, average rate of the previous remittance(s) is taken for the purpose of conversion.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

2.9 FAIR VALUE MEASUREMENT

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices, etc. All methods of assessing fair value result in general approximation of value, and such value may not actually be realized.

For financial assets and liabilities maturing within one year from the Balance Sheet date are not carried at fair value, due to the short maturity of these instruments.

2.10 FINANCIAL INSTRUMENTS

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets

(a) Initial recognition and measurement

At initial recognition, all financial assets are recognized at its fair value plus, in the case of a financial asset not carried at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Income and Expenditure.

(b) Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

1. Financial assets measured at amortized cost;
2. Financial assets measured at fair value through other comprehensive income (FVTOCI); and
3. Financial assets measured at fair value through profit and loss (FVTPL)

Where financial assets are measured at fair value, gains and losses are either recognized entirely in the Statement of Income and Expenditure (i.e. fair value through profit and loss), or recognized in other comprehensive income (i.e. fair value through Other Comprehensive Income).

The classification of financial assets depends on the Company’s business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of its financial assets at initial recognition.

(1) Financial assets measured at amortized cost:

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

A financial asset is measured at amortized cost if both the following conditions are met:

- Business Model Test: The objective of the business model is to hold financial asset in order to collect contractual cash flows (rather than to sell the asset prior to its financial maturity to realize its fair value changes); and
- Cash Flow Characteristics Test: Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in interest income in the statement of income and expenditure. The losses arising from impairment are recognized in the statement of income and expenditure. This category generally applies to employee loans and other loans/ advances having specified terms etc.

(2) Financial instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI):

A financial instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- Business Model Test: The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and
- Cash Flow Characteristics Test: The Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on principal amount outstanding.

Financial instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value. Fair value movements are recognized in Other Comprehensive Income (OCI) except for the recognition of interest income, impairment gains and losses and foreign exchange gain and losses which are recognized in the Statement of Income and Expenditure.

(3) Fair Value through Profit and Loss is a residual category. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or fair value through other comprehensive income is classified as FVTPL. Financial instruments included in FVTPL category are measured initially as well as at each reporting period at fair value. Fair value movements i.e. gain or loss and interest income are recorded in Statement of Income and Expenditure.

(c) Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial Assets measured at amortized cost;
- Financial Assets measured at FVTOCI.

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible defaults events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Financial assets that are debt instruments, and are measured at amortized cost i.e. trade receivables, deposits with banks and employee loans and other loans/ advances having specified terms etc.
- Financial assets that are debt instruments, and are measured at FVTOCI.

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The trade receivables are initially recognized at the sale/recoverable value and are assessed at each Balance sheet date for collectability. Trade receivables are classified as current assets, if collection is expected within twelve months as at Balance Sheet date, if not, they are classified under non-current assets.

Impairment for doubtful receivables is made in respect of dues, including Government Dues, outstanding for more than three financial years, or otherwise, except cases where the Company is hopeful of recovery.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months (Expected Credit Loss) ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on timely basis.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

(d) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised(i.e. removed from the Company's Balance Sheet) when:

(a) The rights to receive cash flows from the asset have been expired/transferred, or

(b) The Company retains the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has substantially transferred all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. When the Company has not transferred substantially all the risks and rewards of ownership of a financial asset, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. When the entity retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

(ii) Financial Liabilities

(a) Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade payables, borrowings, security deposits and other payables.

(b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the income and expenditure.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in Other Comprehensive Income. These gains/ losses are not subsequently transferred to Statement of Income and Expenditure. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the Statement of Income & Expenditure.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

Borrowings & Security Deposits

Any difference between the proceeds (net of transaction costs) and the repayment amount is recognized as Income & Expenditure over the period of the liability and subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in the Statement of Income & Expenditure when the liabilities are derecognized as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Income & Expenditure.

Trade and other payables

Trade and other payables are obligations incurred by the Company towards purchase of raw material and other goods and availing the services that have been acquired or availed in the ordinary course of business. Trade and other payables are classified under current liabilities, if payment is due within 12 months as at Statement of Financial Position date, if not, they are classified under non-current liabilities. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

(c) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Income and Expenditure.

*Since the Company is incorporated under Section 8 of the Companies Act, 2013, it prepares a Statement of Income & Expenditure as per Section 2(40). Hence for the purpose of complying with Ind AS, FVTPL- Fair Value through Profit & Loss Account (wherever mentioned) would mean Fair Value through Statement of Income & Expenditure.

2.11 INVESTMENTS IN SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE

Investments in subsidiaries, joint venture and associate are carried at cost, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down to its recoverable amount. On disposal of investments, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Income and Expenditure.

2.12 REVENUE RECOGNITION

a) Company recognizes Revenue from Contracts with Customers based on five step process as set out in Ind AS-115:

   (i) Identify contracts with a customer: - A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

(ii) Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

(iii) Determine the transaction price: The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

(iv) Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

(v) Recognise revenue when or as the Company satisfies a performance obligation by transferring a promised goods or services to a customer. An asset is transferred when the customer obtains control of that asset.

b) The performance obligation is satisfied and recognized as revenue overtime, if one of the following criteria is met:

(i) The performance does not create assets with an alternate use and has an enforceable right to payment for performance completed to date.

(ii) The performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

(iii) The customer simultaneously receives and consumes the benefits provided.

c) For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied. When performance obligation is satisfied by delivering the promised goods or services it creates a contract-based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount revenue recognized this give rise to a contract liability

d) Revenue is recognized to the extent it is probable that the economic benefits will flow and the revenue and costs if applicable can be measured reliably.

e) Income and Expenditure in respect of Fairs/Exhibitions held in India and abroad, is accounted for in the year in which the event commences. However, in case of long-term events having duration of three months or more, spread over two accounting periods, major period of which falls in the subsequent accounting period, the income & expenditure of such event is accounted for in the year in which the event concludes.

It is measured at fair value of the consideration received or receivable, after deduction of discounts/ rebates and any taxes or duties collected on behalf of the government which are levied such as Goods and Service Tax.

f) Revenue from rentals and operating leases is recognized on accrual basis in accordance with the substance of the relevant agreement.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

g) Cost of exhibits of the Company and items of interior decoration displayed at fairs, are treated as revenue expenditure. However, new exhibits in stock for utilization in future fairs are treated as closing stock.

h) Expenditure incurred through agencies like CPWD/ NBCC on Civil, Electrical, Horticulture, etc. is accounted for on the basis of statements/accounts/ utilisation certificates rendered by them.

i) In cases where contracts with licensee(s) have expired, dues are accounted for provisionally on the basis of expired contracts/revised accords till final decision in the matter is reached/revised contracts are executed.

j) Claims for liquidated damages from contractors for delayed execution of work is recognised as Income, when the amount is finally determined and agreed upon.

k) Subscription fees from associate subscribers and service charges from regular subscribers are recognised on receipt basis. However, subscription fee received in advance is accounted for in the relevant year for which it pertains.

l) Dividend income is recognised in the Statement of Income & Expenditure when the right to receive dividend is established.

m) Interest income is recognized on time proportion basis taking into account the amount outstanding and applicable interest rates.

n) Income and Expenditure relating to earlier years, not exceeding Rs.10,000/- in each case, are treated as pertaining to current year.

2.13 GOVERNMENT GRANTS

Government grants are recognized with deferred income approach when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant.

Grants that compensate the Company for expenses incurred are recognized as income in the period in which the related costs are incurred.

Grants in the nature of promoter's contribution is recognised in appropriate category under Other Equity.

2.14 BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying tangible assets that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Capitalisation of borrowing cost ceases when substantially all the activities necessary to prepare the qualifying tangible assets for their intended use are complete.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

2.15. EMPLOYEE BENEFITS

a) Short Term Employee Benefits

All Employee benefits payable within twelve months of rendering the services are classified as short term benefits. Such benefits include salaries, wages, bonus, awards, ex-gratia, performance incentive/pay etc. and the same are recognized in the period in which the employee renders the related services.

b) Post-Employment Benefits

(i) Defined contribution plan:

The Company's approved provident fund scheme and employees' pension scheme are defined contribution plans. The Company has no obligation, other than the contribution paid/payable under such schemes to separate trusts, which invests the fund in permitted securities. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service. The Company is also under obligation to make good the accumulated shortfall of the trusts, if any, and recognise such shortfall as its expense.

(ii) Defined benefit plan

The employees' gratuity fund scheme (funded) and the employees leave encashment (unfunded) are the Company's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation on projected unit credit method as at the balance sheet date. Gratuity is funded through a separate ITPO Employees Gratuity Fund Trust which manages the affairs of the trust. Re-measurement, comprising of actuarial gains and losses, are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Income and Expenditure in subsequent periods. The Company is also under obligation to make good the accumulated shortfall of the gratuity trust, if any, and recognise such shortfall as its expense.

c) Termination Benefits

The expenses incurred on terminal benefits in the form of ex-gratia payments and notice pay on voluntary retirement schemes are charged to the Statement of Income and Expenditure in the year of incurrence of such expenses.

2.16. PROVISIONS AND CONTINGENT ASSETS & LIABILITIES

a) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, and 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 obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation, at the balances sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

b) Contingent Liabilities

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as contingent liability, unless the probability of outflow of economic benefit is remote. Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each Balance Sheet date and are adjusted to reflect the current management estimate.

c) Contingent Assets

Contingent assets are possible assets that arise from past events and whose existence 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. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in financial statements.

2.17 EARNING PER SHARE

Basic earnings per share is calculated by dividing net surplus/ deficit of the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.18. SEGMENT REPORTING

The operating segments are identified on the basis of internal reports used by the Company's Management to allocate resources and assess their performance for decision making. The Board of Directors is collectively the company's "chief operating decision maker" or "CODM" within the meaning of Ind AS 108.

The company has identified two reporting segments namely trade promotion activities in India & abroad.

2.19. LEASES

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

are capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with Company's general policy on the borrowing cost.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Income & Expenditure on straight line basis over the lease term, unless the payments are structured to increase in line with the expected general inflation to compensate for the lessor in expected inflationary cost increase.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.20. Recent accounting pronouncements: Standards issued but not yet effective:

IND AS 116 Leases

MCA had notified IND AS 116 Leases on March 30, 2019. The standard sets out the additional/new principles for recognition, measurement, presentation and disclosure of leases. The objective of IND AS 116 is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. The new leases standard is applicable to all entities and will supersede all current leases recognition requirements under IND AS.

The effective date of IND AS 116 is annual periods beginning on or after 1st April 2019. The Company is required to adopt the standard w.e.f. 1st April 2019. The Company is currently evaluating the requirements of IND AS 116 and has not yet determined the impact on the financial statements.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

3. PROPERTY, PLANT AND EQUIPMENT

(AS AT 31ST MARCH, 2019)

	Description	Useful Life (years)	Gross Block			
			As at 1.04.2018	Additions during the year	Sales/ disposal/ adjustments during the year	As at 31.03.2019
A	**PROPERTY, PLANT & EQUIPMENT**					
	Land					
	Leasehold (Ghazipur)		78.76	-	-	78.76
	Leasehold (Pragati Maidan) (Refer Note 3.1 & 31.2)		0.00	-	-	0.00
	Buildings (on Leasehold Land)					
	A Class	40	1,185.85	-	**7.51**	1,178.34
	B Class	20	384.73	**1.09**	**4.54**	381.28
	C Class	10	40.73	-	**2.21**	38.52
	Buildings- Freehold					
	Residential/ office flats- free hold	40	159.87	**0.23**	-	160.09
	Electric installations/ fittings	10	191.62	-	**2.32**	189.31
	Plant and Machinery					
	Solar installation	15	110.26	-	-	110.26
	Air conditioning plants	15	60.37	-	-	60.37
	Air conditioning/ air ventilation plants (Refer Note 3.1)	10	-	-	-	-
	Furniture & fittings					
	Furniture & fixture	10	39.04	**0.05**	**0.03**	39.06
	Fire hydrant & fire fighting systems	10	6.89	-	-	6.89
	Water supply & drainage	10	8.63	-	-	8.63
	Vehicles	5	30.81	-	**6.38**	24.44
	Office Equipments					
	Office equipments/ other miscellaneous assets	5	80.15	**8.20**	**0.18**	88.17
	Audio visual equipments	5	149.93	-	-	149.93
	Computers & Data Processing					
	Servers & networks	6	33.13	**2.70**	**0.03**	35.80
	Computers, etc	3	121.48	-	-	121.48
	SUB TOTAL(A)		**2,682.25**	**12.27**	**23.18**	**2,671.34**
B	**CAPITAL WORK IN PROGRESS**					
	Staff Quarters(Ghazipur)		22.85	0.30	-	23.15
	International Exhibition Cum Convention Centre (Refer Note 31.7)		28,397.05	104,968.38	1,070.90	132,294.53
	SUB TOTAL (B)		**28,419.90**	**104,968.68**	**1,070.90**	**132,317.68**
	GRAND TOTAL (A+B)		**31,102.15**	**104,980.95**	**1,094.08**	**134,989.02**

3.1 Book Value of Re. 1/- only, net of grant received towards Land and Buildings, in earlier years.

3.2 Depreciation includes Rs. 0.11 lakh (Previous Year Rs. 1.28 lakh) in respect of each asset costing up to Rs. 5,000/-, fully depreciated in the year of addition.

3.3 Based on a study carried out by a professional firm, no case of impairment of assets exists as at 31st March, 2019 under the provisions of Ind AS- 36 on impairment of assets.

3.4 The report of physical verification of Property, Plant & Equipments is awaited from the external agency appointed for the purpose. However, the physical verification of Property, Plant & Equipments (excluding Office Equipments, Furniture & Fixtures and Computers) was carried out during the year and no discrepancies found. The discrepancies, if any in the physical verification report will be carried out in due course. The resultant financial impact, if any is considered to be immaterial at this stage.

3.5 Refer 'para 2.2 & 2.3' of 'Significant Accounting Policies' for the depreciation on Property, Plant and Equipment.

3.6 Leasehold Land, as per past practise, has not been amortized as per accounting policy.

(Rs.in Lakhs)

Depreciation				Net Block	
As at 1.04.2018	For the year	Sales/ disposal/ adjustments during the year	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
-	-	-	-	78.76	78.76
-	-	-	-	0.00	0.00
209.71	**46.58**	**-**	256.29	922.05	976.14
5.05	**18.74**	**-**	23.79	357.50	379.68
14.65	**8.03**	**0.98**	21.71	16.82	26.08
18.41	**6.13**	**-**	24.55	135.55	141.46
36.10	**18.66**	**0.00**	54.75	134.55	155.53
13.19	**6.98**	**-**	20.18	90.08	97.07
43.14	**5.89**	**-**	49.03	11.35	17.23
-	**-**	**-**	-	-	-
16.37	**4.04**	**-**	20.41	18.65	22.66
1.17	**0.05**	**-**	1.23	5.67	5.72
1.94	**0.78**	**-**	2.72	5.92	6.69
11.66	**3.09**	**-**	14.75	9.69	19.15
28.17	**9.80**	**0.07**	37.89	50.27	51.98
130.24	**-**	**-**	130.24	19.69	19.69
20.06	**3.63**	**-**	23.69	12.11	13.07
65.58	**21.26**	**-**	86.84	34.64	55.89
615.45	**153.66**	**1.05**	**768.06**	**1,903.28**	**2,066.80**
-	-	-	-	23.15	22.85
-	-	-	-	132,294.53	28,397.05
-	**-**	**-**	**-**	**132,317.68**	**28,419.90**
615.45	**153.66**	**1.05**	**768.06**	**134,220.96**	**30,486.70**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

PROPERTY, PLANT AND EQUIPMENT

(AS AT 31ST MARCH, 2018)

	Description	Useful Life (years)	Gross Block			
			As at 1.04.2017	Additions during the year	Sales/ disposal/ adjustments during the year	As at 31.03.2018
A	**PROPERTY, PLANT & EQUIPMENT**					
	Land					
	Leasehold (Ghazipur)		78.76	-	-	78.76
	Leasehold (Pragati Maidan) (Refer Note 3.1)		0.00	-	-	0.00
	Buildings (on Leasehold Land)					
	A Class	40	1,572.34	57.72	444.21	1,185.85
	B Class	20	33.93	371.79	20.99	384.73
	C Class	10	60.21	-	19.48	40.73
	Anarkali food plaza (Refer Note 3.2)		0.00	-	0.00	-
	Buildings- Freehold					
	Residential/ office flats- free hold	40	159.87	-	-	159.87
	Electric installations/ fittings	10	245.05	74.76	128.19	191.62
	Plant and Machinery					
	Solar installation	15	110.26	-	-	110.26
	Air conditioning plants	8	0.25	-	0.25	-
	Air conditioning plants	15	1,866.07	-	1,805.70	60.37
	Air conditioning/ air ventilation plants (Refer Note 3.1)	10	0.28	-	0.28	-
	Furniture & fittings					
	Furniture & fixture	10	34.10	4.99	0.06	39.04
	Fire hydrant & fire fighting systems	10	5.17	1.72	-	6.89
	Water supply & drainage	10	16.00	-	7.36	8.63
	Vehicles	5	30.81	-	-	30.81
	Office Equipments					
	Office equipments/ other miscellaneous assets	5	128.56	1.75	50.17	80.15
	Audio visual equipments	5	151.50	-	1.57	149.93
	Computers & Data Processing					
	Servers & networks	6	21.70	11.43	-	33.13
	Computers, etc	3	118.87	4.55	1.94	121.48
	SUB TOTAL(A)		**4,633.72**	**528.72**	**2,480.20**	**2,682.25**
B	**CAPITAL WORK IN PROGRESS**					
	Staff Quarters(Ghazipur)		19.44	3.41	-	22.85
	International Exhibition Cum Convention Centre		89.82	29,690.44	1,383.21	28,397.05
	SUB TOTAL (B)		**109.26**	**29,693.85**	**1,383.21**	**28,419.90**
	GRAND TOTAL (A+B)		**4,742.98**	**30,222.57**	**3,863.41**	**31,102.15**

3.1 Book Value of Re. 1/- only, net of grant received towards Land and Buildings.

3.2 Includes Anarkali Food Plaza, Book Value of Re. 1/- only as at 01.04.2017, demolished during 2017-18, Nil as at 31.3.2018.

3.3 Depreciation includes Rs. 1.28 lakh (Previous Year Rs. 2.75 lakh) in respect of each asset costing Rs. 5,000 or less, depreciated at the rate of 100%.

3.4 Based on a study carried out by a professional firm, no case of impairment of assets exists as at 31st March, 2018 under the provisions of Ind AS- 36 on impairment of assets.

3.5 Assets costing Rs. 4305.21 lakh having net block of Rs. 1839.46 lakh were handed over/ demolished for IECC project and deleted from the books of the accounts for the year against the sale proceeds of Rs. 461.07 lakh. The resultant loss of Rs. 1378.39 lakh is included in 'Exceptional Items' in the Statement of Income & Expenditure.

3.6 The physical verification of Property, Plant & Equipments is done once in two years and was due to be done during the year 2017-18. The reconciliation of the physical verification report with the book balances will be carried out & the resultant financial impact, if any is not ascertainable at this stage.

3.7 Refer 'para 2.2 & 2.3' of 'Significant Accounting Policies' for the depreciation on Property, Plant and Equipment.

3.8 Leasehold Land, as per past practise, has not been amortized as per accounting policy.

(Rs.in Lakhs)

Depreciation				Net Block	
As at 1.04.2017	For the year	Sales/ disposal/ adjustments during the year	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
-	-	-	-	78.76	78.76
-	-	-	-	0.00	0.00
154.23	122.74	67.26	209.71	976.14	1,418.11
9.41	5.02	9.38	5.05	379.68	24.52
19.32	9.34	14.01	14.65	26.08	40.89
-	-	-	-	-	0.00
12.28	6.13	-	18.41	141.46	147.59
53.66	38.92	56.48	36.10	155.53	191.39
6.21	6.98	-	13.19	97.07	104.04
-	-	-	-	-	0.25
348.14	134.15	439.15	43.14	17.23	1,517.93
-	-	-	-	-	0.28
11.14	5.24	0.01	16.37	22.66	22.96
-	1.17	-	1.17	5.72	5.17
2.12	1.36	1.54	1.94	6.69	13.88
8.57	3.09	-	11.66	19.15	22.24
64.97	11.09	47.90	28.17	51.98	63.59
130.24	-	-	130.24	19.69	21.26
5.95	14.11	-	20.06	13.07	15.75
40.91	24.68	-	65.58	55.89	77.97
867.14	**384.03**	**635.72**	**615.45**	**2,066.80**	**3,766.58**
-	-	-	-	22.85	19.44
-	-	-	-	28,397.05	89.82
-	**-**	**-**	**-**	**28,419.90**	**109.26**
867.14	**384.03**	**635.72**	**615.45**	**30,486.70**	**3,875.84**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

4. OTHER INTANGIBLE ASSETS (AS AT 31ST MARCH, 2019)

(As at 31st March, 2019) **(Rs. in Lakhs)**

Description	Useful Life (years)	Gross Block				Amortization				Net Block	
		As at 1.04.2018	Additions during the year	Sales/ disposal/ adjustments during the year	As at 31.03.2019	As at 1.04.2018	For the year	Sales/ disposal/ adjustments during the year	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
Computer Softwares	3	64.88	25.55	-	90.43	21.90	28.16	-	50.06	40.38	42.98
Website	3	20.41	-	-	20.41	13.60	6.81	-	20.41	0.00	6.81
TOTAL		**85.29**	**25.55**	**-**	**110.84**	**35.50**	**34.97**	**-**	**70.47**	**40.38**	**49.79**

(As at 31st March, 2018) **(Rs.in Lakhs)**

Description	Useful Life (years)	Gross Block				Amortization				Net Block	
		As at 1.04.2017	Additions during the year	Sales/ disposal/ adjustments during the year	As at 31.03.2018	As at 1.04.2017	For the year	Sales/ disposal/ adjustments during the year	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
Computer Softwares	3	0.79	64.09	-	64.88	0.26	21.64	-	21.90	42.99	0.53
Website	3	20.41	-	-	20.41	6.80	6.80	-	13.60	6.80	13.61
TOTAL		**21.20**	**64.09**	**-**	**85.29**	**7.06**	**28.44**	**-**	**35.50**	**49.79**	**14.14**

4.1 Refer 'para 2.4' of 'Significant Accounting policies' for the amortisation of Intangible Assets.

5. INVESTMENTS IN SUBSIDIARIES, JOINT VENTURE & ASSOCIATE (valued at cost, unless stated otherwise)

(Rs. in Lakhs)

			As at March 31, 2019		**As at March 31, 2018**
	In Equity Shares- Unquoted, fully paid up				
	Subsidiary Companies				
	51 (51) equity shares of Rs.1,000/- each in Tamilnadu Trade Promotion Organisation (TNTPO)	0.51		0.51	
	1,02,000 (1,02,000) equity shares of Rs.1,000/- each in Karnataka Trade Promotion Organisation (KTPO)	1,020.00	1,020.51	1,020.00	1,020.51
	Jointly Controlled Entity & Associate Company				
	2,00,000 (2,00,000) equity shares of Rs.100/- each in National Centre for Trade Information (NCTI)	200.00		200.00	
	(Less): Provision for Impairment Loss	(116.74)	83.26	(47.42)	152.58
	2,20,000 equity shares of Rs. 100/- each in Jammu & Kashmir Trade Promotion Organisation (JKTPO)		220.00		-
			1,323.77		**1,173.09**
5.1	Information about Subsidiaries, Joint Venture and Associate:				
	Investment in Subsidiaries:				
	Name of Company	**Country of Incorporation**	**Principal Activities**	**Proportion (%) of Shareholding**	
				31.03.2019	**31.03.2018**
	Tamil Nadu Trade Promotion Organisations	India	Trade Promotion	51%	51%
	Karnataka Trade Promotion Organisation	India	Trade Promotion	51%	51%
	Investment in Joint Venture & Associate:				
	Name of Company	**Country of Incorporation**	**Principal Activities**	**Proportion (%) of Shareholding**	
				31.03.2019	**31.03.2018**
	National Centre for Trade Information	India	Trade Information	50%	50%
	Jammu & Kashmir Trade Promotion Organisation	India	Trade Promotion	44%	-
5.2	Equity investments in subsidiaries, joint ventures and associate are measured at cost (net of impairment loss, if any) as per the provisions of Ind AS 27 on 'Separate Financial Statements'.				

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

6. INVESTMENTS

(Rs. in Lakhs)

		As at March 31, 2019		As at March 31, 2018
	In Equity Shares- Unquoted, fully paid up. (carried at fair value through other comprehensive income)			
	5 shares of Rs.50/- each aggregating to Rs. 250/- in Sea Glimpse Cooperative Housing Society, Mumbai	-		-
		-		-
	(i) Aggregate amount of Unquoted Investments	-		-
	(ii) Aggregate amount of impairment in the value of investments	-		-

7. LOANS (Considered good)

(Rs. in Lakhs)

			As at March 31, 2019		As at March 31, 2018
	Loan to Employees (Refer Note 7.1) (including accrued interest)				
	Secured	404.44		475.93	
	Unsecured	45.16	449.60	45.29	521.22
			449.60		**521.22**
7.1	Loan to Employees includes:				
	Due from Directors		-		-
	Due from officers in the nature of loan		16.23		18.49

8. NON-CURRENT TAX ASSETS (Unsecured)

(Rs. in Lakhs)

			As at March 31, 2019		As at March 31, 2018
	Income Tax / TDS Recoverable (Refer Note. 31.4 B)				
	Considered good		22,638.77		20,561.01
	Considered doubtful	426.00		426.00	
	(Less): Provision for doubtful TDS	(426.00)	-	(426.00)	-
			22,638.77		**20,561.01**

9. OTHER NON-CURRENT ASSETS (Unsecured, considered good)

(Rs. in Lakhs)

			As at March 31, 2019		As at March 31, 2018
	Capital Advances				
	Secured (against corporate guarantee of NBCC)	-		10,000.00	
	Unsecured	2,144.77	2,144.77	22,030.97	32,030.97
	Sundry Deposits		1,154.20		1,154.82
	Service Tax Recoverable (Refer Note 31.8)		1,017.96		1,017.96
	Deferred Payroll expense		95.19		115.03
			4,412.12		**34,318.78**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

10. INVESTMENTS

(Rs. in Lakhs)

		As at March 31, 2019		As at March 31, 2018
	In Mutual Funds- Quoted (Carried at fair value through income and expenditure)			
	2,91,490.319 (2,70,169.103) units of Rs. 10/- each in UTI-Balanced Fund Dividend Reinvestment scheme	80.33		78.45
		80.33		**78.75**
	(i) Aggregate amount of quoted investment & market value thereof	80.33		75.75
	(ii) Aggregate amount of impairment in the value of investments	-		-

11. TRADE RECEIVABLES

(Rs. in Lakhs)

			As at March 31, 2019		As at March 31, 2018
	Unsecured, considered good (Refer Note 11.1)		605.39		936.18
	Unsecured, considered doubtful (Refer Note 11.2)	1092.08		1,238.87	
	(Less): Provision for doubtful debts	(1092.08)	-	(1,238.87)	-
			605.39		**936.18**
11.1	Due to short-term nature of current receivables, their carrying amount is assumed to be same as their fair value.				
11.2	Trade receivables include amount of Rs. 54.48 lakhs (Previous year Rs. 54.48 lakhs) due from NCTI, JV Company.				

12. CASH & CASH EQUIVALENTS

(Rs. in Lakhs)

		As at March 31, 2019		As at March 31, 2018
	Balances with Banks-			
	- Savings accounts	5,579.14		3,651.39
	- Current accounts (Refer Note 12.1)	14.49		24.76
	Drafts /Cheques on hand	69.69		28.08
	Cash on hand (Refer Note 12.2)	5.18		4.81
	Postage Imprest	0.81		0.12
		5,669.31		**3,709.16**
12.1	Bank balance in current accounts includes Rs. 9.23 lakhs (Previous year: Rs. 8.66 lakhs) held in bank accounts maintained in foreign countries out of which unconfirmed balance is Rs. 4.21 lakhs (Previous year: NIL).			
12.2	Amount held in Foreign currency of Rs. 5.07 lakhs (Previous year: Rs. 4.68 lakhs).			
12.3	There are no restriction with regard to cash and cash equivalents as at the end of the reporting period.			

13. BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

(Rs. in Lakhs)

		As at March 31, 2019		As at March 31, 2018
	Term deposits with banks having original maturity of more than 3 months but less than 12 months	43,899.00		90,101.00
		43,899.00		**90,101.00**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

14. LOANS

(Rs. in Lakhs)

			As at March 31, 2019		As at March 31, 2018
	Advance to KTPO- Subsidiary Company (Unsecured, considered good)		-		773.77
	Loan to Employees (including accrued interest) (Refer Note 14.1)				
	Secured, considered good	96.40		103.94	
	Unsecured, considered good	1,536.95	1,633.35	2,075.52	2,179.46
			1,633.35		**2,953.23**
14.1	Loans to Employees includes dues from:				
	Directors / Ex-Directors		0.01		0.01
	Officers in the nature of loan		1.92		7.55

15. OTHER FINANCIAL ASSETS (Unsecured, considered good unless stated otherwise)

(Rs. in Lakhs)

			As at March 31, 2019		As at March 31, 2018
	Grant recoverable from Government of India				
	Considered good	910.34		711.35	
	Considered doubtful	1.00		21.47	
	(Less): Provision for doubtful recovery of grant	(1.00)	910.34	(21.47)	711.35
	Inter-corporate deposits (placed with NBFCs)		3,200.00		26,800.00
	Due from Indian Missions Abroad		7.31		7.86
	Recoverable from Subsidiary Companies:				
	-TNTPO	0.05		0.03	
	-KTPO	0.05	0.10	0.03	0.06
	Interest accrued on Saving bank accounts & deposits		1,347.85		3,145.81
	Due from parties in respect of deposit works				
	Considered good	-		50.02	
	Considered doubtful	91.75		41.73	
	(Less): Provision for doubtful dues	(91.75)	-	(41.73)	50.02
			5,465.60		**30,715.10**

16. OTHER CURRENT ASSETS (Unsecured, considered good unless stated otherwise)

(Rs. in Lakhs)

			As at March 31, 2019		As at March 31, 2018
	Advances to vendors				
	Considered good	506.19		558.29	
	Considered doubtful	163.28		249.64	
	(Less): Provision for doubtful advances	(163.28)	506.19	(249.64)	558.29
	Sundry Deposits				
	Considered good	129.68		163.20	
	Considered doubtful	14.03		13.68	
	(Less): Provision for doubtful advances	(14.03)	129.68	(13.68)	163.20
	Others				
	GST Credit	841.21		506.94	
	Prepaid expenses	13.85		14.89	
	Deferred Payroll expense	16.78		19.71	
	Consumable Stores	-	871.84	1.17	542.71
			1,507.71		**1,264.20**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

17. EQUITY SHARE CAPITAL

(Rs. in Lakhs)

		As at March 31, 2019		As at March 31, 2018
	Authorized			
	50,000 (50,000) equity shares of Rs. 100/- each	50.00		50.00
	Issued, Subscribed & Fully paid-up			
	25,000 (25,000) equity shares of Rs. 100/- each fully paid up	25.00		25.00
		25.00		**25.00**

		As at March 31, 2019		As at March 31, 2018	
17.1	**Reconciliation of shares outstanding**				
		No. of shares	(Rs. in lakhs)	No. of shares	(Rs. in Lakhs)
	At the beginning of the year	25,000	25.00	25,000	25.00
	Add: Issued during the year	-	-	-	-
	At the end of the year	**25,000**	**25.00**	**25,000**	**25.00**

17.2 **Terms / Rights attached to Equity Shares**

The Company has only one class of equity shares having a par value of Rs.100/- per share. Each holder of equity share is entitled to one vote per share. Since the Company is incorporated u/s 25 of Companies Act, 1956 (now Section 8 of Companies Act, 2013), it is prohibited from distribution of surplus, if any, or other income of the Company to its members by way of dividend, bonus shares or otherwise.

In the event of winding up or dissolution of the Company, if there remains, after the satisfaction of all the debts and liabilities and return of original capital to the Government, any property whatsoever, the same shall not be distributed amongst the members of the Company but shall be given or transferred to such other Company having objects similar to the objects of the Company to be determined by the members of the Company at or before the time of dissolution or in default thereof, by the High Court of Judicature that has or may acquire jurisdiction in the matter.

17.3 **Details of Shareholder holding more than 5% shares**

	As at March 31, 2019		As at March 31, 2018	
	No. of shares	% age	No. of shares	% age
Equity Shares of Rs. 100/- each fully paid Government of India (2 shares held by nominee shareholders)	25,000	100	25,000	100

18. OTHER EQUITY

(Rs. in Lakhs)

		As at March 31, 2019		As at March 31, 2018	
	Capital Reserves				
	Promoter's Contribution for infrastructural	-		4,965.62	
	(Less): Transfer to Retained Earnings	-	-	(4,965.62)	-
	Promoter's Contribution for investment in KTPO	1,02.00		1,325.22	
	(Less): Transfer to Retained Earnings	-	1,020.00	(305.22)	1,020.00
	Others (Refer Note 18.1)		18.10		18.10
	Retained Earnings				
	As per the last account	195,337.39		176,623.06	
	Add: Transfer from capital reserve	-		5,270.84	
	Add: Surplus for the year	7,605.14		13,440.80	
	Add: Remeasurement gain/(loss) of defined	(270.57)		6.81	
	Add: Prior period Adjustments (Net)	-	202,671.96	(4.12)	195,337.39
	Total		**203,710.06**		**196,375.49**
18.1	Represents excess of assets over liabilities of organisations merged with the Company in earlier years.				

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

19. NON- CURRENT PROVISIONS

(Rs. in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits		
Leave Encashment (Refer Note 31.11)	2,032.32	2,191.69
	2,032.32	**2,191.69**

20. OTHER NON-CURRENT LIABILITIES

(Rs. in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Advance received from customers	939.65	815.65
	939.65	**815.65**

21. TRADE PAYABLES

(Rs. in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Total outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 21.1)	2.69	-
Total outstanding dues of creditors other than Micro Enterprises Small Enterprises	1,715.49	1,698.93
	1,718.18	**1,698.93**

21.1 Information in respect of micro, small and medium enterprises as required by Micro, Small and Medium Enterprises Development Act, 2006:

	As at March 31, 2019	As at March 31, 2018
Amount remaining unpaid to any supplier:		
Principal amount	2.69	-
Interest due thereon	-	-
Amount of interest paid in terms of Section 16 of the MSMED Act along-with the amount paid to the suppliers beyond the appointed day.	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
Amount of interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act	-	-

22. OTHER FINANCIAL LIABILITIES

(Rs. in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Employees' benefits payable	399.06	169.27
Security deposits	734.65	1,008.13
Refund due to customers	2,043.49	2,022.44
Other payables	307.05	786.15
	3,484.25	**3,985.99**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

23. OTHER CURRENT LIABILITIES

(Rs. in Lakhs)

		As at March 31, 2019		As at March 31, 2018
Advance received from customers		4,645.63		2,519.81
Statutory Liabilities		899.98		1,034.20
		5,545.61		**3,554.01**

24. CURRENT PROVISIONS

(Rs. in Lakhs)

		As at March 31, 2019		As at March 31, 2018
Provision for Employees' Benefits				
-Gratuity (Refer Note 31.11)	608.02		1,734.56	
-Leave Encashment (Refer Note 31.11)	434.62		366.07	
-Performance Related Pay (Refer Note 24.1)	3,264.00		3,264.00	
-Pension Fund	10.89		725.26	
-Pay revision	173.68	4,491.21	2,022.00	8,111.89
Others				
-Provision for refund of contingency charges		-		109.56
		4,491.21		**8,221.45**

Movement of Provisions: **(Rs. in Lakhs)**

Particulars	As at April 1, 2018	Amount utilised during the year	Provision made during the year	As at March 31, 2019
Performance Related Pay / Ex-gratia	3,264.00	-	-	3,264.00
Pension Fund	725.26	(714.37)	-	10.89
Pay revision	2,022.00	(1,848.32)	-	173.68

Movement of Provisions: **(Rs. in Lakhs)**

Particulars	As at April 1, 2017	Amount utilised during the year	Provision made during the year	As at March 31, 2018
Performance Related Pay / Ex-gratia	3,264.00	-	-	3,264.00
Pension Fund	2,631.14	(2,041.69)	135.81	725.26
Pay revision	442.00	-	1,580.00	2,022.00

24.1 The provision of Rs. 3,264.00 lakhs (Previous year: Rs. 3,264.00 lakhs) towards Performance Related Pay (PRP)/ Ex-gratia was made by the Company during 1.4.2007 to 31.03.2017 in accordance with the guidelines of Department of Public Enterprises (DPE) on revision of pay scales as per 2nd Pay Revision Committee (2nd PRC).

Pending approval of PRP/ Ex-gratia by the competent authority, ad-hoc payments amounting to Rs. 1382.66 lakhs (Previous Year Rs. 1574.49 lakhs), net of recoveries from retired employees, were released to the employees with the approval of the Board of Directors as 'Interest free advances' against undertakings obtained from the employees to refund/ adjust the advance as per the decision of the competent authority.

The Department of Commerce had informed ITPO, in the context of 2nd Pay Revision Committee recommendations, in September 2013 and again in October 2017 that ITPO is ineligible for PRP.

The Board of Directors (BoD) of the Company in their 205th Meeting held on 29/8/2018 had noted that though as per DPE Guidelines, ITPO could grant PRP/ Ex-gratia but it is not mandatory for it to do so. All financial decisions including PRP/ Ex-gratia have to be considered by the BOD and approved by the Administrative Ministry, wherever required. The decision on PRP/ Ex-gratia depends on ITPO's financial position and other factors. The Guidelines of DPE only provide guidance but they do not create any obligation for the Company.

Considering the above and huge financial outgo committed for the IECC Project by the Company, the BOD had decided that no provision towards PRP/ Ex-gratia/ Interest free advance be made for the year 2017-18.

ITPO is still in the midst of implementing the IECC Project and also there is no surplus from core activities in 2018-19 as per DPE Guidelines. Hence, no provision towards PRP/ Ex-gratia is made in the accounts for the current year.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

25. REVENUE FROM OPERATIONS

(Rs. in lakhs)

			For the year ended 31.03.2019		For the year ended 31.03.2018
	Sale of Services				
	Space Rent	15,994.29		21,220.60	
	Government Grant- Revenue	426.11		1,295.72	
	Receipts towards electricity & water charges	667.14		1,064.25	
	Receipts towards other services	252.86		253.80	
	Hoardings	238.34		298.04	
	Branding/ Sponsorship	0.32	17,579.06	3.27	24,135.68
	Other Operating Revenue				
	Sale of Entry Tickets / Seasonal Passes	320.67		517.85	
	Subscriptions	57.53		34.55	
	Advertisement- Publications	46.65		57.14	
	Sale of Publications	1.74	426.59	2.77	612.31
			18,005.65		**24,747.99**

26. OTHER INCOME

(Rs. in Lakhs)

			For the year ended 31.03.2019		For the year ended 31.03.2018
	Interest Income from				
	-Bank deposits & Saving bank accounts	5,214.83		8,359.20	
	-Inter- corporate deposits	952.98		1,630.56	
	-Loan to employees	65.96		76.41	
	-Income Tax refund	37.59		-	
	-Others	2.92	6,274.28	1.95	10,068.12
	Dividend from Mutual Funds		5.94		9.23
	Rent (Refer Note 31.2)		66.00		267.15
	Other non-operating income				
	Profit/ (Loss) on Sale of Property, Plant & Equipment (Net)	19.74		54.68	
	Liabilities/Provisions no longer required, written back	388.71		327.35	
	Penalties from customers (Refer Note 26.1)	494.31		461.58	
	Miscellaneous Income	104.32	1,007.08	18.87	862.48
			7,353.30		**11,206.98**
26.1	Penalty of Rs. 10.94 lakhs (Cumulative up to 31.03.2019 - Rs. 784.07 lakhs) due to cancellation of events by the third party organisers has not been recognized as income and the same shall be accounted for in accordance with the Ind AS-115 as and when the amount is recovered/ adjusted.				

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

27. EMPLOYEES' BENEFITS EXPENSE

(Rs. in Lakhs)

			For the year ended 31.03.2019		For the year ended 31.03.2018
	Salaries & Wages				
	Salaries, Wages & Allowances (Refer Note 27.1)	7,066.79		5,572.50	
	Other Perks & Allowances	1,537.24		980.80	
	Provision for Pay Revision	-	8,604.03	1,580.00	8,133.30
	Contribution to Provident & Other Funds				
	Contribution to Provident Fund (Refer Note 31.11)	620.97		567.22	
	Contribution to Pension Fund (Refer Note 31.11)	350.69		451.65	
	Gratuity (Refer Note 31.11)	337.45		332.69	
	Leave Encashment (Refer Note 31.11)	461.53		464.81	
	Contribution to Other Funds	9.44	1,780.08	10.39	1,826.76
	Staff Welfare expenses				
	Medical expenses	409.24		382.58	
	Compensation for deceased employees	99.35		133.66	
	Other Staff Welfare Expenses	123.98	632.57	130.28	646.52
			11,016.68		**10,606.58**
27.1	Includes Rs. 709.94 lakhs (Previous year Rs. 17.59 lakhs) on account of ex-gratia under the Voluntary Retirement Scheme.				

28 DEPRECIATION AND AMORTISATION EXPENSE

(Rs. in Lakhs)

			For the year ended 31.03.2019		For the year ended 31.03.2018
	Depreciation on Property, Plant & Equipment		153.67		384.01
	Amortization of Other Intangible Assets		34.96		28.43
			188.63		**412.44**

29 OTHER EXPENSES

(Rs. in Lakhs)

			For the year ended 31.03.2019		For the year ended 31.03.2018
	Expenses related to sale of services				
	Participation Charges		2,202.14		1,885.33
	Construction & Interior Decoration		843.89		2,121.91
	Publicity		436.99		489.81
	Freight, Packing & Handling		10.24		48.92
	Cultural Programmes & Fashion Shows		0.77		25.34
	Interpreter wages		10.67		59.22
	Travelling & Conveyance [includes Rs. 14.40 lakhs (Previous Year Rs. 30.69 lakhs) in respect of Directors]		224.32		326.69
	Foreign Delegation		9.70		15.40
	Difference in Exchange (net)		7.52		0.33

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

	Other Operating Expenses				
	Advertisement Expenses		29.74		53.04
	Entertainment [includes through Directors Rs. 1.71 lakhs (Previous Year Rs. 1.20 lakhs)]		34.04		48.37
	Commission		88.12		103.79
	Electricity Charges		879.94		1,214.19
	Water Charges		104.21		278.68
	Maintenance of Pragati Maidan				
	-Civil	164.09		149.40	
	-Electrical	771.11		768.52	
	-Horticulture	39.31		85.99	
	-Conservancy Arrangements	213.74	1,188.25	254.28	1,258.19
	Vehicle Maintenance	24.09		29.03	
	(Less): Recoveries	(0.08)	24.01	(0.08)	28.95
	Other Administrative Expenses				
	Repairs, Renewals & Maintenance		188.09		181.59
	Security Expenses		624.78		691.03
	Postage, Telegrams & Telephones		33.32		41.87
	Insurance		7.97		9.17
	Legal & Professional Charges		80.76		50.94
	Recruitment Expenses		39.60		-
	Seminar & Training		7.39		13.35
	Books & Periodicals		3.07		19.33
	Printing & Stationery		66.48		67.58
	Corporate Social Responsibility Expenses (Refer Note 31.14)		437.05		333.67
	Rates & Taxes	271.57		324.45	
	(Less): Recoveries	(0.83)	270.74	(3.26)	321.19
	Rent	17.64		31.37	
	(Less): Recoveries	(1.40)	16.24	(1.40)	29.97
	Fair value loss/ (gain) on mutual funds		4.36		2.88
	Interest paid on delayed taxes/ grant		8.93		2.83
	Provision for impairment loss on Investments in JV		69.32		13.53
	Provisions/ Write Offs		131.81		136.65
	Other Miscellaneous Expenses		146.36		235.82
	Sitting Fees to Directors		2.40		2.20
	Auditor's Remuneration				
	-Audit Fee (includes Rs. 2.00 lakhs for 2017-18)	8.00		4.00	
	-Tax Audit Fee	1.00		1.00	
	-Reimbursement of expenses (includes Rs. 0.60 lakh for 2017-18)	1.20	10.20	-	5.00
			8,243.42		**10,116.76**

30 EXCEPTIONAL ITEMS

(Rs. in Lakhs)

		For the year ended 31.03.2019		For the year ended 31.03.2018
	Forfeiture of Bid security on Land monetisation (Refer Note 31.7(c))	1,694.92		-
	Loss on demolition of building for IECC project	-		(1,378.39)
		1,694.92		**(1,378.39)**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

31 OTHER NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(Rs. in Lakhs)

31.1	CONTINGENT LIABILITIES AND COMMITMENTS	As at March 31, 2019		As at March 31, 2018	
	Contingent Liabilities (Refer Note 31.1.1)				
	Claims against the Company not acknowledged as debts - Disputed liability not adjusted as expenses in the accounts for various years being in appeal towards:				
	Income Tax (also refer note 31.4)	187.71		182.81	
	Service Tax	141.14		1,022.45	
	Employee Provident Fund (amount deposited Rs. 100.00 lakhs)	1,695.57		1,695.57	
	Entertainment Tax	432.35		415.18	
	ESI	-	2,456.77	228.81	3,544.82
	Others - for which the company is contingently liable (Refer Note 31.7(c))		1,773.17		2,310.00
			4,229.94		**5,854.82**
	Capital Commitments				
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) (Refer Note 31.7)		135,411.70		209,476.63
	Equity Contribution in Associate Company		1,000.00		1,280.00

31.1.1 The Company is contesting these demands and the management including its advisors are of the view that these demands may not be sustainable at the appellate level. The management believes that the ultimate outcome of these proceedings will not have any material adverse effect on the Company's financial position and results of operations. The Company does not expect any reimbursement in respect of above contingent liabilities and it is not practicable to estimate the timing of cash outflows, if any, in respect of these matters, pending the decisions of the competent authorities.

31.2 **National Science Centre and National Handicrafts & Handlooms Museum (Crafts Museum)**

Land and Development Office (L&DO), Ministry of Urban Development has leased out 123.51 acres of land for Pragati Maidan Complex to the Company on perpetual lease of 99 years as per lease deed dated 7th March 2011 out of which the combined area of 7.2623 acres is under the occupation of two Government Departments i.e. Crafts Museum and National Science Centre without a lease agreement. Cumulative rent of Rs. 10629.15 lakhs (Previous year Rs. 9982.57 lakhs) is not being paid and contested by them. In view of uncertainty in its realization, the rental income is not recognized in the books of accounts since earlier years.

The expenditure incurred on the annual ground rent, paid to L&DO, including the area under possession of the said two departments, is borne by the Company as the lease deed for the entire area is in the name of the Company. Further, Municipal taxes in respect of area under their possession are being paid by these departments directly to the Revenue authority.

31.3 In the opinion of the management, the value of assets other than Property, Plant and Equipment, on realization in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

31.4 **INCOME TAX MATTERS**

A. Exemption of Income

The Director General of Income Tax (Exemptions) had withdrawn the Income Tax Exemption granted to ITPO under section 10(23C)(iv) of the Income Tax Act, 1961 since Assessment Year 2009-10 onwards as per the amended proviso of section 2(15) of the Income Tax Act, 1961 effective from 1.4.2008.

The Company had contested the withdrawal of exemption before the Hon'ble High Court of Delhi and got a favourable judgment on 22.01.2015. Accordingly the Chief Commissioner of Income Tax (Exemptions) vide order dated 02.03.2015 restored the aforesaid Income-tax exemption of the Company w.e.f. Assessment Year 2009-10 onwards.

The Income Tax department has since filed a Special Leave Petition SLP (C) no. 9284 of 2017 before the Hon'ble Supreme Court against the order of the Hon'ble High Court of Delhi. The prayer of the Income Tax department for interim relief/ stay of operation of the judgment passed by the Hon'ble High Court of Delhi was not accepted by the Hon'ble Supreme Court and the matter has been tagged with other SLPs pending before Hon'ble Supreme Court on similar matters and the date of hearing is yet to be fixed.

Even though the matter of exemption is pending before the Hon'ble Supreme Court, the management and it's advisors are of the view that since the income-tax exemption has been restored by the Hon'ble High Court of Delhi. Hence, no provision for income-tax, interest and penalties is considered necessary from Assessment year 2009-10 onwards.

B. Demand for Income Tax

During the intervening time period, the Income Tax department passed the orders for the assessment years 2009-10 to 2011-12 denying the exemption under Section 10(23c)(iv) and raised demand of Rs. 15,589.86 lakhs against which Rs. 1,319 lakhs was deposited under protest. Further, TDS refunds of Rs. 11,467 lakhs up to Assessment year 2015-16 have been withheld by the department. Appeals filed by the Company with CIT (Appeals) against the demands raised by the Income Tax department for the assessment years 2009-10 to 2011-12 were decided in favour of the Company against which the Income tax department has filed the appeal with Income Tax Appellate Tribunal (ITAT), Delhi.

TDS refunds of Rs. 11,467 lakhs and Rs. 1,319 lakhs paid by the Company aggregating to Rs. 12,786 lakhs have been reflected in the accounts under the head "Income Tax/ TDS Recoverable" in Note 8 and have been considered good for recovery as at 31.03.2019 except to the extent of Rs. 426 lakhs.

During the year 2018-19, assesment proceedings for AY 2016-17 were completed by the Assessing Officer in Dec'18 by giving the benefit of exemption u/s 10(23c)(iv) of the Income Tax Act, 1961 but overlooked the benefit of 15% of income under section 11(1) of the Income Tax Act, 1961 amounting to Income-tax of Rs. 1,948.10 lakh. The refund of Rs. 751.82 lakhs along with interest of Rs. 37.59 lakhs was granted which has since been received by the Company in May'19. Total amount of Rs. 2,699.92 lakhs is included in "Income Tax/ TDS Recoverable" in Note 8. The rectification application filed by the Company with the Assessing Officer under section 154 of the Income Tax Act, 1961 is pending for disposal.

31.5 **DEFERRED TAX ASSET/ LIABILITY**

In view of the income of ITPO being held to be exempt under section 10(23C)(iv) of the Income Tax Act, 1961 as per the order of the Hon'ble High Court of Delhi and in view of the management and it's advisors, the SLP filed by Income tax department is likely to be in their favour hence the deferred tax assets/ liabilities have not been recognized.

31.6 **CONFIRMATION OF BALANCES**

Balances appearing under Trade Receivables, Loans & Advances, Trade Payables and other parties etc. are subject to reconciliation/ confirmation. The impact, if any, subsequent to the confirmation/ reconciliation will be taken in the year of confirmation/ reconciliation.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

31.7 **INTERNATIONAL EXHIBITION CUM CONVENTION CENTRE (IECC) PROJECT**

(a) International Exhibition cum Convention Centre (IECC) project for redevelopment of Pragati Maidan complex was approved by the Government of India (GOI) in the Cabinet Committee of Economic Affairs (CCEA) meeting held on 24.1.2017 at a cost of Rs. 2,25,400 lakhs, since revised to Rs. 2,69,851 lakhs. The project, as per approval, will be funded from Company's resources of Rs. 1,20,000 lakhs and balance by term loan from bank secured by Guarantee from the Government of India.

(b) The Cabinet has further approved on 13.6.2018, the waiver of demand of Rs. 9,663.42 lakhs raised by L&DO on 21.4.2017 in connection with IECC project.

(c) The Cabinet has also approved on 13.6.2018, monetization of 3.70 acres of land at Pragati Maidan complex for construction and operation of a hotel by a third party including private sector meant to finance the IECC project and accordingly the loan from bank will stand reduced to that extent.

During the year, Request for Proposal (RFP) for selection of Developer cum Operator of 5 star hotel at Pragati Maidan was floated and two bidders were technically qualified. However, only one bidder placed bid at the given reserve price and the other bidder did not bid and accordingly his bid was considered as withdrawn. The fact of forfeiture in case of withdrawal from further participation after opening of technical bid during the period of validity was clarified in the pre-bid meeting. Further, due to lack of competition, RFP was cancelled.
Accordingly, the Company forfeited the bid security of Rs. 1,694.92 lakhs, net of GST of Rs. 305.08 lakhs as suggested by NBCC, Project Management Consultant (PMC) for ITPO for the project. This amount has been treated as on as "Exceptional Income" and disclosed in Note 30.

The bidder has filed a writ petition against the forfeiture of his bid security before the Hon'ble High Court of Delhi in Aug'2019 and the same has accordingly been included as 'Contingent Liability' in Note no. 31.1 as the matter is sub-judice.

(d) Term loan of Rs. 150000 lakhs sanctioned by a nationalised bank on 28.05.2018 and the Guarantee for Rs. 1,05,400 lakhs has been issued by the Government of India on 15.03.2019 on which Guarantee fee of Rs. 1,103.09 lakhs has been paid.

(e) NBCC, a Public Sector Undertaking, has been appointed as the Project Management Consultant (PMC) for the project and an agreement has been entered into with the NBCC.

(f) The work done for IECC project amounting to Rs.1,32,294.53 lakhs up to 31.03.2019 has been shown as Capital Work-in-Progress in Note No. 3 and advance of Rs. 2,144.77 lakhs paid to various Departments/ agencies for the project has been shown as Capital Advances in Note 9. Consequently, against the approved cost of Rs 2,69,851 lakhs, the balance amount of Rs. 1,35,411.70 lakhs is shown as Capital Commitments for the project in Note 31.1.

31.8 **SERVICE TAX MATTERS**

a) Service Tax demand of Rs. 1,087.95 lakhs for the period 2006-07 to 2009-10 comprising service tax of Rs. 1,064.27 lakhs and interest of Rs. 23.68 lakhs was raised on the Company by Commissioner of Service Tax. The said demand was contested and the Commissioner of Customs and Central Excise vide order dated 22.01.2015 revised the demand to Rs. 410.41 lakhs and restricted penalty to Rs. 410.41 lakhs and Rs. 0.10 lakh & interest till the date of payment with the condition that penalty amount would stand waived by 75% in case payment is made within 30 days.

An appeal against the aforesaid order was filed before CESTAT on 24.04.2015, modified appeal has been filed on 09.02.2017 on the directions of CESTAT. In the meanwhile, the Company deposited the service tax of Rs. 410.41 lakhs, penalty of Rs. 102.70 lakhs and interest of Rs. 368.20 lakhs aggregating to Rs. 881.31 lakhs on 25.02.2015, under protest and the amount has been reflected in the accounts under the head "Service Tax Recoverable" in Note 9. The Company has received the favourable order from CESTAT on 13.09.2018 and has filed the appeal effect for obtaining the refund of Rs. 881.31 lakhs.

b) Further, following demand cum show cause notices for service tax (interest and penalties not quantified) were served by the Service Tax department for the undernoted years: **(Rs.in lakhs)**

Year	Amount
2011-12	42.77
2012-13	51.68
2013-14	46.69
Total	141.14

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

The Company based on the expert opinion, considers that the various matters above, on which the demand-cum-show cause notices were served, does not fall within the ambit of service tax.

Hence, the demands have been contested by the Company with the respective authorities and accordingly no provision for demand of Rs. 141.14 lakhs has been considered necessary in the accounts as at 31.03.2019 and the said demand of Rs. 141.14 lakhs has been shown as Contingent Liability in Note 31.1.

31.9 **International Amusement Limited (IAL)– Appu Ghar**

International Amusement Limited (IAL)– Appu Ghar, an ex-licensee of space in Pragati Maidan vide agreement dated 04.01.2018, was to pay ITPO an amount of Rs 1032.94 lakhs out of which Rs 100 lakhs was paid upfront on 1.5.2018 and balance amount of Rs 932.94 lakh was to be paid in 4 equal quarterly installments of Rs 233 lakhs each. However, IAL defaulted on the payments of quarterly installments and has paid only Rs 100 lakhs on 1.11.2018.

On default, the Company persued the matter with Estate Officer Pragati Maidan. The Estate Officer vide order dated 19th February 2019 allowed ITPO to take legal course to recover its dues by invoking corporate guarantee and personal guarantee submitted by IAL at the time of agreement. The order also allowed recovery from IAL to be made under Public Premises Act, 1971. Accordingly, the Company has approached the concerned Revenue authority for the implementation of order.

Consequently, warrant for attachment of property of IAL under Land Reforms Act, 2013 have been issued against IAL by concerned Revenue Authority on 3.5.2019. IAL has since deposited Rs 60.00 lakhs with the Company during 2019-20. Thus total amount of Rs 260.00 lakhs has been recovered from IAL.

As per Ind AS 115, the amount of Rs 200 lakhs received during 2018-19 and further amount of Rs 60.00 lakhs, received subsequently, has been adjusted against debt of IAL and reversed the Provision for Doubtful Debts of Rs 260 lakhs. Interest on delayed payments as per agreement has not been accounted for in accordance with Ind AS 115 as the realisation of the same considered uncertain.

31.10 **LEASES**

The Company's significant leasing arrangements are in respect of operating leases relating to its leased office premises and properties. These lease arrangements which are cancellable, are generally renewable by mutual consent. The aggregate lease rental income and lease rent paid are disclosed in Note 26 and 29 respectively.

31.11 **EMPLOYEES' BENEFITS**

General description of various defined employee benefit schemes are as under:-

I. **Defined Contribution Plans**

Provident Fund

The Company pays its contribution relating to the Provident Fund of its employees, at the prescribed rates to the ITPO Employees' Contributory Provident Fund Trust which invests the funds in permitted securities. The contribution for the year is recognized as expense and is charged to the statement of income and expenditure. The Company is also under obligation to make good the shortfall of the trust, if any, and recognizes such shortfall as its expense.

Pension Fund

The Company is under obligation to contribute specified amounts towards the Superannuation benefit of the employees to the ITPO Employees Defined Contribution Superannuation Trust. The contribution for the year is recognized as expense and is charged to the statement of income and expenditure. The Company is also under obligation to make good the shortfall of the trust, if any, and recognizes such shortfall as its expense.

Expense charged to the statement of Income & Expenditure as employer's contribution to these funds during the year is as under:

(Rs. in Lakhs)

	2018-19	**2017-18**
Employer's contribution towards Provident Fund	620.97	567.22
Employer's contribution towards Pension Fund	350.69	451.65
	971.66	1,018.87

II. Defined Benefits Plans

Gratuity

The Company has a defined benefit gratuity scheme. The Scheme is funded. A separate ITPO Employees Gratuity Fund Trust manages the affairs of the trust. The funds of the trust are managed by LIC. It is recognized in the books of the Company on the basis of actuarial valuation. Every employee who has rendered continuous service of 5 years or more is entitled to get gratuity at the rate of 15 days salary [15/26 x (last drawn basic salary + dearness allowance)] for each completed year of service, as per rules of the Company/ DPE guidelines on the subject.

i. Expenses recognized in the statement of Income and Expenditure **(Rs. in Lakhs)**

	2018-19	**2017-18**
Net Interest cost	131.07	113.87
Service cost	206.38	218.83
Expenses recognized in the statement of Income & Expenditure	337.45	332.70
Remeasurements:		
Opening unrecognized Actuarial Gain/ (loss)	(183.81)	(190.62)
Actuarial gain/ (loss) for the year on asset	7.08	5.05
Actuarial gain/ (loss) for the year on PBO due to change in:		
-Demographic Assumption	-	-
-Financial Assumption	(17.35)	(110.76)
-Experience Assumption	(260.30)	112.52
OCI recognized for the year	(270.57)	6.81
Net actuarial gain/(loss) unrecognized in OCI at the end of the year	(454.38)	(183.81)

ii. The amount recognized in the Balance Sheet **(Rs. in Lakhs)**

	As at March 31, 2019	**As at March 31, 2018**
Present value of the obligation at end of the year	6,068.01	6,267.58
Fair value of plan assets at end of year	5,459.99	4,543.02
Net liability recognized in Balance Sheet and related analysis	608.02	1,724.56
Funded/ (unfunded) Status	(608.02)	(1,724.56)

iii. Changes in the Present Value of Obligations: **(Rs. in Lakhs)**

	2018-19	**2017-18**
Present value of the obligation at the beginning of the year	6,267.58	5,914.22
Difference in Opening	-	30.76
Acquisition in	-	11.51
Interest cost	476.34	419.72
Service cost	206.38	218.83
Benefits paid	(1,159.94)	(325.70)
Actuarial (gain)/loss	277.65	(1.76)
Present value of the obligation at the end of the year	6,068.01	6,267.58

iv. Maturity Profile: **(Rs. in Lakhs)**

Year	**As at March 31, 2019**	**As at March 31, 2018**
0 to 1 Year	1,187.88	1,033.55
1 to 2 Year	684.89	869.44
2 to 3 Year	686.36	524.07
3 to 4 Year	496.57	425.92
4 to 5 Year	476.70	458.70
5 to 6 Year	257.53	478.94
6 Year onwards	2,278.09	2,476.96

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

v. Sensitivity Analysis of the defined benefit obligation:

(Rs. in Lakhs)

	2018-19	2017-18
a) Impact of the change in discount rate		
Present Value of Obligation at the end of the year	6,068.01	6,267.58
a) Impact due to increase of 0.50 %	(121.85)	(340.69)
b) Impact due to decrease of 0.50 %	126.80	66.20
b) Impact of the change in salary increase		
Present Value of Obligation at the end of the year	6,068.01	6,267.58
a) Impact due to increase of 0.50 %	106.41	80.06
b) Impact due to decrease of 0.50 %	(107.90)	(332.74)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

vi. The assumptions employed for the calculations are tabulated below:

	As at March 31, 2019	As at March 31, 2018
Discount rate	7.53% per annum	7.60% per annum
Salary Growth Rate	6.00% per annum	6.00% per annum
Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Withdrawal rate (Per Annum)	2.00% per annum	2.00% per annum

vii. Expected contribution for the next Annual reporting period (Rs. in Lakhs)

	2018-19	2017-18
Service Cost	217.07	232.89
Net Interest Cost	45.78	131.07
Expected Expense for the next annual reporting period	262.85	363.96

viii. Major categories of plan assets (as percentage of total plan assets)

	As at March 31, 2019	As at March 31, 2018
Funds Managed by Insurer	100%	100%
Total	100%	100%

ix. Change in Fair Value of Plan Assets (Rs. in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Fair value of plan assets at the beginning of the period	4,543.02	4,277.14
Difference in Opening Fund	-	54.99
Actual return on plan assets	362.79	320.64
Less- FMC Charges	(10.44)	(9.75)
Employer contribution	1,724.56	225.70
Benefits paid	(1,159.94)	(325.70)
Fair value of plan assets at the end of the period	5,459.99	4,543.02

III. Other Long Term Employee Benefits

Leave Encashment

The scheme of leave encashment is unfunded. It is recognized in the books of the Company on the basis of actuarial valuation. The encashment of Earned Leave (EL) and Half-Pay Leave (HPL) benefits to the employees of the Company accrue annually at the rate of 30 days and 20 days respectively. While in service, EL is encashable subject to a maximum of 60 days once in a calendar year leaving minimum balance of 30 days. However, employees within one year of their superannuation are allowed encashment of EL twice in a calendar year subject to the proviso that 30 days EL should be in credit at all times. EL is also encashable subject to a maximum of 300 days on superannuation / death / resignation etc. HPL is encashable only on superannuation / death / resignation etc. up to a maximum of 300 days as per the Rules of the Company. An overall ceiling of encashment of EL and HPL for 300 days is prescribed at the time of superannuation / death / resignation, etc.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

i. Expenses recognized in the statement of Income and Expenditure (Rs. in Lakhs)

	2018-19	2017-18
Interest cost	194.39	191.21
Service cost	105.80	103.78
Net actuarial (gain)/loss recognized in the period	161.34	169.84
Expenses recognized in the statement of Income and Expenditure	461.53	464.83

ii. The amount recognized in the Balance Sheet (Rs. in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Present value of the obligation at end of the year	2,466.94	2,557.76
Net liability recognized in Balance Sheet and related analysis	2,466.94	2,557.76
Unfunded Status	(2,466.94)	(2,557.76)

iii. Changes in the Present Value of Defined Benefit Obligations: (Rs. in Lakhs)

	2018-19	2017-18
Present value of the obligation at the beginning of the year	2,557.76	2,708.30
Acquisition in	-	4.77
Interest cost	194.39	191.21
Service cost	105.80	103.78
Benefits paid	(552.35)	(620.13)
Actuarial (gain)/loss from change in:		
-Demographic Assumption	-	-
-Financial Assumption	8.01	57.63
-Experience Assumption	153.33	112.21
Present value of the obligation at the end of the year	2,466.94	2,557.76

iv. Maturity Profile: (Rs. in Lakhs)

Year	As at March 31, 2019	As at March 31, 2018
0 to 1 Year	434.62	366.07
1 to 2 Year	56.16	355.56
2 to 3 Year	227.62	233.49
3 to 4 Year	294.34	284.17
4 to 5 Year	209.66	204.48
5 to 6 Year	249.89	228.22
6 Year onwards	994.65	885.78

v. Sensitivity Analysis of the defined benefit obligation: (Rs. in Lakhs)

	2018-19	2017-18
a) Impact of the change in discount rate		
Present Value of Obligation at the end of the year	2,466.94	2,557.76
a) Impact due to increase of 0.50 %	(56.15)	(60.02)
b) Impact due to decrease of 0.50 %	58.73	62.77
b) Impact of the change in salary increase		
Present Value of Obligation at the end of the year	2,466.94	2,557.76
a) Impact due to increase of 0.50 %	59.31	63.43
b) Impact due to decrease of 0.50 %	(57.20)	(61.19)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

	vi. Bifurcation of PBO at the end of year in current and non current		**(Rs. in Lakhs)**
		2018-19	**2017-18**
	Current liability (Amount due within one year)	434.62	366.07
	Non-Current liability (Amount due over one year)	2,032.32	2,191.69
	Total PBO at the end of year	2,466.94	2,557.76
	vii. The assumptions employed for the calculations are tabulated below:		
		As at March 31, 2019	**As at March 31, 2018**
	Discount rate	7.53% per annum	7.60% per annum
	Salary Growth Rate	6.00% per annum	6.00% per annum
	Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
	Withdrawal rate (Per Annum)	2.00% per annum	2.00% per annum
31.12	**EARNINGS PER SHARE**	**As at March 31, 2019**	**As at March 31, 2018**
	Surplus for the year (Rs. in lakhs)	7,605.14	13,440.80
	Equity shares (Nos.)	25,000	25,000
	Nominal value per share (Rs.)	100.00	100.00
	Earnings per share (Basic/ Diluted) (Rs. in lakhs)	0.30	0.54

31.13 RELATED PARTY DISCLOSURES

(a) INTEREST IN SUBSIDIARIES

Name of Companies	**Principal Place of Operation**	**Principal Activities**	**Proportion Of Ownership Interest**	
			31.03.2019	**31.03.2018**
Tamilnadu Trade Promotion Organisation (TNTPO)	India	Trade Promotion	51%	51%
Karnataka Trade Promotion Organisation (KTPO)	India	Trade Promotion	51%	51%

(b) INTEREST IN JOINT VENTURE & ASSOCIATE

Name of Company	**Principal Place of Operation**	**Principal Activities**	**Proportion Of Ownership Interest**	
			31.03.2019	**31.03.2018**
National Centre for Trade Information (NCTI)	India	Trade Information	50%	50%
Jammu & Kashmir Trade Promotion Organisation (JKTPO)	India	Trade Promotion	44%	-

(c) LIST OF OTHER RELATED PARTIES

Name of Related Parties	**Principal Place of Operation**	**Nature of relationship**
ITPO Employees Contributory Provident Fund Trust	India	Post -Employment Benefit Plan of ITPO
ITPO Employees Group Gratuity Fund Trust	India	Post- Retirement Benefit Plan of ITPO
ITPO Employees Defined Contribution Superannuation Trust	India	Post- Retirement Benefit Plan of ITPO

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

(Rs. In lakhs)

(d)	**TRANSACTIONS WITH RELATED PARTIES**		
		2018-19	**2017-18**
	Tamilnadu Trade Promotion Organisation		
	Services received by the Company	208.60	123.63
	Services rendered by the Company	5.22	8.13
	Jammu & Kashmir Trade Promotion Organisation		
	Investment made by the company	220.00	-
	ITPO Employees Contributory Provident Fund Trust		
	Contribution by the Company	2,132.09	1,913.20
	ITPO Employees Group Gratuity Fund Trust		
	Contribution by the Company	1,724.56	215.70
	ITPO Employees Defined Contribution Superannuation Trust		
	Contribution by the Company	1166.71	2294.65

(e)	**OUTSTANDING BALANCES WITH RELATED PARTIES**		(Rs. In lakhs)
	Particulars	**As at March 31, 2019**	**As at March 31, 2018**
(i)	**Balances with Subsidiaries**		
	Tamilnadu Trade Promotion Organisation		
	Payable by company	51.69	41.06
	Receivable by the company	1.98	0.03
	Karnataka Trade Promotion Organisation		
	Payable by company	2.27	-
	Receivable by the company	0.05	773.80
(ii)	**National Centre for Trade Information (NCTI- Joint Venture)**		
	Payable by company	14.20	14.57
	Receivable by the company	94.75	94.75
	Provision for Doubtful debts	54.48	54.48
(iii)	**Payable by Company**		
	ITPO Employees Contributory Provident Fund Trust	12.53	15.76
	ITPO Employees Group Gratuity Fund Trust	608.02	1,724.56
	ITPO Employees Defined Contribution Superannuation Trust	0.01	-
(iv)	**Receivable by Company**		
	ITPO Employees Defined Contribution Superannuation Trust	-	0.01

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

(f)	**KEY MANAGEMENT PERSONNEL**	
	Name	**Position held**
	Sh. L C Goyal	Chairman & Managing Director
	Sh. Deepak Kumar (till 18.06.2019)	Executive Director
	Sh. Rajneesh (w.e.f. 25.06.2019 till 27.08.2019)	Executive Director
	Sh. Rajesh Agrawal (w.e.f. 28.08.2019)	Executive Director
	Dr. Subhash Chandra Pandey (till 30.06.2019)	Nominee Director
	Sh. Sanjay Chadha (till 09.12.2018)	Nominee Director
	Sh. Manoj K. Bharti (w.e.f. 24.12.2018 till 30.06.2019)	Nominee Director
	Ms. Alka Nangia Arora	Nominee Director
	Sh. Vinod k. Jacob (till 23.12.2018)	Nominee Director
	Sh. Praveen Bonigala (w.e.f. 10.12.2018 till 21.06.2019)	Nominee Director
	Sh. Shashank Priya (w.e.f. 28.08.2019)	Nominee Director
	Shri P. Harish (w.e.f. 01.07.2019)	Nominee Director
	Smt. Nidhi Mani Tripathi (w.e.f. 28.08.2019)	Nominee Director
	Sh. P N Vijay (till 09.06.2019)	Independent Director
	Sh. D M Sharma	CFO
	Sh. S R Sahoo	Company Secretary
	Note: Related Parties and their relationship is as identified by the Company	

(g)	**COMPENSATION FOR KEY MANAGEMENT PERSONNEL**				
	Name Of Person	**Designation**	**Salary & Allowances**	**Perks**	**Total Renumeration**
					(Rs. In lakhs) 2018-19
1	Sh. L C Goyal	Chairman & Managing Director	23.36	25.67	49.03
2	Sh. Deepak Kumar	Executive Director	29.28	1.39	30.67
3	Sh. P N Vijay- Sitting Fees of Rs. 2.40 lakh (Refer Note 29)	Independent Director	-	-	-
4	Sh. D M Sharma	CFO	31.07	-	31.07
5	Sh. S R Sahoo	Company Secretary	25.00	-	25.00
					(Rs. In lakhs) 2017-18
1	Sh. L C Goyal	Chairman & Managing Director	14.14	9.60	23.74
2	Sh. Deepak Kumar	Executive Director	22.64	0.95	23.59
3	Sh. P N Vijay- Sitting Fees of Rs. 2.20 lakh (Refer Note 29)	Independent Director	-	-	-
4	Sh. D M Sharma	CFO	25.09	-	25.09
5	Sh. S R Sahoo	Company Secretary	19.83	0.01	19.84

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

31.14 CORPORATE SOCIAL RESPONSIBILITY

As per section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been constituted by the Company. The amount of Rs. 312.01 lakhs is payable towards CSR expenses based on average net profit (calculated as per section 198 of the Companies Act, 2013) of the preceding three financial years. The details of the amount spent/pending to be spent during the year is as under:

(Rs. in lakhs)

	Amount spent in cash during the year ended 31 March, 2019	Amount yet to be paid in cash as at 31 March, 2019	Total Amount
- Gross amount lying pending for the earlier year as at 01.04.2018			**356.39**
- Gross amount required to be spent during the year			**312.01**
- Amount spent during the year	-		
a. Construction/ acquisition of assets		-	-
b. Contribution to various Government departments/ NGO/ Trust etc. for the following social sectors:			
- Sanitation	-	100.00	100.00
- Education	-	25.00	25.00
- Social Welfare	7.25	61.80	69.05
- Solar Energy	-	233.00	233.00
- Plantation	-	10.00	10.00
	7.25	**429.80**	**437.05**
- Gross amount lying pending (including for the earlier year) as at 31.3.2019			**231.35**

31.15 Financial Instruments - Fair Values Measurement and Financial Risk Management

I Fair Value Measurements

(Rs. in Lakhs)

A. Financial Instruments by Category	**As at 31 March 2019**		**As at 31 March 2018**	
	FVTPL	**Amortised Cost**	**FVTPL**	**Amortised Cost**
Financial Assets				
Non-current assets				
Investments	-	-	-	-
Loans	-	449.60	-	521.22
Current assets				
Investments	80.33	-	78.75	-
Trade receivables	-	605.39	-	936.18
Cash and cash equivalents	-	5,669.31	-	3,709.16
Bank balances other than cash and cash equivalents	-	43,899.00	-	90,101.00
Loans	-	1,633.35	-	2,953.23
Other Financial assets	-	5,465.60	-	30,715.10
	80.33	**57,722.25**	**78.75**	**128,935.89**
Financial Liabilities				
Trade payables	-	1,718.18	-	1,698.93
Other financial liabilities	-	3,484.25	-	3,985.99
	-	**5,202.43**	**-**	**5,684.92**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

B. Fair Value Hierarchy

This explains the judgements and estimates made in determining the fair values of the financial instruments that are:

(a) recognised and measured at fair value and
(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:

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

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all 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).

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is given in the table below.

Financial assets and liabilities measured at fair value-recurring fair value measurements

(Rs. in Lakhs)

	As at 31 March 2019			As at 31 March 2018		
	Level 1	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Financial Assets measured at FVTPL						
Investments in Mutual Funds	80.33	-	-	78.75	-	-
Total Financial Assets	**80.33**	**-**	**-**	**78.75**	**-**	**-**

<u>Assets and liabilities which are measured at amortised cost for which fair values are disclosed</u>

(Rs. in Lakhs)

	As at 31 March 2019			As at 31 March 2018		
	Level 1	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Financial Assets						
Non-current assets						
Investments	-	-	-	-	-	-
Loans	-	-	449.60	-	-	521.22
Current assets						
a) Trade Receivables	-	-	605.39	-	-	936.18
b) Cash and Cash Equivalents	-	-	5,669.31	-	-	3,709.16
c) Bank Balances other than Cash and Cash Equivalents	-	-	43,899.00	-	-	90,101.00
d) Loans	-	-	1,633.35	-	-	2,953.23
e) Other Financial assets	-	-	5,465.60	-	-	30,715.10
	-	**-**	**57,722.25**	**-**	**-**	**128,935.89**
Financial Liabilities						
Trade payables	-	-	1,718.18	-	-	1,698.93
Other financial liabilities	-	-	3,484.25	-	-	3,985.99
Total Financial Liabilities	-	**-**	**5,202.43**	-	**-**	**5,684.92**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

C. Fair Value of financial assets and liabilities measured at amortised cost: **(Rs. in Lakhs)**

	As at 31 March 2019		As at 31 March 2018	
	Carrying Value	**Fair Value**	**Carrying Value**	**Fair Value**
Financial Assets				
Non-current assets				
Investments	-	-	-	-
Loans	449.60	449.60	521.22	521.22
Current assets				
a) Trade Receivables	605.39	605.39	936.18	936.18
b) Cash and Cash Equivalents	5,669.31	5,669.31	3,709.16	3,709.16
c) Bank Balances other than Cash and Cash Equivalents	43,899.00	43,899.00	90,101.00	90,101.00
d) Loans	1,633.35	1,633.35	2,953.23	2,953.23
e) Other Financial assets	5,465.60	5,465.60	30,715.10	30,715.10
	57,722.25	**57,722.25**	**128,935.89**	**128,935.89**
Financial Liabilities				
Trade Payables	1,718.18	1,718.18	1,698.93	1,698.93
Other Current Financial Liabilities	3,484.25	3,484.25	3,985.99	3,985.99
	5,202.43	**5,202.43**	**5,684.92**	**5,684.92**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances, other current financial assets and liabilities are considered to be the same as their fair value, due to their short term nature.

The fair value of loans were calculated based on cash flows using MCLR/ base rate of SBI. They are classified as level 3 fair values in their fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit.

II Financial risk management

The Company's principal financial liabilities comprise trade and other payables. The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also holds investment in mutual funds. The Company's activities expose it to some of the financial risks: market risk, credit risk and liquidity risk.

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 comprises Foreign Currency Risk and Interest rate risk. Financial instruments affected by market risk includes trade receivables and trade payables.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

(i) Foreign Currency Risk

The company operated internationally and is exposed to insignificant foreign currency risk arising from foreign currency transactions, Company does not hedge any foreign currency risk for foreign currency transactions.

Foreign currency exposures that are not hedged by derivative instruments are given below:

(Rs. In Lakhs)

Foreign Currency	Note no.	Currency Symbol	As at 31st March, 2019		As at 31st March, 2018	
			FC	INR	FC	INR
Assets						
CASH & CASH EQUIVALENTS	12					
Balances with Banks- Current & Savings account						
Yen		¥	7.9215	5.01	7.9215	4.77
United States Dollar		$	0.0605	4.21	0.0605	3.89
Cash on hand (Refer Note 12.2)						
Euro		€	-	-	0.0307	2.41
Yen		¥	-	-	1.6887	1.02
United States Dollar		$	0.0691	4.89	0.0194	1.25
Russian Ruble		₽	0.0016	0.00	-	-
Turkish Lira		₺	0.0148	0.18	-	-
OTHER CURRENT ASSETS	16					
Advances to vendors						
Yen		¥	35.7991	22.07	12.9895	7.82
Euro		€	0.0423	3.25	2.6355	207.59
Euro		€	0.0020	0.15	0.0668	5.26
United States Dollar		$	0.1832	12.60	1.0606	68.20
United States Dollar		$	0.5950	40.92	0.0500	3.22
Deutche Mark		DEM	-	-	0.0438	2.98
Sundry Deposits						
United States Dollar		$	-	-	0.0141	0.91
Malaysian Ringgit		MYR	-	-	0.0035	0.06
Liabilities						
TRADE PAYABLES	21					
Euro		€	0.0070	0.55	1.1776	94.79
Yen		¥	67.6306	42.81	-	-
Net Assets (in INR)				**49.93**		**214.59**

ii) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate. The company manages its interest risk in accordance with the companies policies and risk objective. Financial instruments affected by interest rate risk includes deposits with banks and Inter corporate deposits with NBFC's etc. Interest rate risk on these financial instruments are very low as interest rate is fixed for the period of financial instruments.

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

(i) Provision for Expected Credit Losses

As at 31st March 2019

a) Expected Credit Loss for Trade Receivables under simplified Approach

Ageing	**< 6 M**	**> 6 < 12**	**> 12 < 24**	**> 24 < 36**	**> 36**	**Total**
Gross Carrying Amount	362.15	30.90	102.47	58.39	1,143.56	1,697.47
Expected Credit rate	2.97%	0.00%	4.69%	14.49%	93.40%	64.34%
Expected Credit losses (Less: Provision allowance)	(10.76)	-	(4.80)	(8.46)	(1,068.06)	(1,092.08)
Gross Carrying Amount of Trade Receivables	**351.39**	**30.90**	**97.67**	**49.93**	**75.51**	**605.39**

b) Expected Credit Loss for loans and investments

(Rs. In Lakhs)

Particulars		**Assets Group**	**Carrying Value**	**Expected Probability of Default**	**Expected credit Loss**	**Carrying Amount Net of Expected credit Loss**
Loss allowance measured at life time ECL	Financial assest for which credit risk has increased and not credit impaired	Grant Recoverable from Government of India	911.34	0.11%	1.00	910.34
		Due in Respect of Deposit Work	91.75	100.00%	91.75	-
			1,003.09	**9.25%**	**92.75**	**910.34**

As at 31st March 2018

a) Expected Credit Loss for Trade Receivables under simplified Approach

(Rs. In Lakhs)

Ageing	**< 6 M**	**> 6 < 12**	**> 12 < 24**	**> 24 < 36**	**> 36**	**Total**
Gross Carrying Amount	543.21	63.72	129.89	79.43	1,358.80	2,175.05
Expected Credit rate	0.00%	0.00%	0.00%	0.00%	91.17%	56.96%
Expected Credit losses (Less: Provision allowance)	-	-	-	-	(1,238.87)	(1,238.87)
Gross Carrying Amount of Trade Receivables	**543.21**	**63.72**	**129.89**	**79.43**	**119.93**	**936.18**

b) Expected Credit Loss for loans and investments

(Rs. In Lakhs)

Particulars		**Assets Group**	**Carrying Value**	**Expected Probability of Default**	**Expected credit Loss**	**Carrying Amount Net of Expected credit Loss**
Loss allowance measured at life time ECL	Financial assest for which credit risk has increased and not credit impaired	Grant Recoverable from Government of India	732.82	2.93%	21.47	711.35
		Due in Respect of Deposit Work	91.75	45.48%	41.73	50.02
			824.57	**48.41%**	**63.20**	**761.37**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to settle or meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Company's finance division is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The working capital position of the Company is given below:

(Rs. In Lakhs)

Particulars		**As at 31-03-2019**		**As at 31-03-2018**
i) Financial Assets				
a) Investments	80.33		78.75	
b) Trade Receivables	605.39		936.18	
c) Cash and Cash Equivalents	5,669.31		3,709.16	
d) Bank Balances other than Cash and Cash Equivalents	43,899.00		90,101.00	
e) Loans	1,633.35		2,953.23	
f) Other Financial assets	5,465.60	57,352.98	30,715.10	128,493.42
ii) Financial Liabilities				
a) Trade Payables	1,718.18		1,698.93	
b) Other Financial Liabilities	3,484.25	5,202.43	3,985.99	5,684.92
Net Working Capital		**52,150.55**		**122,808.50**

31.16 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, capital grant from Government of India and retained earnings treated as other equity.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

31.17 Segment reporting for the year ended 31st March 2019

The operating segments are identified on the basis of internal reports used by the Company's Management to allocate resources and assess their performance for decision making. The Board of Directors is collectively the Company's "Chief Operating Decision Maker" (CODM) within the meaning of Ind AS 108.

(Rs. In Lakhs)

	Trade promotion activities in India	Trade promotion activities Abroad	Unallocated	Total
Revenue-External	15,333.41	3,193.14	2,305.83	20,832.38
	(21335.47)	(4092.52)	(335.18)	(25763.17)
Inter-segment	-	-	-	-
Total Expenses	12,925.31	5,067.80	1,716.40	19,709.51
	(13833.61)	(5463.56)	(2,964.90)	(22,262.07)
Segment result	2,408.10	-1,874.66	589.43	1,122.87
	(7501.86)	(-1371.04)	(-2629.72)	(3,501.10)
Interest/Dividend income	-	-	6,211.70	6,211.70
	-	-	(9967.83)	(9967.83)
Surplus before taxation	-	-	-	**7,334.57**
	-	-	-	(13,468.93)
Excess of income over expenditure	-	-	-	7,334.57
	-	-	-	(13,468.93)
Other information				
Investment in Joint Ventures & Associates	303.26	-	-	303.26
	(152.58)	-	-	(152.58)
Segment assets	152,956.82	1,091.81	67,897.66	221,946.29
	(45593.77)	(1066.40)	(170206.43)	(216866.60)
Segment liabilities	10,768.57	146.81	7,295.85	18,211.23
	(8611.44)	(594.67)	(11234.57)	(20440.68)
Capital expenditure	104,980.95	-	-	104,980.95
	(30222.57)	-	-	(30222.57)
Depreciation & Amortisation	188.63	-	-	188.63
	(412.44)	-	-	(412.44)

NOTE: (a) The unallocated expenditure includes 10% of establishment and office expenses. The balance is apportioned among the segments on the basis of their respective revenues.

(b) The unallocated assets and liabilities include those which are not possible to be appropriately identified to a specific segment.

(c) Figures in brackets in the Segment Report relate to the previous year.

Information about major customers (from external customers)

The Company does not derive any revenue from external customers which amounts to 10 percent or more of the Company's revenues.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

31.18	**Prior Period Adjustments**			**(Rs in Lakhs)**
	Particulars	**Nature of error**		**Amount**
	Opening Retained Earning as on 01.04.2017			**176,623.06**
	Adjustments			**(4.12)**
	Restated Opening Retained Earning as on 01.04.2017			**176,618.94**
	Restated Excess of Income over expenditure for the period from continuing operations for year ended 2017-18			13,440.80
	Other Comprehensive Income during 2017-18			6.81
	Restated Opening Retained Earnings as on 31.3.2018			**190,066.55**
	Restated Excess of Income over expenditure for the year ended 31-03-2018			**(Rs in Lakhs)**
	Particulars	**Nature of error**		**For Year ended 31st March 2018**
	Impact on statement in Income & Expenditure (increase/(decrease) in profit)			
	Excess of Income over expenditure for the period from continuing operations			**13,462.11**
	EMPLOYEES' BENEFITS EXPENSE			
	Leave Encashment	omission	(2.11)	
	Medical expenses	omission	(1.15)	(3.26)
	OTHER EXPENSES			
	Depreciation	omission	1.62	
	Publicity	omission	(4.30)	
	Construction & Interior Decoration	omission	(3.25)	
	Travelling & Conveyance	omission	(8.04)	
	Entertainment	omission	2.00	
	Commission	omission	(5.93)	
	Repairs, Renewals & Maintenance	omission	(0.15)	(18.05)
	Net Impact on Income & expenditure			**(21.31)**
	Restated Excess of Income over expenditure for the period from continuing operations			**13,440.80**
	Impact of Prior period errors on Equity and EPS			**(Rs in Lakhs)**
	Particulars		**As at March 31, 2019**	**As at March 31, 2018**
	Impact on Equity (increase/(decrease) in equity)			
	OTHER FINANCIAL LIABILITIES			
	Other Payables		(22.93)	
	Accumulated Depreciation		1.62	-
	Net Impact on Equity		**(21.31)**	**-**
	Impact on basic and diluted earnings per share (EPS) (increase/(decrease) in EPS)			
	Particulars		**For Year ended 31st March 2018**	
	Earnings per share for continuing operation			
	Basic, profit from continuing operations attributable to equity holders			(0.00)
	Diluted, profit from continuing operations attributable to equity holders			(0.00)
31.19	**PREVIOUS YEAR FIGURES**			
	Previous year's figures have been regrouped/ rearranged/ recast, wherever considered necessary, to correspond with the current year figures.			

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
(S.R.Sahoo)	**(D.M.Sharma)**	**(Rajesh Agrawal)**	**(L.C.Goyal)**
Company Secretary	Chief Financial Officer	Executive Director	Chairman & Managing Director
M. No. F5595	M. No. 084838	PAN: ABZPA5327N	DIN: 02389348

As per our Report of even date attached
For S P Chopra & Co.
Chartered Accountants
Firm Regn. No. 000346N
Sd/-
Ankur Goyal
Partner
Membership No. 099143

Place: New Delhi
Dated: 29.08.2019

Consolidated Accounts

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

(Rs. in Lakhs)

Particulars	Note No.	As at 31st March 2019	As at 31st March 2018
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	8,104.65	8,311.47
Capital work in progress	3	133,130.30	28,465.16
Other Intangible Assets	4	40.38	49.79
Investments in Joint Venture/ Associate	5	308.94	152.58
Financial Assets			
Investments	6	-	-
Loans	7	449.60	521.22
Non-current tax assets	8	31,206.44	28,009.58
Other non-current assets	9	5,178.20	34,517.27
Current Assets			
Financial Assets			
Investments	10	80.33	78.75
Trade receivables	11	950.42	936.18
Cash and cash equivalents	12	8,059.56	4,059.02
Bank balances other than cash and cash equivalents	13	68,077.15	116,112.64
Loans	14	1,642.72	2,189.18
Other Financial assets	15	6,213.76	31,383.30
Other Current Assets	16	1,629.95	1,367.62
Total ASSETS		**265,072.40**	**256,153.76**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	25.00	25.00
Other Equity	18	224,795.14	215,218.92
Non- Controlling Interests	19	20,649.19	18,696.31
Liabilities			
Non-current liabilities			
Non-current Provisions	20	2,067.40	2,221.40
Other non-current liabilities	21	939.65	815.65
Current Liabilities			
Financial liabilities			
Borrowing	22	-	605.00
Trade payables	23		
- Total outstanding dues of Micro Enterprises and Small Enterprises		2.69	-
- Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		1,956.31	1,898.12
Other financial liabilities	24	3,836.90	4,099.37
Other current liabilities	25	6,307.75	4,352.37
Current Provisions	26	4,492.37	8,221.62
Total Equity and Liabilities		**265,072.40**	**256,153.76**

'Significant Accounting Policies' and 'Notes'- 1 to 33 form an integral part of the Financial Statements

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
(S.R.Sahoo)	**(D.M.Sharma)**	**(Rajesh Agrawal)**	**(L.C.Goyal)**
Company Secretary	Chief Financial Officer	Executive Director	Chairman & Managing Director
M. No. F5595	M. No. 084838	PAN: ABZPA5327N	DIN: 02389348

As per our Report of even date attached
For S P Chopra & Co.
Chartered Accountants
Firm Regn. No. 000346N
Sd/-
Ankur Goyal
Partner
Membership No. 099143

Place: New Delhi
Dated: 29.08.2019

CONSOLIDATED STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 31ST MARCH, 2019

(Rs. in Lakhs)

Particulars	Note No.	Year ended 31st March 2019	Year ended 31st March 2018
Income			
Revenue from Operations	27	22,589.30	28,745.63
Other Income	28	9,349.94	12,961.24
Total Income		**31,939.24**	**41,706.87**
Expenditure			
Employee benefits expense	29	11,163.99	10,735.54
Depreciation and amortization expense	30	652.44	836.83
Other expenses	31	9,939.90	11,464.15
Total Expenditure		**21,756.33**	**23,036.52**
Excess of Income over Expenditure before exceptional items and tax		10,182.91	18,670.35
Exceptional Items	32	1,694.92	(66.58)
Excess of Income over Expenditure before tax		11,877.83	18,603.77
Tax expense	33.4	-	-
Excess of Income over Expenditure before share of net income of investments accounted for using equity method and tax		11,877.83	18,603.77
Add: Share of net income of joint venture accounted for using equity method		(62.07)	(13.10)
Surplus for the year		**11,815.76**	**18,590.67**
Other Comprehensive Income			
(i) Items that will not be reclassified to Income & Expenditure:			
Remeasurement gain/ (loss) on defined benefit plans	33.12 (II)	(271.45)	11.64
Share of Other Comprehensive Income of Joint Venture accounted for using the equity method		(1.57)	(0.43)
Other comprehensive Income/ Loss for the year (A)		**(273.02)**	**11.21**
Total comprehensive income for the year		**11,542.74**	**18,601.88**
Income attributable to			
Owners of Parent		9,855.77	16,124.04
Non-Controlling Interest		1,959.99	2,466.63
		11,815.76	**18,590.67**
Other Comprehensive Income attributable to			
Owners of Parent		(272.59)	8.84
Non-Controlling Interest		(0.43)	2.37
		(273.02)	**11.21**
Total Comprehensive Income attributable to			
Owners of Parent		9,583.18	16,132.88
Non-Controlling Interest		1,959.56	2,469.00
		11,542.74	**18,601.88**
Earnings per equity share (Face Value of Rs.100/- each)	33.13		
(1) Basic		0.39	0.64
(2) Diluted		0.39	0.64

'Significant Accounting Policies' and 'Notes'- 1 to 33 form an integral part of the Financial Statements

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
(S.R.Sahoo)	**(D.M.Sharma)**	**(Rajesh Agrawal)**	**(L.C.Goyal)**
Company Secretary	Chief Financial Officer	Executive Director	Chairman & Managing Director
M. No. F5595	M. No. 084838	PAN: ABZPA5327N	DIN: 02389348

As per our Report of even date attached
For S P Chopra & Co.
Chartered Accountants
Firm Regn. No. 000346N
Sd/-
Ankur Goyal
Partner
Membership No. 099143

Place: New Delhi
Dated: 29.08.2019

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2019

(Rs in Lakhs)

	Particulars	Year ended 31st March 2019		Year ended 31st March 2018	
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Excess of income over expenditure before tax		11,815.76		18,590.67
	Adjustments For:				
	Other Comprehensive Income	(273.02)		11.21	
	Depreciation and Amortisation Expenses	652.44		836.83	
	Loss/ (Profit) on Sale of PPE	(16.03)		(54.91)	
	Interest & Dividend Income	(8,124.53)		(11,667.02)	
	Provisions	131.16		134.84	
	Provisions/ Liabilities no longer required, written back	(580.10)		(329.00)	
	Fair value (gain)/ loss on Financial Investment	4.36		2.88	
	Amortisation of Govt Grant	(81.76)		(81.76)	
	Share of Net Profit/loss of Joint Venture & Associates accounted for using equity method	63.64		13.53	
	Profit/Loss on Sale of PPE -Exceptional Item	-	(8,223.84)	66.58	(11,066.83)
			3,591.92		7,523.84
	Operating Profit before working capital changes				
	Increase/ (Decrease) in Non-Current Financial Loans	(71.62)		(97.71)	
	Increase/ (Decrease) in Non-Current Assets	581.85		175.95	
	Increase/ (Decrease) in Non-Current Tax Assets	3,196.86		3,632.69	
	Increase/ (Decrease) in Trade Receivables	(132.56)		(89.44)	
	Increase/ (Decrease) in Current Loans	(546.46)		275.42	
	Increase/ (Decrease) in Other Current Financial Assets	(25,119.52)		18,478.22	
	Bank Balance other than Cash and Cash Equivalents	(48,035.49)		(47,349.30)	
	Increase/ (Decrease) in Other Current Assets	298.88		503.86	
	(Increase)/ Decrease in Non-Current Provisions	154.00		223.64	
	(Increase)/ Decrease in Other Non-Current Liabilities	(124.00)		37.90	
	(Increase)/ Decrease in Trade Payables	(60.88)		150.04	
	(Increase)/ Decrease in Other Current Financial Liabilities	262.47		236.74	
	(Increase)/ Decrease in Other Current Liabilities	(1,955.38)		(179.24)	
	(Increase)/ Decrease in Current Provisions	3,729.25		126.43	
	Provisions/ Liabilities no longer required, written back	(388.71)	(68,211.30)	(172.00)	(24,046.80)
	Net cash from Operating Activities [A]		**71,803.22**		**31,570.64**
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Investment in Associates		(220.00)		-
	Capital Advance for IECC Project		(72,487.55)		(46,234.90)
	Purchase of PPE/ Other Intangible Assets		(2,733.26)		(700.06)
	Sale of PPE		56.42		1,839.62
	Investments & Intercorporate Deposits		(5.94)		(9.23)
	Interest & Dividend Income		8,124.53		11,667.02
	Net cash from Investing Activities [B]		(67,265.80)		(33,437.55)
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Repayment of Borrowings		(605.00)		(14.16)
	Govt. grant received		68.12		1,015.90
	Net cash from Financing Activities [C]		**(536.88)**		**1,001.74**
	Net Increase / Decrease in Cash and Cash equivalents [A+B+C]		**4,000.54**		**(865.17)**

Contd.

	Cash and Cash equivalents at the beginning of the year		4,059.02		4,924.19
	Cash and Cash equivalents at the end of the year		**8,059.56**		**4,059.02**
	Components of Cash and Cash Equivalents				
	At the end of the year				
	Cash in Hand and Cash equivalents (Refer Note 1)		75.89		33.31
	Balance with Banks - in Current & Saving Accounts		7,983.67		4,025.71
			8,059.56		**4,059.02**

Note:-

1. Cash and Cash equivalents include Cash on hand and Drafts/Cheques on hand.
2. Amendment to Ind-AS 7: Effective April 1, 2017, the Group adopted the amendment to Ind-AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material effect on the financial statements.

'Significant Accounting Policies' and 'Notes'- 1 to 33 form an integral part of the Financial Statements

Sd/-
(S.R.Sahoo)
Company Secretary
M. No. F5595

Sd/-
(D.M.Sharma)
Chief Financial Officer
M. No. 084838

Sd/-
(Rajesh Agrawal)
Executive Director
PAN: ABZPA5327N

Sd/-
(L.C.Goyal)
Chairman & Managing Director
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As per our Report of even date attached
For S P Chopra & Co.
Chartered Accountants
Firm Regn. No. 000346N
Sd/-
Ankur Goyal
Partner
Membership No. 099143

Place: New Delhi
Dated: 29.08.2019

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

A. Equity Share Capital (Refer note. 17)

For the year ended 31st March 2019		**(Rs in Lakhs)**
Particulars	**No. of shares**	**Amount**
Balance as at 1 April 2018	25,000	25.00
Changes in equity share capital during the year	-	-
Balance as at 31 March 2019	**25,000**	**25.00**

For the year ended 31st March 2018		**(Rs in Lakhs)**
Particulars	**No. of shares**	**Amount**
Balance as at 1 April 2017	25,000	25.00
Changes in equity share capital during the year	-	-
Balance as at 31 March 2018	**25,000**	**25.00**

B. Other Equity (Refer note no. 18 & 19)

For the year ended 31st March 2019 **(Rs. in Lakhs)**

Particulars	**Retained Earnings**	**Capital Reserve**			**Capital Grant from Government of India**	**Total equity attributable to owners of the parent**	**Non-controlling Interests**	**Total**
		Promoter's Contribution for KTPO	**Promoter's Contribution for ITPO**	**Others**				
Balance as at 1st April 2018	212,899.24	1,020.00	0.00	18.10	1,281.58	215,218.92	18,696.31	233,915.23
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Changes due to Ind AS Adjustments	-	-	-	-	-	-	-	-
Restated Balance as at 1st April 2018	**212,899.24**	**1,020.00**	**0.00**	**18.10**	**1,281.58**	**215,218.92**	**18,696.31**	**233,915.23**
Surplus/ (Deficit) for the year	9,855.77	-	-	-	-	9,855.77	1,959.99	11,815.76
Other Comprehensive Income/ (Loss) for the year	(272.59)	-	-	-	-	(272.59)	(0.43)	(273.02)
Total Comprehensive Income	**9,583.18**	**-**	**-**	**-**	**-**	**9,583.18**	**1,959.56**	**11,542.74**
Grant received from TIES during the year	-	-	-	-	34.74	34.74	33.38	68.12
Amortisation of Grant received from ASIDE	-	-	-	-	(41.70)	(41.70)	(40.06)	(81.76)
Balance as at 31st March 2019	**222,482.42**	**1,020.00**	**0.00**	**18.10**	**1,274.62**	**224,795.14**	**20,649.19**	**245,444.33**

For the year ended 31st March 2018 **(Rs. in Lakhs)**

Particulars	Retained Earnings	Capital Reserve			Capital Grant from Government of India	Total equity attributable to owners of the parent	Non-controlling Interests	Total
		Promoter's Contribution for KTPO	Promoter's Contribution for ITPO	Others				
Balance as at 1st April 2017	191,607.34	1,325.22	4,965.62	18.10	805.17	198,721.45	16,492.22	215,213.67
Changes in accounting policy or prior period errors (Refer Note 33.23)	(111.82)	-	-	-	-	(111.82)	(103.48)	(215.30)
Restated Balance as at 1st April 2017	**191,495.52**	**1,325.22**	**4,965.62**	**18.10**	**805.17**	**198,609.63**	**16,388.74**	**214,998.37**
Surplus/ (Deficit) for the year	16,124.04	-	-	-	-	16,124.04	2,466.63	18,590.67
Other Comprehensive Income/(Loss) for the year	8.84	-	-	-	-	8.84	2.37	11.21
Total Comprehensive Income	**16,132.88**	**-**		**-**	**-**	**16,132.88**	**2,469.00**	**18,601.88**
Transfer from Capital Reserve	5,270.84	-	-	-	-	5,270.84	-	5,270.84
Grant received from TIES	-	-	-	-	518.11	518.11	497.79	1,015.90
Amortisation of Grant received from ASIDE	-	-	-	-	(41.70)	(41.70)	(40.06)	(81.76)
Transfer to Borrowings	-	-	-	-	-	-	(619.16)	(619.16)
Transfer to Retained Earnings	-	(305.22)	(4,965.62)	-	-	(5,270.84)	-	(5,270.84)
Balance as at 31st March 2018	**212,899.24**	**1,020.00**	**0.00**	**18.10**	**1,281.58**	**215,218.92**	**18,696.31**	**233,915.23**

'Significant Accounting Policies' and 'Notes'- 1 to 33 form an integral part of the Financial Statements

Sd/-
(S.R.Sahoo)
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As per our Report of even date attached
For S P Chopra & Co.
Chartered Accountants
Firm Regn. No. 000346N
Sd/-
Ankur Goyal
Partner
Membership No. 099143

Place: New Delhi
Dated: 29.08.2019

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

1. GROUP INFORMATION

India Trade Promotion Organisation (the Holding Company) was incorporated in India under Section - 8 of the Companies Act, 2013 (erstwhile section 25 of the Companies Act, 1956) on 30.12.1976 under the name and style Trade Fair Authority of India (TFAI) with the main object of promoting India's trade primarily through the medium of organizing trade fairs and exhibitions in India and abroad. Subsequent to the merger of erstwhile Trade Development Authority of India with TFAI on 01.01.1992, the merged Organisation was renamed as India Trade Promotion Organisation (ITPO) and approved by Registrar of Companies on 16.04.1992. The Company is the apex trade promotion body of the Government of India and functions under the administrative control of the Department of Commerce in the Ministry of Commerce and Industry. The registered office of the company is located at Pragati Bhawan, Pragati Maidan New Delhi-110001 with offices in various states in India and is domiciled in India.

The Holding Company has two subsidiary companies i.e. Tamilnadu Trade Promotion Organisation (TNTPO) and Karnataka Trade Promotion Organisation (KTPO), a Jointly Controlled entity National Centre for Trade Information (NCTI) and an Associate entity Jammu & Kashmir Trade Promotion Organisation (JKTPO). The accompanying Consolidated financial statements relate to India Trade Promotion Organisation (ITPO) and its two subsidiary companies (together referred as “The Group”), a Jointly Controlled entity and an Associate entity.

The financial statements for the year ended March 31, 2019 were approved by the Board of Directors on 29th August 2019.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

a) Compliance with Indian Accounting Standards (Ind-AS)

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (‘Ind AS’) notified under Section 133 of the Companies Act, 2013 (the ‘Act’) read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Companies Act, 2013.

The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements. All the assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle and other criteria as set out in Division II of Schedule III to the Companies Act, 2013.

b) Historical Cost Convention

The consolidated financial statements have been prepared on a historical cost basis, except certain financial assets and financial liabilities which are measured at fair value:

- Certain financial assets and liabilities measured at fair value.
- Plan assets of defined employee benefit plans.

The methods used to measure fair values are discussed in Notes to accounts.

c) Functional and presentation currency

The consolidated financial statements are prepared in Indian Rupees ('Rs.'), which is the Group Company's functional and presentation currency. All financial information presented in Indian Rupees has been rounded to the nearest lakh with two decimal places, unless stated otherwise.

d) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it is: -

- expected to be realized, or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within 12 months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it is:

- expected to be settled in the normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within 12 months after the reporting date; or
- there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

Operating Cycle:

The operating cycle is the time period between acquisition of assets for processing and their realization in cash and cash equivalent. The Group has identified twelve months as its operating cycle.

e) Use of estimates and judgments

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosure and the disclosure of contingent liabilities. Uncertainty about these estimates and assumptions could result in outcomes that require material adjustments to the carrying amount of the assets and liabilities in future period(s).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

These estimates and assumptions are based on the facts and events, that existed as at the date of Balance Sheet, or that occurred after that date but provide additional evidence about conditions existing as at the Balance Sheet date.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are given below:

i) Useful lives of Property Plant and Equipment (PPE)

The Property, Plant and Equipment are depreciated on a pro-rate basis on straight line basis over their respective useful lives. Management estimates the useful lives of these assets are not higher than the useful lives & residual value prescribed in Schedule II of the Companies Act, 2013. Changes in the expected level of usage, technological developments, level of wear and tear could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised and could have an impact on the profit in future years.

ii) Retirement Benefit obligation

The cost of retirement benefits and present value of the retirement benefit obligations in respect of Gratuity and Leave Encashment is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, these retirement benefit obligations are sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Details about the assumptions used, including a sensitivity analysis are given in Notes to accounts.

iii) Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

iv) Impairment of Financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment for doubtful debts/ advances is made in respect of dues, including Government Dues, outstanding for more than three financial years, or otherwise, except cases where the Company is hopeful of recovery.

v) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An assets recoverable amount is the higher of an asset's fair value less cost of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

f) Basis of Consolidation

The financial statements of Subsidiary Companies,Joint venture and Associate are drawn up to the same reporting date as of the Company for the purpose of consolidation.

Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests (NCI) in the results and equity of subsidiaries are shown separately in the consolidated statement of Income & Expenditure, consolidated statement of changes in equity and consolidated balance sheet respectively.NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

Joint Ventures

A joint venture is a joint arrangement whereby parties that have joint control of the arrangement have rights to the net assets of the arrangement. Interests in joint ventures are initially recognised at cost and thereafter accounted for using the equity method.

Associates

An Associate is an entity over which the investor has significant influence.

Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint ventures/associates are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its joint ventures/associates are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The carrying amount of equity accounted as investments are tested for impairment in accordance with the Group's policy.

Any gain or loss on dilution arising on a reduced stake in the joint venture, but still retaining the joint control, is recognized in the Statement of Income & Expenditure.

When the group ceases to apply equity method of accounting for an investment because of a loss of joint control, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture is reduced but joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.2. PROPERTY, PLANT AND EQUIPMENT (PPE)

An item of Property, Plant & Equipment is recognized as an asset, if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, Plant & Equipment are accounted for on historical cost basis (inclusive of the cost of installation/ acquisition/ construction and other incidental costs till completion of the installation/acquisition/construction of the item) net of recoverable taxes, less accumulated depreciation and impairment loss, if any. In cases where final settlement of bill/invoice of any contractor/ executing agency is pending, but the asset is complete and available for use, capitalisation is done on the basis of contract awarded/ statement of account/ utilisation certificate subject to the necessary adjustments, including those arising out of settlement of arbitration/court cases.

Subsequent costs are added to the existing asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Income and Expenditure during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognized in the Statement of Income and Expenditure.

Leasehold land acquired on perpetual lease basis is not amortized.

Depreciation is charged to Statement of Income & Expenditure on straight-line basis over the estimated useful life of an asset estimated by the management, in the manner prescribed in Schedule II of the Companies Act, 2013. The useful lives in the following cases are different from those prescribed in Schedule II of the Companies Act, 2013.

Asset	Useful life as per Schedule II of the Companies Act, 2013 (No. of Years)	Useful life as assessed / estimated by the Company (No. of Years)
Buildings - Leasehold/ Freehold	60	40/20/10
Plant & Machinery	15	15/10/8
Vehicles	8	5

Based on usage pattern and internal assessment, the management believes that the useful lives as given above best represent the period over which the management expects to use these assets.

The property, plant and equipment costing up to Rs. 5,000/-each are fully depreciated during the year of addition.

In case of additions to/ deductions from assets, depreciation is charged on pro-rata basis from/ up to the month (day basis in case of KTPO) in which the asset is available for use/ disposal.

2.3. CAPITAL WORK-IN-PROGRESS

Property, Plant and Equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

In cases where final settlement of bills with contractors/ executing agency is pending, Cost/ Expenditure are recognised as CWIP on the basis of contract awarded/ statement of accounts/ utilisation certificate subject to necessary adjustments, including those arising out of settlement of arbitration/court cases.

2.4 INTANGIBLE ASSETS

Intangible assets are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of Income & Expenditure.

Intangible assets are fully amortised equally over the period of legal right to use or three financial years, whichever is earlier, from the year in which the asset is available for use.

2.5 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company assesses, at each reporting date, using external and internal sources, whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous period(s). If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying value of an asset exceeds its recoverable amount.

The recoverable amount is determined:

- in the case of an individual asset, at the higher of the asset's fair value less cost of sell and value in use; and
- in the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of the cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that effects current market assessments of the time value of money and the risks specific to that asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

An impairment loss for an asset is reversed, if and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized, the carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss being recognized for the asset in prior year/s.

2.6 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand, drafts/cheques on hand, bank balances, deposits with banks and short term investments, which are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

2.7 INVENTORIES

Inventories are valued at lower of the cost or net realizable value. Obsolete, defective and unserviceable stocks are provided for, wherever required.

2.8 FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are recorded at the average rate of remittances. Monetary assets and liabilities in foreign currency existing at balance sheet date are translated at the year-end exchange rates. Exchange rate differences arising on settlement of transaction and translation of monetary items are recognized as income or expenses in the year in which they arise.

Non- monetary items that are measured in terms of historical cost in foreign currency are translated using the average rate of remittances. In case previous funds are utilised, average rate of the previous remittance(s) is taken for the purpose of conversion.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

2.9 FAIR VALUE MEASUREMENT

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices, etc. All methods of assessing fair value result in general approximation of value, and such value may not actually be realized.

For financial assets and liabilities maturing within one year from the Balance Sheet date are not carried at fair value, due to the short maturity of these instruments.

2.10 FINANCIAL INSTRUMENTS

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets

(a) Initial recognition and measurement

At initial recognition, all financial assets are recognized at its fair value plus, in the case of a financial asset not carried at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of income and expenditure.

(b) Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

1. Financial assets measured at amortized cost;
2. Financial assets measured at fair value through other comprehensive income (FVTOCI); and
3. Financial assets measured at fair value through profit and loss (FVTPL)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

Where financial assets are measured at fair value, gains and losses are either recognized entirely in the Statement of Income and expenditure (i.e. fair value through profit and loss), or recognized in other comprehensive income (i.e. fair value through Other Comprehensive Income).

The classification of financial assets depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of its financial assets at initial recognition.

1. Financial assets measured at amortized cost:

A financial asset is measured at amortized cost if both the following conditions are met:

- Business Model Test: The objective of the business model is to hold financial asset in order to collect contractual cash flows (rather than to sell the asset prior to its financial maturity to realize its fair value changes); and
- Cash Flow Characteristics Test: Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in interest income in the statement of income and expenditure. The losses arising from impairment are recognized in the statement of income and expenditure. This category generally applies to employee loans and other loans/ advances having specified terms etc.

2. Financial instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI):

A financial instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- Business Model Test: The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and
- Cash Flow Characteristics Test: The Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on principal amount outstanding.

Financial instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value. Fair value movements are recognized in Other Comprehensive Income (OCI) except for the recognition of interest income, impairment gains and losses and foreign exchange gain and losses which are recognized in the Statement of Income and Expenditure.

3. **Fair Value through Income & Expenditure** is a residual category. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or fair value through other comprehensive income is classified as FVTPL. Financial instruments included in FVTPL category are measured initially as well as at each reporting period at fair value. Fair value movements i.e. gain or loss and interest income are recorded in Statement of Income and Expenditure.

(c) Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial Assets measured at amortized cost;
- Financial Assets measured at FVTOCI.

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible defaults events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Financial assets that are debt instruments, and are measured at amortized cost i.e. trade receivables, deposits with banks and employee loans and other loans/ advances having specified terms etc.
- Financial assets that are debt instruments, and are measured at FVTOCI.

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The trade receivables are initially recognized at the sale/recoverable value and are assessed at each Balance sheet date for collectability. Trade receivables are classified as current assets, if collection is expected within twelve months as at Balance Sheet date, if not, they are classified under non-current assets.

Impairment for doubtful receivables is made in respect of dues, including Government Dues, outstanding for more than three financial years, or otherwise, except cases where the Company is hopeful of recovery.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months (Expected Credit Loss) ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-months ECL.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on timely basis.

(d) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised(i.e. removed from the Company's Balance Sheet) when:

a. The rights to receive cash flows from the asset have been expired/transferred, or

b. The Company retains the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has substantially transferred all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. When the Company has not transferred substantially all the risks and rewards of ownership of a financial asset, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. When the entity retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

(ii) Financial Liabilities

(a) Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade payables, borrowings, security deposits and other payables.

(b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the income and expenditure.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in Other Comprehensive Income. These gains/ losses are not subsequently transferred to Statement of Income and Expenditure. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of Income & Expenditure.

Borrowings & Security Deposits

Any difference between the proceeds (net of transaction costs) and the repayment amount is recognized as Income & Expenditure over the period of the liability and subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in the Statement of Income & Expenditure when the liabilities are derecognized as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Income & Expenditure.

Trade and other payables

Trade and other payables are obligations incurred by the Company towards purchase of raw material and other goods and availing the services that have been acquired or availed in the ordinary course of business. Trade and other payables are classified under current liabilities, if payment is due within 12 months as at Statement of Financial Position date, if not, they are classified under non-current liabilities. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

(c) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Income and Expenditure.

*Since the Company is incorporated under Section 8 of the Companies Act, 2013, it prepares a Statement of Income & Expenditure as per Section 2(40). Hence for the purpose of complying with Ind AS, FVTPL- Fair Value through Profit & Loss Account (wherever mentioned) would mean Fair Value through Statement of Income & Expenditure.

2.11 REVENUE RECOGNITION

a) Company recognizes Revenue from Contracts with Customers based on five step processas set out in Ind AS-115:

   (i) Identify contracts with a customer: - A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

   (ii) Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

(iii) Determine the transaction price: The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

(iv) Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

(v) Recognise revenue when or as the Company satisfies a performance obligation by transferring a promised goods or services to a customer. An asset is transferred when the customer obtains control of that asset.

b) The performance obligation is satisfied and recognized as revenue overtime, if one of the following criteria is met:

(i) The performance does not create assets with an alternate use and has an enforceable right to payment for performance completed to date.

(ii) The performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

(iii) The customer simultaneously receives and consumes the benefits provided.

c) For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied. When performance obligation is satisfied by delivering the promised goods or services it creates a contract-based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount revenue recognized this give rise to a contract liability

d) Revenue is recognized to the extent it is probable that the economic benefits will flow and the revenue and costs if applicable can be measured reliably.

e) Income and Expenditure in respect of Fairs/Exhibitions held in India and abroad, is accounted for in the year in which the event commences. However, in case of long-term events having duration of three months or more, spread over two accounting periods, major period of which falls in the subsequent accounting period, the income & expenditure of such event is accounted for in the year in which the event concludes.

It is measured at fair value of the consideration received or receivable, after deduction of discounts/ rebates and any taxes or duties collected on behalf of the government which are levied such as Goods and Service Tax.

f) Revenue from rentals and operating leases is recognized on accrual basis in accordance with the substance of the relevant agreement.

g) Cost of exhibits of the Company and items of interior decoration displayed at fairs, are treated as revenue expenditure. However, new exhibits in stock for utilization in future fairs are treated as closing stock.

h) Expenditure incurred through agencies like CPWD/ NBCC on Civil, Electrical, Horticulture, etc. is accounted for on the basis of statements/accounts/ utilisation certificates rendered by them.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

i) In cases where contracts with licensee(s) have expired, dues are accounted for provisionally on the basis of expired contracts/revised accords till final decision in the matter is reached/revised contracts are executed.

j) Claims for liquidated damages from contractors for delayed execution of work is recognised as Income, when the amount is finally determined and agreed upon.

k) Subscription fees from associate subscribers and service charges from regular subscribers are recognised on receipt basis. However, subscription fee received in advance is accounted for in the relevant year for which it pertains.

l) Dividend income is recognised in the Statement of Income & Expenditure when the right to receive dividend is established.

m) Interest income is recognized on time proportion basis taking into account the amount outstanding and applicable interest rates.

2.12 Income and Expenditure relating to earlier years, not exceeding Rs.10,000 in each case, are treated as pertaining to current year.

2.13 GOVERNMENT GRANTS

Government grants are recognized with deferred income approach when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant.

Grants that compensate the Company for expenses incurred are recognized as income in the period in which the related costs are incurred.

Grants in the nature of promoter's contribution is recognised in appropriate category under Other Equity.

2.14 BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying tangible assets that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Capitalisation of borrowing cost ceases when substantially all the activities necessary to prepare the qualifying tangible assets for their intended use are complete.

2.15 EMPLOYEE BENEFITS

a) Short Term Employee Benefits

All Employee benefits payable within twelve months of rendering the services are classified as short term benefits. Such benefits include salaries, wages, bonus, awards, ex-gratia, performance incentive/pay etc. and the same are recognized in the period in which the employee renders the related services.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

b) Post-Employment Benefits

i Defined contribution plan:

The Company's approved provident fund scheme and employees' pension scheme are defined contribution plans. The Company has no obligation, other than the contribution paid/payable under such schemes to separate trusts, which invests the fund in permitted securities. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service. The Company is also under obligation to make good the accumulated shortfall of the trusts, if any, and recognise such shortfall as its expense.

ii. Defined benefit plan

The employees' gratuity fund scheme (funded) and the employees leave encashment (unfunded) are the Company's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation on projected unit credit method as at the balance sheet date. Gratuity is funded through a separate ITPO Employees Gratuity Fund Trust which manages the affairs of the trust. Re-measurement, comprising of actuarial gains and losses, are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Income and Expenditure in subsequent periods. The Company is also under obligation to make good the accumulated shortfall of the gratuity trust, if any, and recognise such shortfall as its expense.

c) Termination Benefits

The expenses incurred on terminal benefits in the form of ex-gratia payments and notice pay on voluntary retirement schemes are charged to the Statement of Income and Expenditure in the year of incurrence of such expenses.

2.16 PROVISIONS AND CONTINGENT ASSETS & LIABILITIES

a) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, and 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 obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation, at the balances sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

b) Contingent Liabilities

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as contingent liability, unless the probability of outflow of economic benefit is remote. Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each Balance Sheet date and are adjusted to reflect the current management estimate.

b) Contingent Assets

Contingent assets are possible assets that arise from past events and whose existence 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. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in financial statements.

2.17 EARNING PER SHARE

Basic earnings per share is calculated by dividing net surplus/ deficit of the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.18 SEGMENT REPORTING

The operating segments are identified on the basis of internal reports used by the Company's Management to allocate resources and assess their performance for decision making. The Board of Directors is collectively the company's "chief operating decision maker" or "CODM" within the meaning of Ind AS 108.

The company has identified two reporting segments namely trade promotion activities in India & abroad.

2.19 LEASES

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with Company's general policy on the borrowing cost.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Income & Expenditure on straight line basis over the lease term, unless the payments are structured to increase in line with the expected general inflation to compensate for the lessor in expected inflationary cost increase.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.20 Recent accounting pronouncements: Standards issued but not yet effective:

IND AS 116 Leases

MCA had notified IND AS 116 Leases on March 30, 2019. The standard sets out the additional/new principles for recognition, measurement, presentation and disclosure of leases. The objective of IND AS 116 is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. The new leases standard is applicable to all entities and will supersede all current leases recognition requirements under IND AS.

The effective date of IND AS 116 is annual periods beginning on or after 1st April 2019. The Company is required to adopt the standard w.e.f. 1st April 2019. The Company is currently evaluating the requirements of IND AS 116 and has not yet determined the impact on the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

3. PROPERTY, PLANT AND EQUIPMENT

(AS AT 31ST MARCH, 2019)

	Description	Useful Life (years)	Gross Block			
			As at 1.04.2018	Additions during the year	Sales/ disposal/ adjustments during the year	As at 31.03.2019
A	**PROPERTY, PLANT & EQUIPMENT**					
	Land					
	Leasehold (Ghazipur)		78.76	-	-	78.76
	Freehold Land		966.96	-	-	966.96
	Leasehold (Pragati Maidan) (Refer Note 3.1 & 33.2)		0.00	-	-	0.00
	Buildings (on Leasehold Land)					
	A CLASS	40	1,185.83	-	7.51	1,178.32
	B CLASS	20	384.73	1.09	4.54	381.28
	C CLASS	10	40.74	-	2.21	38.53
	Exhibition Complex		1,949.93	-	-	1,949.93
	Building - I (RCC)		1,028.40	-	-	1,028.40
	Building - II (Exhi. Halls)		2,277.22	125.17	11.77	2,390.62
	Buildings (Residential/ Office Flats)					
	Residential/ office flats- free hold	40	159.86	0.23	-	160.09
	Electric installations/ fittings	10	953.23	11.40	45.71	918.92
	Plant and Machinery					
	Solar installation	15	110.26	-	-	110.26
	Air conditioning plants	15	900.16	265.55	(56.70)	1,222.41
	Air conditioning/ air ventilation plants (Refer Note 3.1)	10	0.00	-	-	0.00
	Furniture & fittings					
	Furniture & fixture	10	102.99	14.51	0.03	117.47
	Fire hydrant & fire fighting systems	10	6.89	-	-	6.89
	Water supply & drainage	10	8.64	-	-	8.64
	Vehicles	5	49.91	-	2.69	47.22
	Office Equipments					
	Office equipments/ other miscellaneous assets	5	128.66	24.47	0.16	152.97
	Audio visual equipments	5	149.94	-	-	149.94
	Computers & Data Processing					
	Servers & networks	6	33.13	2.70	0.03	35.80
	Computers, etc	3	133.91	5.93	-	139.84
	SUB TOTAL(A)		10,650.15	451.05	17.95	11,083.25
B	**CAPITAL WORK IN PROGRESS**					
	Staff Quarters(Ghazipur)		22.85	0.29	-	23.14
	International Exhibition Cum Convention Centre (Refer Note 33.8)		28,397.05	104,968.39	1,070.90	132,294.54
	Expension Project: Chennai Trade Centre		45.26	767.36	-	812.62
	SUB TOTAL (B)		28,465.16	105,736.04	1,070.90	133,130.30
	GRAND TOTAL (A+B)		**39,115.31**	**106,187.09**	**1,088.85**	**144,213.55**

3.1 Book Value of Re. 1/- only, net of grant received towards Land and Buildings, in earlier years.

3.2 Depreciation includes Rs. 0.11 lakh (Previous Year Rs. 1.28 lakh) in respect of each asset costing upto Rs. 5,000/-, fully depreciated in the year of addition.

3.3 Based on a study carried out by a professional firm, no case of impairment of assets exists as at 31st March, 2019 under the provisions of Ind AS- 36 on impairment of assets.

3.4 The report of physical verification of Property, Plant & Equipments is awaited from the external agnecy appointed for the purpose. However, the physical verification of Property, Plant & Equipments (excluding Office Equipments, Furniture & Fixtures and Computers) was carried out during the year and no discrepancies found. The discrepancies, if any in the physical verification report will be carried out in due course. The resultant financial impact, if any is considered to be immaterial at this stage.

3.5 Refer 'para 2.2 & 2.3' of 'Significant Accounting Policies' for the depreciation on Property, Plant and Equipment.

3.6 Leasehold Land, as per past practise, has not been amortized as per accounting policy.

3.8 As per Schedule-II of the Companies Act, 2013 from 01.04.2014, Depreciation is to be calculated based on the useful life of assets and residual value. KTPO has wrongly charged the depreciation on the Building Complex as per the Schedule XIV of the Companies Act, 1956 instead of revised the Schedule-II of the Companies Act, 2013.This results in reduction of retained earnings as on 01-04-2017 of Rs.213.96 lakhs due to additional depreciation expenses as per the revised Schedule-II of the Companies Act, 2013, further depreciation on the building complex for the F.Y. 2017-18 has been reduced by Rs.11.90 lakhs. For further details Refer Note No-33.23 of the Prior Period Adjustments.

(Rs. in lakhs)

Depreciation				Net Block	
As at 1.04.2018	For the year	Sales/ disposal/ adjustments during the year	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
-	-	-	-	78.76	78.76
-	-	-	-	966.96	966.96
-	-	-	-	0.00	0.00
209.70	46.58	-	256.28	922.04	976.13
5.05	18.74	-	23.79	357.49	379.68
14.65	8.03	0.98	21.70	16.83	26.09
583.14	72.33	-	655.47	1,294.46	1,366.79
61.68	76.32	0.03	137.97	890.43	966.72
344.19	156.62	2.02	498.79	1,891.83	1,933.03
18.40	6.13	-	24.53	135.56	141.46
548.03	79.36	34.87	592.52	326.40	405.20
13.19	6.98	-	20.17	90.09	97.07
204.70	81.32	(56.70)	342.72	879.69	695.46
-	-	-	-	0.00	0.00
33.62	12.32	-	45.94	71.53	69.37
1.17	-	-	1.17	5.72	5.72
1.94	0.78	-	2.72	5.92	6.70
17.86	6.04	(3.69)	27.59	19.63	32.05
55.84	18.52	0.04	74.32	78.65	72.82
130.25	0.05	-	130.30	19.64	19.69
20.06	3.63	-	23.69	12.11	13.07
75.21	23.72	-	98.93	40.91	58.70
2,338.68	617.47	(22.45)	2,978.60	8,104.65	8,311.47
-	-	-	-	23.14	22.85
-	-	-	-	132,294.54	28,397.05
-	-	-	-	812.62	45.26
-	-	-	-	133,130.30	28,465.16
2,338.68	**617.47**	**(22.45)**	**2,978.60**	**141,234.95**	**36,776.63**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

Property, Plant and Equipment

(As at 31st March, 2018)

	Description	Useful Life (years)	Gross Block			
			As at 1.04.2017	Additions during the year	Sales/ disposal/ adjustments during the year	As at 31.03.2018
A	**PROPERTY, PLANT & EQUIPMENT**					
	Land					
	Leasehold (Ghazipur)		78.76	-	-	78.76
	Freehold Land		973.27	-	6.31	966.96
	Leasehold (Pragati Maidan) (Refer Note 3.1)		0.00	-	-	0.00
	Buildings (on Leasehold Land)					
	A CLASS	40	1,572.33	57.71	444.21	1,185.83
	B CLASS	20	33.93	371.79	20.99	384.73
	C CLASS	10	60.22	-	19.48	40.74
	Anarkali food plaza (Refer Note 3.2)		-	-	-	-
	Exhibition Complex		1,895.99	53.94	-	1,949.93
	Building - I (RCC)		1,028.40	-	-	1,028.40
	Building - II (Exhi. Halls)		2,277.22	-	-	2,277.22
	Buildings (Residential/ Office Flats)					
	Residential/ office flats- free hold	40	159.86	-	-	159.86
	Electric installations/ fittings	10	1,006.56	74.86	128.19	953.23
	Plant and Machinery					
	Solar installation	15	110.26	-	-	110.26
	Air conditioning plants	8	0.25	-	0.25	-
	Air conditioning plants	15	2,762.56	-	1,862.40	900.16
	Air conditioning/ air ventilation plants (Refer Note 3.1)	10	0.28	-	0.28	0.00
	Furniture & fittings					
	Furniture & fixture	10	96.73	6.32	0.06	102.99
	Fire hydrant & fire fighting systems	10	5.17	1.72	-	6.89
	Water supply & drainage	10	16.00	-	7.36	8.64
	Vehicles	5	53.60	-	3.69	49.91
	Office Equipments					
	Office equipments/ other miscellaneous assets	5	175.99	4.30	51.63	128.66
	Audio visual equipments	5	151.51	-	1.57	149.94
	Computers & Data Processing					
	Servers & networks	6	21.70	11.43	-	33.13
	Computers, etc	3	130.63	5.22	1.94	133.91
	SUB TOTAL(A)		12,611.22	587.29	2,548.36	10,650.15
B	**CAPITAL WORK IN PROGRESS**					
	Staff Quarters(Ghazipur)		19.44	3.41	-	22.85
	International Exhibition Cum Convention Centre		89.82	29,690.44	1,383.21	28,397.05
	Expension Project: Chennai Trade Centre		-	45.26	-	45.26
	SUB TOTAL (B)		109.26	29,739.11	1,383.21	28,465.16
	GRAND TOTAL (A+B)		**12,720.48**	**30,326.40**	**3,931.57**	**39,115.31**

3.1 Book Value of Re. 1/- only, net of grant received towards Land and Buildings.

3.2 Includes Anarkali Food Plaza, Book Value of Re. 1/- only as at 01.04.2017, demolished during 2017-18, Nil as at 31.3.2018.

3.3 Depreciation includes Rs. 1.28 lakh (Previous Year Rs. 2.75 lakh) in respect of each asset costing Rs. 5,000 or less, depreciated at the rate of 100%.

3.4 Based on a study carried out by a professional firm, no case of impairment of assets exists as at 31st March, 2018 under the provisions of Ind AS- 36 on impairment of assets.

3.5 Assets costing Rs. 4305.21 lakh having net block of Rs. 1839.46 lakh were handed over/ demolished for IECC project and deleted from the books of the accounts for the year against the sale proceeds of Rs. 461.07 lakh. The resultant loss of Rs. 1378.39 lakh is included in 'Exceptional Items' in the Statement of Income & Expenditure.

3.6 The physical verification of Property, Plant & Equipments is done once in two years and was due to be done during the year 2017-18. The reconciliation of the physical verification report with the book balances will be carried out & the resultant financial impact, if any is not ascertainable at this stage.

3.7 Refer 'para 2.2 & 2.3' of 'Significant Accounting Policies' for the depreciation on Property, Plant and Equipment.

3.8 Leasehold Land, as per past practise, has not been amortized as per accounting policy.

(Rs. in lakhs)

Depreciation				Net Block	
As at 1.04.2017	For the year	Sales/ disposal/ adjustments during the year	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
-	-	-	-	78.76	78.76
-	-	-	-	966.96	973.27
-	-	-	-	0.00	0.00
154.22	122.74	67.26	209.70	976.13	1,418.11
9.41	5.02	9.38	5.05	379.68	24.52
19.32	9.34	14.01	14.65	26.09	40.90
-	-	-	-	-	-
511.37	71.77	-	583.14	1,366.79	1,384.62
41.11	20.57	-	61.68	966.72	987.29
225.15	119.04	-	344.19	1,933.03	2,052.07
12.27	6.13	-	18.40	141.46	147.59
445.16	159.35	56.48	548.03	405.20	561.40
6.21	6.98	-	13.19	97.07	104.05
-	-	-	-	-	0.25
496.39	204.16	495.85	204.70	695.46	2,266.17
-	-	-	-	0.00	0.28
20.26	13.37	0.01	33.62	69.37	76.47
-	1.17	-	1.17	5.72	5.17
2.12	1.36	1.54	1.94	6.70	13.88
15.25	6.30	3.69	17.86	32.05	38.35
85.28	19.84	49.28	55.84	72.82	90.71
130.25	-	-	130.25	19.69	21.26
5.95	14.11	-	20.06	13.07	15.75
48.23	26.98	-	75.21	58.70	82.40
2,227.95	808.23	697.50	2,338.68	8,311.47	10,383.27
-	-	-	-	22.85	19.44
-	-	-	-	28,397.05	89.82
-	-	-	-	45.26	-
-	-	-	-	28,465.16	109.26
2,227.95	**808.23**	**697.50**	**2,338.68**	**36,776.63**	**10,492.53**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

4. OTHER INTANGIBLE ASSETS (AS AT 31ST MARCH, 2019)

(Rs. in lakhs)

Description	Useful Life (years)	Gross Block				Depreciation				Net Block	
		As at 1.04.2018	Additions during the year	Sales/ disposal/ adjustments during the year	As at 31.03.2019	As at 1.04.2018	For the year	Sales/ disposal/ adjustments during the year	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
Computer Softwares	3	64.88	25.55	-	90.43	21.90	28.16	-	50.06	40.38	42.98
Website	3	21.07	-	-	21.07	14.26	6.81	-	21.07	-	6.81
TOTAL		**85.95**	**25.55**	-	**111.50**	**36.16**	**34.97**	-	**71.13**	**40.38**	**49.79**

(As at 31st March, 2018)

(Rs. in Lakhs)

Description	Useful Life (years)	Gross Block				Depreciation				Net Block	
		As at 1.04.2017	Additions during the year	Sales/ disposal/ adjustments during the year	As at 31.03.2018	As at 1.04.2017	For the year	Sales/ disposal/ adjustments during the year	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
Computer Softwares	3	0.79	64.09	-	64.88	0.26	21.64	-	21.90	42.98	0.53
Website	3	21.07	-	-	21.07	7.30	6.96	-	14.26	6.81	13.77
TOTAL		**21.86**	**64.09**	-	**85.95**	**7.57**	**28.60**	-	**36.16**	**49.79**	**14.30**

4.1 Refer 'Para 2.4' of 'Significant Accounting Policies' for the amortisation of intangible Assets.

5. INVESTMENT IN JOINT VENTURE/ ASSOCIATE (Valued at cost, unless stated otherwise)

(Rs. in Lakhs)

		As at March 31, 2019		As at March 31, 2018
In Equity Shares- Unquoted, fully paid up				
Jointly Controlled Entity				
2,00,000 (2,00,000) equity shares of Rs.100 each fully paid in National Centre for Trade Information (NCTI)	200.00		200.00	
(Less: Provision for Impairment Loss	(116.74)	83.26	(47.42)	152.58
Associate				
2,20,000 equity shares of Rs. 100/- each in Jammu & Kashmir Trade Promotion Organisation (JKTPO)		225.68	-	-
		308.94		**152.58**

5.1 Information about Joint Venture & Associate:

Investment in Joint Venture:

Name of Company	Country of Incorporation	Principal Activities	Proportion (%) of Shareholding 31.03.2019	Proportion (%) of Shareholding 31.03.2018
National Centre for Trade Information	India	Trade Information	50%	50%

Investment in Associate:

Name of Company	Country of Incorporation	Principal Activities	Proportion (%) of Shareholding 31.03.2019	Proportion (%) of Shareholding 31.03.2018
Jammu & Kashmir Trade Promotion Organisation	India	Trade Promotion	44%	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

6 INVESTMENTS

(Rs. in Lakhs)

		As at March 31, 2019		As at March 31, 2018
	In Equity Shares- Unquoted, fully paid up			
	(carried at fair value through Other Comprehensive Income)			
	5 shares of Rs.50/- each, aggregating Rs. 250/- only, in Sea Glimpse Cooperative Housing Society, Mumbai	-		-
		-		**-**
	(i) Aggregate amount of Unquoted Investments	-		-
	(ii) Aggregate amount of impairment in the value of investments	-		-

7 LOANS (Considered good)

(Rs. in Lakhs)

		As at March 31, 2019		As at March 31, 2018
	Loan to Employees (Refer Note 7.1) (including accrued interest)			
	(including accrued interest)			
	Secured	404.44		475.93
	Unsecured	45.16		45.29
		449.60		**521.22**
7.1	Loan to Employees includes:			
	a) Due from Directors	-		-
	b) Due from officers in the nature of loan	16.23		18.49

8 NON-CURRENT TAX ASSETS (Unsecured)

(Rs. in Lakhs)

			As at March 31, 2019		As at March 31, 2018
	Income Tax / TDS Recoverable (Refer Note. 33.4)				
	Considered good		31,206.44		28,009.58
	Considered doubtful	426.00		426.00	
	(Less): Provision for doubtful TDS	(426.00)	-	(426.00)	-
			31,206.44		**28,009.58**

9 OTHER NON-CURRENT ASSETS (Unsecured, considered good)

(Rs. in Lakhs)

			As at March 31, 2019		As at March 31, 2018
	Capital Advances				
	Secured (against corporate guarantee of NBCC)	-		10,000.00	
	Unsecured	2,742.91	2,742.91	22,059.31	32,059.31
	Sundry Deposits		1,226.56		1,229.39
	Service Tax Recoverable (Note no. 33.6)		1,113.54		1,113.54
	Deferred Payroll expense		95.19		115.03
			5,178.20		**34,517.27**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

10 INVESTMENTS

(Rs. in Lakhs)

		As at March 31, 2019		As at March 31, 2018
	In Mutual Funds- Quoted			
	(Carried at fair value through Income and Expenditure)			
	2,91,490.319 (2,70,169.103) units of Rs. 10/- each in UTI-Balanced Fund Dividend Reinvestment scheme	80.33		78.75
		80.33		**78.75**
	(i) Aggregate amount of quoted investment & market value thereof	80.33		78.75
	(ii) Aggregate amount of impairment in the value of investments	-		-

11 TRADE RECEIVABLES

(Rs. in Lakhs)

			As at March 31, 2019		As at March 31, 2018
	Unsecured, considered good (Refer Note 11.1)		950.42		936.18
	Unsecured, considered doubtful (Refer Note 11.2)	1,101.70		1,248.49	
	(Less): Provision for doubtful trade receivables	(1,101.70)	-	(1,248.49)	-
			950.42		**936.18**
11.1	Due to short-term nature of current receivables, their carrying amount is assumed to be same as their fair value.				

12 CASH & CASH EQUIVALENTS

(Rs. in Lakhs)

		As at March 31, 2019		As at March 31, 2018
	Balances with Banks:			
	-Savings accounts	7,969.18		4,000.95
	-Current accounts (Refer Note 12.1)	14.49		24.76
	Drafts /Cheques on Hand	69.69		28.08
	Cash on Hand (Refer Note 12.2)	5.39		5.11
	Postage Imprest	0.81		0.12
		8,059.56		**4,059.02**
12.1	Bank balance in current accounts includes Rs. 9.23 lakhs (Previous year: Rs. 8.66 lakhs) held in bank accounts maintained in foreign countries out of which unconfirmed balance is Rs. 4.21 lakhs (Previous year: NIL).			
12.2	Amount held in Foreign currency of Rs. 5.07 lakhs (Previous year: Rs. 4.68 lakhs).			
12.3	There are no restriction with regard to cash and cash equivalents as at the end of the reporting period.			

13 BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

(Rs. in Lakhs)

		As at March 31, 2019		As at March 31, 2018
	Term deposits with banks having original maturity of more than 3 months but less than 12 months	68,077.15		116,112.64
		68,077.15		**116,112.64**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

14 LOANS

(Rs. in Lakhs)

			As at March 31, 2019		As at March 31, 2018
	Loan to Employees (including accrued interest) (Refer Note 14.1)				
	Secured, considered good	96.40		103.93	
	Unsecured, considered good	1,546.32	1,642.72	2,085.25	2,189.18
			1,642.72		**2,189.18**
14.1	Loans to Employees includes dues from:				
	Directors / Ex-Directors		0.01		0.01
	Officers in the nature of loan		1.92		7.55

15 OTHER FINANCIAL ASSETS (Unsecured, considered good unless stated otherwise)

(Rs. in Lakhs)

			As at March 31, 2019		As at March 31, 2018
	Grant recoverable from Government of India				
	Considered good	910.34		711.35	
	Considered doubtful	1.00		21.47	
	(Less): Provision for doubtful Grant	(1.00)	910.34	(21.47)	711.35
	Inter-corporate deposits (placed with NBFCs)		3,200.00		26,800.00
	Due from Indian Missions Abroad		7.31		7.86
	Interest accrued on Saving bank accounts & deposits		2,095.95		3,814.07
	Other Receivable		0.16		-
	Due from parties in respect of deposit works				
	Considered good	-		50.02	
	Considered doubtful	91.75		41.73	
	(Less): Provision for doubtful dues	(91.75)	-	(41.73)	50.02
			6,213.76		**31,383.30**

16 OTHER CURRENT ASSETS (Unsecured, considered good unless stated otherwise)

(Rs. in Lakhs)

			As at March 31, 2019		As at March 31, 2018
	Advances to vendors				
	Considered good	533.96		609.12	
	Considered doubtful	163.28		249.64	
	(Less): Provision for doubtful advances	(163.28)	**533.96**	(249.64)	**609.12**
	Sundry Deposits				
	Considered good	129.68		163.22	
	Considered doubtful	14.03		13.68	
	(Less): Provision for doubtful deposits	(14.03)	**129.68**	(13.68)	**163.22**
	Others				
	GST Credit	882.71		528.75	
	Prepaid Expenses	17.13		18.01	
	Deferred Payroll expense	16.78		19.71	
	Consumable Stores	-		1.17	
	Other Advances	23.11		6.73	
	Group Gratuity Fund-LIC	20.97		15.70	
	Pre deposit of Service tax	5.21		5.21	
	TDS on GST - Deposit	0.40	**966.31**	-	**595.28**
			1,629.95		**1,367.62**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

17. EQUITY SHARE CAPITAL

(Rs. in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Authorised		
50,000 (50,000) equity shares of Rs. 100/- each	50.00	50.00
Issued, Subscribed & Fully paid-up		
25,000 (25000) equity shares of Rs. 100/- each, fully paid up	25.00	25.00
	25.00	**25.00**

17.1 **Reconciliation of shares outstanding**

	As at March 31, 2019		As at March 31, 2018	
	No. of shares	(Rs. in lakhs)	No. of shares	(Rs. in Lakhs)
At the beginning of the year	25,000	25.00	25,000	25.00
Add: Issued during the year	-	-	-	-
At the end of the year	**25,000**	**25.00**	**25,000**	**25.00**

17.2 Terms / Rights attached to Equity Shares

The Holding Company has only one class of equity shares having a par value of Rs.100/- per share. Each holder of equity share is entitled to one vote per share. Since the Holding Company is incorporated under Section 25 of Companies Act, 1956 (now Section 8 of Companies Act, 2013), it is prohibited from distribution of surplus, if any, or other income of the Holding Company to its members by way of dividend, bonus shares or otherwise.

In the event of winding up or dissolution of the Holding Company, if there remains, after the satisfaction of all the debts and liabilities and return of original capital to the Government, any property whatsoever, the same shall not be distributed amongst the members of the Holding Company but shall be given or transferred to such other Company having objects similar to the objects of the Holding Company to be determined by the members of the Holding Company at or before the time of dissolution or in default thereof, by the High Court of Judicature that has or may acquire jurisdiction in the matter.

17.3 **Details of Shareholder holding more than 5% shares**

	As at March 31, 2019		As at March 31, 2018	
	No. of shares	% age	No. of shares	% age
Equity Shares of Rs. 100/- each fully paid				
Government of India	25,000	100	25,000	100
(2 shares held by nominee shareholders)				

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

18. OTHER EQUITY

(Rs. in Lakhs)

			As at March 31, 2019		As at March 31, 2018
	Capital Reserves				
	Promoter's Contribution for infrastructural facilities	-		4,965.62	
	(Less): Transfer to Retained Earnings	-		(4,965.62)	
					-
	Promoter's Contribution for investment in KTPO	1,020.00		1,325.22	
	(Less): Transfer to Retained Earnings	-	1,020.00	(305.22)	1,020.00
	Others (Refer Note 18.1)		18.10		18.10
	Capital Grant from Government of India (ASIDE)				
	As per the last account	763.47		805.17	
	(Less): Amortisation of Grant received from ASIDE	(41.70)	721.77	(41.70)	763.47
	Capital Grant from Government of India (TIES - Expansion Project)				
	As per the last account	518.11		-	
	Add: Received during the year	34.74	552.85	518.11	518.11
	Retained Earning				
	As per the last account	212,899.24		191,607.34	
	Prior period adjustments (net)	-		(111.82)	
	Restated Balance at the commencement of the year	212,899.24		191,495.52	
	Add: Surplus for the year	9,855.77		16,124.04	
	Add: Transfer from Capital Reserve	-		5,270.84	
	Add: Remeasurement gain/(loss) of defined benefit plans	(271.02)		9.27	
	(Less): Share of OCI of joint venture accounted for using the equity method	(1.57)	222,482.42	(0.43)	212,899.24
	Total		**224,795.14**		**215,218.92**
18.1	Represents excess of assets over liabilities of organisations merged with the Holding Company in earlier years.				

19. NON- CONTROLLING INTEREST

(Rs. in Lakhs)

			As at March 31, 2019		As at March 31, 2018
	Tamilnadu Trade Promotion Organization (TNTPO)				
	- Share Capital	0.49		0.49	
	- Other Equity	13,915.75	13,916.24	12,306.52	12,307.01
	Karnataka Trade Promotion Organization (KTPO)				
	- Share Capital	980.00		980.00	
	- Other Equity	5,752.95	6,732.95	5,409.30	6,389.30
			20,649.19		**18,696.31**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

20. NON- CURRENT PROVISIONS

(Rs. in Lakhs)

		As at March 31, 2019		As at March 31, 2018
	Provision for employees' benefits			
	-Leave Encashment (Refer Note 33.12 (III))	2,043.10		2,200.79
	-Gratuity (Refer Note 33.12 (II))	24.30		20.61
		2,067.40		**2,221.40**

21. OTHER NON-CURRENT LIABILITIES

(Rs. in Lakhs)

		As at March 31, 2019		As at March 31, 2018
	Advance received from customers	939.65		815.65
		939.65		**815.65**

22. BORROWINGS- CURRENT

(Rs. in Lakhs)

		As at March 31, 2019		As at March 31, 2018
	from KIADB- Unsecured Term Loans	-		605.00
		-		**605.00**

23. TRADE PAYABLES

(Rs. in Lakhs)

		As at March 31, 2019		As at March 31, 2018
	Total outstanding dues of Micro, Small and Medium Enterprises (Refer Note 23.1)	2.69		-
	Total outstanding dues to creditors other than Micro and Small Enterprises	1,956.31		1,898.12
		1,959.00		**1,898.12**
23.1	Information in respect of micro, small and medium enterprises as required by Micro, Small and Medium Enterprises Development Act, 2006:			
		As at March 31, 2019		**As at March 31, 2018**
	Amount remaining unpaid to any supplier:			
	Principal amount	2.69		-
	Interest due thereon	-		-
	Amount of interest paid in terms of Section 16 of the MSMED Act along-with the amount paid to the suppliers beyond the appointed day.	-		-
	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-		-
	Amount of interest accrued and remaining unpaid	-		-
	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act.	-		-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

24. OTHER FINANCIAL LIABILITIES

(Rs. in Lakhs)

		As at March 31, 2019		As at March 31, 2018
	Bank Overdraft	12.47		5.91
	Employees' Benefits payable	410.50		177.55
	Security deposits	750.73		1,017.85
	Payable to KIADB	24.50		24.50
	Refund due to customers	2,043.49		2,022.44
	Other payables	595.21		851.12
		3,836.90		**4,099.37**

25. OTHER CURRENT LIABILITIES

(Rs. in Lakhs)

		As at March 31, 2019		As at March 31, 2018
	Advance received from customers	5,372.94		3,260.51
	Statutory Liabilities	934.81		1,091.86
		6,307.75		**4,352.37**

26. CURRENT PROVISIONS

(Rs. in Lakhs)

			As at March 31, 2019		As at March 31, 2018
	Provision for Employees' Benefits				
	-Gratuity (Refer Note 33.12 (II))	608.20		1,734.68	
	-Leave Encashment (Refer Note 33.12 (III))	435.60		366.12	
	-Performance Related Pay/ Ex-gratia (Refer Note 26.2)	3,264.00		3,264.00	
	-Pension Fund	10.89		725.26	
	-Pay Revision	173.68	4,492.37	2,022.00	8,112.06
	Others				
	-Provision for refund of contingency charges		-		109.56
			4,492.37		**8,221.62**

26.1 **Movement Of Provisions** (Rs. in Lakhs)

Particulars	As at April 1, 2018	Amount utilised during the year	Provision made during the year	As at March 31, 2019
Performance Related Pay/ Ex-gratia	3,264.00	-	-	3,264.00
Pension Fund	725.26	(714.37)	-	10.89
Pay revision	2,022.00	(1,848.32)	-	173.68

Movement Of Provisions

(Rs. in Lakhs)

Particulars	As at April 1, 2017	Amount utilised during the year	Provision made during the year	As at March 31, 2018
Performance Related Pay/ Ex-gratia	3,264.00	-	-	3,264.00
Pension Fund	2,631.14	(2,041.69)	135.81	725.26
Pay revision	442.00	-	1,580.00	2,022.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

26.2	In case of Holding company, ITPO, the provision of Rs. 3,264.00 lakhs (Previous year: Rs. 3,264.00 lakhs) towards Performance Related Pay (PRP)/ Ex-gratia was made by the Company during 1.4.2007 to 31.03.2017 in accordance with the guidelines of Department of Public Enterprises (DPE) on revision of pay scales as per 2nd Pay Revision Committee (2nd PRC). Pending approval of PRP/ Ex-gratia by the competent authority, ad-hoc payments amounting to Rs. 1382.66 lakhs (Previous Year Rs. 1574.49 lakhs), net of recoveries from retired employees, were released to the employees with the approval of the Board of Directors as 'Interest free advances' against undertakings obtained from the employees to refund/ adjust the advance as per the decision of the competent authority. The Department of Commerce had informed ITPO, in the context of 2nd Pay Revision Committee recommendations, in September 2013 and again in October 2017 that ITPO is ineligible for PRP. The Board of Directors (BoD) of the Company in their 205th Meeting held on 29/8/2018 had noted that though as per DPE Guidelines, ITPO could grant PRP/ Ex-gratia but it is not mandatory for it to do so. All financial decisions including PRP/ Ex-gratia have to be considered by the BOD and approved by the Administrative Ministry, wherever required. The decision on PRP/ Ex-gratia depends on ITPO's financial position and other factors. The Guidelines of DPE only provide guidance but they do not create any obligation for the Company. Considering the above and huge financial outgo committed for the IECC Project by the Company, the BOD had decided that no provision towards PRP/ Ex-gratia/ Interest free advance be made for the year 2017-18. ITPO is still in the midst of implementing the IECC Project and also there is no surplus from core activities in 2018-19 as per DPE Guidelines. Hence, no provision towards PRP/ Ex-gratia is made in the accounts for the current year.

27. REVENUE FROM OPERATIONS

(Rs. in Lakhs)

			For the year ended 31.03.2019		For the year ended 31.03.2018
	Sale of Services				
	Space Rent (Net)	19,808.74		24,549.35	
	Rent from Convention centre	692.95		553.96	
	Government Grant- Revenue	426.11		1,295.71	
	Receipts towards electricity & water charges	667.14		1,064.24	
	Receipts towards other services	284.53		297.26	
	Hoardings	238.34		298.04	
	Branding/ Sponsorship	0.32	22,118.13	3.27	28,061.83
	Other Operating Revenue				
	Sale of Entry Tickets / Seasonal Passes	365.25		589.35	
	Subscriptions	57.53		34.54	
	Advertisement- Publications	46.65		57.14	
	Sale of Publications	1.74	471.17	2.77	683.80
			22,589.30		**28,745.63**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

28. OTHER INCOME

(Rs. in Lakhs)

			For the year ended 31.03.2019		For the year ended 31.03.2018
	Interest Income from				
	-Bank Deposits & Saving banks accounts	7,059.14		9,948.88	
	-Inter- corporate deposits	952.98		1,630.56	
	-Loan to employees	65.96		76.40	
	-Income tax	37.59		-	
	-Others	2.92	8,118.59	1.95	11,657.79
	Dividend from Mutual Funds		5.94		9.23
	Rent (Refer Note 33.2)		66.00		267.15
	Other non-operating income				
	Profit/ (Loss) on Sale of Property, Plant & Equipments	24.78		54.91	
	Liabilities/Provisions no longer required, written back	388.71		327.34	
	Penalties from customers (Refer Note 28.1)	494.31		461.58	
	Miscellaneous Income	251.61	1,159.41	183.24	1,027.07
			9,349.94		**12,961.24**

28.1 Unrecognized penalty of Rs. 10.94 lakhs (Cumulative up to 31.03.2019 - Rs. 784.07 lakhs) due to cancellation of events by the third party organisers has not been recognized as income and the same shall be accounted for in accordance with the Ind AS-115 as and when the amount is recovered/ adjusted.

29. EMPLOYEES' BENEFITS EXPENSE

(Rs. in Lakhs)

			For the year ended 31.03.2019		For the year ended 31.03.2018
	Salaries & Wages				
	Salaries, Wages & Allowances (Refer Note 29.1)	7,175.60		5,663.85	
	Other Perks & Allowances	1,537.24		980.80	
	Provision for Pay Revision	-	8,712.84	1,580.00	8,224.65
	Contribution to Provident & Other Funds				
	Contribution to Provident Funds (Refer Note 33.12 (I))	626.57		571.30	
	Contribution to Pension Funds (Refer Note 33.12 (I))	353.84		451.65	
	Gratuity (Refer Note 33.12 (II))	338.93		338.41	
	Leave Encashment (Refer Note 33.12 (III))	464.15		468.72	
	Contribution to other funds	9.44	1,792.93	10.39	1,840.47
	Staff Welfare Expenses				
	Medical Expenses	409.24		382.58	
	Compensation for deceased employees	99.35		133.66	
	Other staff welfare expenses	149.63	658.22	154.18	670.42
			11,163.99		**10,735.54**
29.1	Includes Rs. 709.94 lakhs (Previous year Rs. 17.59 lakhs) on account of ex-gratia under the Voluntary Retirement Scheme.				

30. DEPRECIATION AND AMORTISATION EXPENSE

(Rs. in Lakhs)

			For the year ended 31.03.2019		For the year ended 31.03.2018
	Depreciation on Property, Plant & Equipment	617.48		808.24	
	Amortization of Other Intangible Assets	34.96	652.44	28.59	836.83
			652.44		**836.83**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

31. OTHER EXPENSES

(Rs. in Lakhs)

		For the year ended 31.03.2019		For the year ended 31.03.2018
Expenses related to sale of services				
Participation charges		2,020.93		1,761.70
Construction & Interior Decoration		843.89		2,121.91
Publicity		436.99		492.61
Freight, Packing & Handling		10.24		48.92
Cultural Programmes & Fashion Shows		0.77		25.34
Interpreter wages		10.67		59.22
Travelling & Conveyance [includes Rs. 14.40 lakhs (Previous Year Rs. 30.69 lakhs) in respect of Directors]		251.07		360.07
Foreign Delegation		9.70		15.40
Difference in Exchange (net)		7.52		0.33
Other Operating Expenses				
Advertisement expenses		36.02		60.73
Entertainment [includes through Directors Rs. 1.71 lakhs (Previous Year Rs. 1.20 lakhs)]		34.04		53.54
Commission		88.12		103.79
Electricity		1,316.61		1,625.39
Water charges		123.88		290.42
Maintenance of Pragati Maidan				
-Civil	454.47		270.11	
-Electrical	771.11		768.52	
-Horticulture	39.31		85.99	
-Conservancy Arrangements	213.74	1,478.63	254.28	1,378.90
Vehicle maintenance	25.52		60.64	
(Less): Recoveries	(0.08)	25.44	(0.08)	60.56
Operation and Maintenance		536.25		368.03
Other Administrative Expenses				
Repairs, Renewals & Maintenance		297.10		264.17
Security expenses		678.03		745.05
Postage, Telegrams & Telephones		60.33		77.38
Insurance		14.94		15.78
Legal & Professional charges		98.16		73.07
Recruitment expenses		39.60		-
Seminar & Training		7.39		13.35
Books & Periodicals		3.07		19.33
Printing & Stationery		67.43		71.72
Corporate Social Responsibility Expenses (Refer Note 33.15)		523.43		389.42
Administration charges (Outsourcing)		98.30		90.56
Rates & Taxes	357.83		354.74	
(Less): Recoveries	(0.83)	357.00	(3.26)	351.48
Rent	117.64		131.37	
(Less): Recoveries	(1.40)	116.24	(1.40)	129.97
Fair value loss/ (gain) on Mutual Funds		4.36		2.88
Interest paid on delayed taxes/ grant		8.93		2.83
Provisions/Write offs		131.81		136.65
Other Miscellaneous expenses		188.61		244.65
Sitting Fees to Directors		2.40		2.20
Auditor's Remuneration				
-Audit Fee (includes Rs. 2.00 lakhs for 2017-18)	9.80		5.80	
-Tax Audit Fee	1.00		1.00	
-Reimbursement of expenses (includes Rs. 0.60 lakh for 2017-18)	1.20	12.00	-	6.80
		9,939.90		**11,464.15**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

32. EXCEPTIONAL ITEMS

(Rs. in Lakhs)

		For the year ended 31.03.2019		For the year ended 31.03.2018	
	Forfeiture of Bid security on Land monetisation (Refer Note 33.8 (c)		1,694.92		-
	Loss on demolition on building for IECC project		-		(1,378.39)
	Profit on Sale of Land		-		1,311.81
			1,694.92		**(66.58)**

33 OTHER NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(Rs. in Lakhs)

33.1	**CONTINGENT LIABILITIES AND COMMITMENTS**		**As at March 31, 2019**		**As at March 31, 2018**
a)	**Contingent Liabilities (Refer Note 33.1.1)**				
	Claims against the Group Company not acknowledged as debts - Disputed liability not adjusted as expenses in the accounts for various years being in appeal towards:				
	Income Tax (also Refer Note 33.4)	833.76		587.51	
	Service Tax	141.14		1,022.45	
	Employee Provident Fund (amount deposited Rs. 100.00 lakhs)	1,695.57		1,695.57	
	Entertainment Tax	432.35		415.18	
	ESI	-	3,102.82	228.81	3,949.52
	Others - for which the Group is contingently liable		2,011.07		2,541.43
			5,113.89		**6,490.95**
b)	**Capital Commitments**				
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		135,415.04		209,479.97
	Equity Contribution in Associate Company		1,000.00		1,280.00

33.1.1 The Group is contesting these demands and the management including its advisors are of the view that these demands may not be sustainable at the appellate level. The management believes that the ultimate outcome of these proceedings will not have any material adverse effect on the Group's financial position and results of operations. The Group does not expect any reimbursement in respect of above contingent liabilities and it is not practicable to estimate the timing of cash outflows, if any, in respect of these matters, pending the decisions of the competent authorities.

CPWD Vs. CCCL

33.1.2 In case of the Group Company, TNTPO as per the construction agreement with CPWD, the company has to meet the liability arising out of any litigation in the course of execution of the contract. There was a litigation between CPWD and Consolidated Construction Consortium Limited (CCCL), the contractor engaged by CPWD for the construction of convention centre – Phase II. There was an award in the arbitration between the parties and based on the subsequent development, the company is contingently liable for Rs.80.08 lakhs including interest @ 10% on Rs.63.75 lakhs from the date of award to the date of actual payment in full and final settlement.

During the year, the Division Bench of the Hon'ble High Court of Madras has also confirmed the original Arbitration Award. The matter was placed before the 49th Meeting of Board of Directors of TNTPO and after detailed deliberations, it was decided that the delay in the completion of the construction of Convention Centre by 543 days is due to lack of supervision and negligence of CPWD. TNTPO is not legally bound to release any amount due to CPWD as there was no agreement entered. The decision of the Board has been communicated to the CPWD. But CPWD is contesting that the work is depository in nature, TNTPO being the owner of the project is liable to make the payment of arbitration award. Further, in its 50th Board meeting of TNTPO again the matter was placed before the Board of TNTPO to take a final call on this long pending issue and the "Board observed that this particular case has arisen merely due to negligence and supervisory failure on the part of CPWD which caused non-adherence to the time schedule of the completion of the project that has led to the pronouncement of the award. The Board also felt that mere guidelines of CPWD or mere correspondence between CPWD and TNTPO vice versa cannot bind TNTPO to make payment". In the 51st Board meeting of TNTPO, the Board advised the communication may be sent to CPWD stating that, TNTPO is not a party in litigation and therefore CPWD may be requested to settle the issue at their end and not to entertain any further correspondence. Accordingly, necessary communication has been sent to CPWD vide this office letter No. TNTPO/Engg-103/2016 dated 05.01.2017.

In the context of the above, the company is contingently liable for Rs.1,57.82 lakhs (Rs. 64.67 lakhs (Award) + Rs.93.14 lakhs (Simple interest @ 10% w.e.f. 01.11.2004 up to 31.03.2019) vide CPWD letter No. 23 (63) A/2017/CCC I/W-III/212 dated 08.03.2017.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

33.2	**National Science Centre and National Handicrafts & Handlooms Museum (Crafts Museum)**
	Land and Development Office (L&DO), Ministry of Urban Development has leased out 123.51 acres of land for Pragati Maidan Complex to the Company on perpetual lease of 99 years on 7th March 2011 out of which the combined area of 7.2623 acres is under the occupation of two Government Departments i.e. Crafts Museum and National Science Centre without a lease agreement. Cumulative rent of Rs. 10629.15 lakhs (Previous year Rs. 9982.57 lakhs) is not being paid and contested by them. In view of uncertainty in its realization, the rental income is not recognized in the books of accounts since earlier years.
	The expenditure incurred on the annual ground rent, paid to L&DO, including the area under possession of the said two departments, is borne by the Company as the lease deed for the entire area is in the name of the Company. Further, Municipal taxes in respect of area under their possession are being paid by these departments directly to the Revenue authority.
33.3	In the opinion of the management, the value of assets other than Property, Plant and Equipment, on realization in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.
33.4	**INCOME TAX MATTERS**
(i)	**Holding Company**
	A. Exemption of Income
	The Director General of Income Tax (Exemptions) had withdrawn the Income Tax Exemption granted to ITPO under section 10(23C)(iv) of the Income Tax Act, 1961 since Assessment Year 2009-10 onwards as per the amended proviso of section 2(15) of the Income Tax Act, 1961 effective from 1.4.2008.
	The Company had contested the withdrawal of exemption before the Hon'ble High Court of Delhi and got a favourable judgment on 22.01.2015. Accordingly the Chief Commissioner of Income Tax (Exemptions) vide order dated 02.03.2015 restored the aforesaid Income-tax exemption of the Company w.e.f. Assessment Year 2009-10 onwards.
	The Income Tax department has since filed a Special Leave Petition SLP (C) no. 9284 of 2017 before the Hon'ble Supreme Court against the order of the Hon'ble High Court of Delhi. The prayer of the Income Tax department for interim relief/ stay of operation of the judgment passed by the Hon'ble High Court of Delhi was not accepted by the Hon'ble Supreme Court and the matter has been tagged with other SLPs pending before Hon'ble Supreme Court on similar matters and the date of hearing is yet to be fixed.
	Even though the matter of exemption is pending before the Hon'ble Supreme Court, the management and it's advisors are of the view that since the income-tax exemption has been restored by the Hon'ble High Court of Delhi. Hence, no provision for income-tax, interest and penalties is considered necessary from Assessment year 2009-10 onwards.
	B. Demand for Income Tax
	During the intervening time period, the Income Tax department passed the orders for the assessment years 2009-10 to 2011-12 denying the exemption under Section 10(23c)(iv) and raised demand of Rs. 15,589.86 lakhs against which Rs. 1,319 lakhs was deposited under protest. Further, TDS refunds of Rs. 11,467 lakhs up to Assessment year 2015-16 have been withheld by the department. Appeals filed by the Company with CIT (Appeals) against the demands raised by the Income Tax department for the assessment years 2009-10 to 2011-12 were decided in favour of the Company against which the Income tax department has filed the appeal with Income Tax Appellate Tribunal (ITAT), Delhi.
	TDS refunds of Rs. 11,467 lakhs and Rs. 1,319 lakhs paid by the Company aggregating to Rs. 12,786 lakhs have been reflected in the accounts under the head "Income Tax/ TDS Recoverable" in Note 8 and have been considered good for recovery as at 31.03.2019 except to the extent of Rs. 426 lakhs.
	During the year 2018-19, assesment proceedings for AY 2016-17 were completed by the Assessing Officer in Dec'18 by giving the benefit of exemption u/s 10(23c)(iv) of the Income Tax Act, 1961 but overlooked the benefit of 15% of income under section 11(1) of the Income Tax Act, 1961 amounting to Income-tax of Rs. 1,948.10 lakh. The refund of Rs. 751.82 lakhs along with interest of Rs. 37.59 lakhs was granted which has since been received by the Company in May'19. Total amount of Rs. 2,699.92 lakhs is included in "Income Tax/ TDS Recoverable" in Note 8. The rectification application filed by the Company with the Assessing Officer under section 154 of the Income Tax Act, 1961 is pending for disposal.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

(ii) Tamilnadu Trade Promotion Organisation (TNTPO)

For the Assessment year 2006-07, the Income Tax Department has reopened the Assessment by issue of notice u/s 148 dated 28.03.2013 pointing out that there was an escapement of Income and raised demand of Rs.149.47 lakhs towards short fall in the Application of Income besides interest and penalty.
By contesting the same, TNTPO filed an appeal before the Commissioner of Income Tax (Appeals) against the said Assessment order and filed an application for stay of demand. As per the orders of stay of demand, TNTPO has remitted (under protest) 50% of the Tax Demand of Rs.74.73 lakhs.

The Chief Commissioner of Income Tax, Chennai-III had withdrawn the Income Tax Exemption issued under section 10(23C)(iv) of the Income Tax Act from the Assessment year 2009-10 onwards on the grounds that the Company is engaged in activities of trade, Commerce or business or rendering services in relation to trade, commerce or business as per the amended proviso of Section 2(15) of the Income Tax Act with effect from 01.04.2008.
Consequent to the withdrawal of exemption order issued under section 10 (23C) (iv), the Assessing Officer has raised demands for the Assessment Years 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15 and 2016-17 and the demands issued by the Assessing Officers, Tax deposited under protest and the status of the case are tabulated below:

(Rs. in Lakhs)

Assessment Year	Total Demand (including interest)	Total tax treated as paid under protest as per Accounts (Note 11)	Cases Pending with	As per 26AS (TDS Credit, Advance Tax paid, Regular Tax paid, Pre-deposit for filing Appeal paid etc.)		
				TDS Credit	**Taxes paid**	**Total tax dues treated as paid as per 26AS**
2006-07	149.47		CIT (Appeals)	-	74.73	74.73
2009-10	501.00		HC of Chennai	24.13	422.25	446.38
2010-11	358.59		HC of Chennai	2.32	361.63	363.95
2011-12	585.56	3,204.70	HC of Chennai	2.54	585.56	588.10
2012-13	968.50		CIT (Appeals)	33.69	964.75	998.45
2013-14	1,360.67		CIT (Appeals)	163.65	180.06	343.70
2014-15	992.50		CIT (Appeals)	242.09	750.41	992.50
2015-16	-	636.65	As per Return of Income	233.82	400.00	633.82
2016-17	960.46	652.71	CIT (Appeals)	235.64	446.94	682.58
2017-18		795.93	As per Return of Income	296.24	500.00	796.24
2018-19	-	1,005.49	As per Return of Income	308.06	700.00	1,008.06
2019-20	-	961.28	As per Accounts	344.72	615.00	959.72
Total	**5,876.75**	**7,256.76**	**-**	**1,886.90**	**6,001.33**	**7,888.23**

* Breakup of Income taxes treated as paid under protest as per Accounts

Income Tax Refund	1,276.98
Deposit-Income Tax Account	5,633.49
TDS Receivable - 2018-19	346.28
TOTAL	**7,256.75**

a) Difference in Taxes treated as paid between Books of Accounts & 26AS System remains to be reconciled

The holding company (ITPO) had filed a writ petition challenging the provision of section 2 (15) of the Income Tax Act 1961, in the Hon'ble High Court of New Delhi and also won the case. ITPO got a favourable judgment from the Hon'ble High Court of Delhi on 22.01.2015. Consequently, the Income Tax Department has granted the Income Tax Exemption u/s 10 (23C) (iv) of the Income Tax Act, 1961 to ITPO.
As resolved by the Board at its 42nd Board Meeting held on 08.08.2013, Accounting Treatment of the Tax Liability in the books of accounts of TNTPO has to be in line with holding company (ITPO). As such, TNTPO is also following the action of holding Company and writs have been filed in the Hon'ble High Court Madras and the matter is subjudice. TNTPO is hopeful of getting a favourable decision like the holding Company ITPO, hence no provision for Income Tax liability for the AY 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15 & 2016-17 are made in the books of accounts, in line with the Accounting Treatment followed by holding Company ITPO. The appeals filed by TNTPO for various Assessment Years are pending disposal. Pending disposal of these appeals, the company is contingently liable for the total demand of Rs. 5,661.84 lakhs as on 31st March 2019 which include the demand for withdrawal of exemption of Rs. 5,512.37 lakhs and demand for escapement of Income of Rs. 149.46 lakhs.
The Company is also contingently liable for the AY 2015-16, 2017-18 & 2018-19 for which the Department is yet to take up the Assessment Proceedings and the amount of contingent liability is yet to be determined.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

b) Demand relating to TDS Compliance as per department TRACES portal amounting to Rs.8.67 lakhs is considered as contingent liability.

(iii) Karnataka Trade Promotion Organisation (KTPO)

The organization had obtained exemption u/s 10(23C)(iv) of Income Tax Act, 1961 up to assessment year 2008-09. The organization applied for extension of exemption for the assessment years 2009-10, 2010-11, and 2011-12. The Chief Commissioner of Income Tax has passed orders rejecting the applications for renewal of approval u/s 10(23C)(iv) of Income Tax Act, 1961. The organization had filed writ petition in the Hon'ble High Court of Karnataka , challenging the rejection orders of the Chief Commissioner of Income Tax . The Hon'ble High court of Karnataka passed orders setting aside the orders passed by the Chief Commissioner of Income Tax u/s 10(23C)(iv) of Income Tax Act rejecting the renewal of approval as sought by the Company, at the same time directing the department to decide on withdrawal or otherwise of the registration when such an occasion arising in future.

For Assessment Years 2010-11 to 2014-15, the Assessing Officer had denied the exemption claimed by the Company under Section 11/ 10(23c)(iv) by applying the amended provisions of Sec. 2(15) of the Act. There is no tax liability for the assessment year 2010-11 since there is no excess of income over expenditure during the year as per the assessment order passed by the Assessing Officer. In response, the Company has filed appeals before the Hon'ble Commissioner of Income Tax (Appeals) stating that the organization does not attract the amended provision of Section 2(15) of the Act and is eligible to claim exemption u/s 10(23c)(iv) of the Act. Further, the stand of the Company has been ratified for the Assessment Years 2010-11,2011-12 and 2012-13 by the acceptance of its Appeals by the Commissioner of Income Tax vide its Orders dated 30-08-2017, 16-06-2016 and 14-09-2017 respectively. However, the Income Tax Department has filed Appeals with Income Tax Appellate Tribunal for the Assessment Years 2010-11, 2011-12 and 2012-13 against the Orders of Commissioner of Income Tax (Appeals) passed in favour of Company. In respect of Assessment Year 2010-11, the Appeal filed by the Income Tax Department was dismissed by the Income Tax Appellate Tribunal vide Order Dated 13-07-2018. For the Assessment Year 2016-17, the assessing officer issued intimation under section 143 (1) of the Income Tax Act dated 17-03-2018 disallowing claim of accumulation under Section 11(2) of the Act since Form 10 (in Electronic Mode) was not furnished within the due date. In response the Company has filed appeal before the Assistant Commissioner of Income Tax (Appeals) to condone the delay in filing Form 10 (in Electronic Mode) and allow the accumulation amount u/s 11(2) of the Act. Further, the Department vide Circular No. 7/2018 dated 28/12/2018 had condoned the delay in filing Form 10 (in Electronic Mode) in general. Till 31.03.2019, the total demands raised are Rs. 637.38 lakhs for Ass. Yrs. 2013-14, 2014-15 and 2016-17 against which refunds of Rs. 224.60 lakhs are adjusted leaving balance demand of Rs. 412.77 lakhs. No provision has been made against the said demand but included in Contingent Liabilities.

The organization had received notice from the Additional Commissioner of Income Tax (Tech) -I for proposal to withdraw the approval granted u/s 10(23c) (iv) of the Act for the assessment years 2003-04 to 2008-09 with effect from 1-04-2009, i.e. from the date of amendment to section 2(15) and onwards. The Company had filed written submissions for reconsideration of its withdrawal proposal.

The Company has received Show Cause Notice for cancellation of registration u/s 12AA of Income Tax Act, 1961. In response, the organization had requested for non-cancellation of the registration. No further communication has been received in this regard from the department.

The position of Demands raised and adjusted till 31-03-2018 are as under :

(Rs. in Lakhs)

Assessment Year	Demand Raised	Refund Adjusted	Balance Pending	Appeal Filed on
2013-14	238.80	70.50	168.30	15-04-2016
2014-15	158.75	83.57	75.17	14-12-2016
2016-17	239.83	70.53	169.30	23-01-19

(iv) National Centre for Trade Information (NCTI)

The Company has been granted exemption under Section 10(23C)(iv) of the Income Tax Act 1961 in respect of its income for the assessment years 1996-97 to 1998-99 & has applied for renewal of exemption for the subsequent years which is pending with the Income Tax Authorities. The company had applied for renewal of such exemption but the same has not been granted till date. However in anticipation of renewal of exemption, no provision for Income Tax has been made.

The Company has received a demand notice from CPC, Bangalore for the AY 2014-15 amounting Rs. 30.85 lakhs and the matter was taken up to CPC, Bangalore and Income Tax office for consideration of tax exemption and to rectify the order for waiver off since during the AY 2014-15 there is a loss of Rs. 11.24 lakhs and further, NCTI was registered under Section 12A(a) of the Income Tax Act, 1961.

33.5 DEFERRED TAX ASSET/ LIABILITY

In view of the income of Group Companies being held to be exempt under section 10(23C)(iv) of the Income Tax Act, 1961 and also as per the order of the Hon’ble High Court of Delhi, in case of Holding company, ITPO and in view of the management the SLP filed by Income tax department is likely to be in their favour hence the deferred tax assets/ liabilities have not been recognized.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

33.6 Service Tax Matters

(i) Holding Company, India Trade Promotion Organization (ITPO)

(a) Service Tax demand of Rs. 1,087.95 lakhs for the period 2006-07 to 2009-10 comprising service tax of Rs. 1,064.27 lakhs and interest of Rs. 23.68 lakhs was raised on the Company by Commissioner of Service Tax. The said demand was contested and the Commissioner of Customs and Central Excise vide order dated 22.01.2015 revised the demand to Rs. 410.41 lakhs and restricted penalty to Rs. 410.41 lakhs and Rs. 0.10 lakh & interest till the date of payment with the condition that penalty amount would stand waived by 75% in case payment is made within 30 days.

An appeal against the aforesaid order was filed before CESTAT on 24.04.2015, modified appeal has been filed on 09.02.2017 on the directions of CESTAT. In the meanwhile, the Company deposited the service tax of Rs. 410.41 lakhs, penalty of Rs. 102.70 lakhs and interest of Rs. 368.20 lakhs aggregating to Rs. 881.31 lakhs on 25.02.2015, under protest and the amount has been reflected in the accounts under the head “Service Tax Recoverable” in Note 9. The Company has received the favourable order from CESTAT on 13.09.2018 and has filed the appeal effect for obtaining the refund of Rs. 881.31 lakhs.

(b) Further, following demand cum show cause notices for service tax (interest and penalties not quantified) were served by the Service Tax department for the undernoted years:

(Rs.in lakhs)

Year	Amount
2011-12	42.77
2012-13	51.68
2013-14	46.69
Total	**141.14**

The Company based on the expert opinion, considers that the various matters above, on which the demand-cum-show cause notices were served, does not fall within the ambit of service tax.

Hence, the demands have been contested by the Company with the respective authorities and accordingly no provision for demand of Rs. 141.14 lakhs has been considered necessary in the accounts as at 31.03.2019 and the said demand of Rs. 141.14 lakhs has been shown as Contingent Liability in Note 33.1.

(ii) Tamilnadu Trade Promotion Organisation (TNTPO)

The present status of Service Tax issue with respect to demand for service tax on the share of income from sale of ticket for various periods as given below.

Sl. No.	Particulars	Order in Original	Order in Appeal	Period	Demand in Lakhs	Pre-Deposit 10% on Demand made	Present Status
1	SCN No.456/2011 dt.13.10.2011	OIO No.115/2013 dt.17.12.2013	OIA No.546 & 547/2016 (STA-1) dt.01.09.2016	Apr'06 to Mar'11	19.53	2.77	Appeal filed on 30.11.2016 and pending before CESTAT
	SCN No.07/2013 dt.17.01.2013			Apr'11 to Mar'12	6.51		
2	SOD 07/2014 dt.25.03.2014	OIO No.19/2015 dt. 20.07.2015		Apr'12 to Jun'12	1.68		
3	SCN No.290/2014 dt.08.10.2014	OIO No.84 & 85/2016 dt. 23.03.2016	OIA No.126/2017 dt 31.07.2017	July'12 to Mar'13	6.16	1.23	Appeal filed on 14.11.2017 and pending before CESTAT
	SOD No.16/2015 dt.24.03.2015			Apr'13 to Mar'14	6.17		
4	SOD No.09/2016 dt.06.04.2016	OIO No. 01/2017 dated 15.06.2017	OIA No.452 /2017(CTA-II) dated 29.12.2017	Apr'14 to Mar'15	5.46	1.21	Appeal filed on 20.03.2018 and pending before CESTAT
5	SOD No.01/2017 dt.11.01.2017	OIO No. 02/2017 dated 15.06.2017	OIA No.453/2017(CTA-II) dated 29.12.2017	Apr'15 to Mar'16	6.61		
					52.12	**5.21**	

Pending disposal of the above, TNTPO is contingently liable for Service Tax of Rs. 52.12 lakhs excluding interest and penalties , if any amount not quantified.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

33.7	**CONFIRMATION OF BALANCES**
	Balances appearing under Trade Receivables, Loans & Advances, Trade Payables and other parties etc. are subject to reconciliation/ confirmation. The impact, if any, subsequent to the confirmation/ reconciliation will be taken in the year of confirmation/ reconciliation.
33.8	**INTERNATIONAL EXHIBITION CUM CONVENTION CENTRE (IECC) PROJECT**
(a)	International Exhibition cum Convention Centre (IECC) project for redevelopment of Pragati Maidan complex was approved by the Government of India (GOI) in the Cabinet Committee of Economic Affairs (CCEA) meeting held on 24.1.2017 at a cost of Rs. 2,25,400 lakhs, since revised to Rs. 2,69,851 lakhs. The project, as per approval, will be funded from Company's resources of Rs. 1,20,000 lakhs and balance by term loan from bank secured by Guarantee from the Government of India.
(b)	The Cabinet has further approved on 13.6.2018, the waiver of demand of Rs. 9,663.42 lakhs raised by L&DO on 21.4.2017 in connection with IECC project.
(c)	The Cabinet has also approved on 13.6.2018, monetization of 3.70 acres of land at Pragati Maidan complex for construction and operation of a hotel by a third party including private sector meant to finance the IECC project and accordingly the loan from bank will stand reduced to that extent. During the year, Request for Proposal (RFP) for selection of Developer cum Operator of 5 star hotel at Pragati Maidan was floated and two bidders were technically qualified. However, only one bidder placed bid at the given reserve price and the other bidder did not bid and accordingly his bid was considered as withdrawn. The fact of forfeiture in case of withdrawal from further participation after opening of technical bid during the period of validity was clarified in the pre-bid meeting. Further, due to lack of competition, RFP was cancelled. Accordingly, the Company forfeited the bid security of Rs. 1,694.92 lakhs, net of GST of Rs. 305.08 lakhs as suggested by NBCC, Project Management Consultant (PMC) for ITPO for the project. This amount has been treated as an "Exceptional Income" and disclosed in Note 32. The bidder has filed a writ petition against the forfeiture of his bid security before the Hon'ble High Court of Delhi in Aug'2019 and the same has accordingly been included as 'Contingent Liability' in Note no. 33.1 as the matter is sub-judice.
(d)	Term loan of Rs. 150000 lakhs sanctioned by a nationalised bank on 28.05.2018 and the Guarantee for Rs. 1,05,400 lakhs has been issued by the Government of India on 15.03.2019 on which Guarantee fee of Rs. 1,103.09 lakhs has been paid.
(e)	NBCC, a Public Sector Undertaking, has been appointed as the Project Management Consultant (PMC) for the project and an agreement has been entered into with the NBCC.
(f)	The work done for IECC project amounting to Rs.1,32,294.53 lakhs up to 31.03.2019 has been shown as Capital Work-in-Progress in Note No. 3 and advance of Rs. 2,144.77 lakhs paid to various Departments/ agencies for the project has been shown as Capital Advances in Note 9. Consequently, against the approved cost of Rs 2,69,851 lakhs, the balance amount of Rs. 1,35,411.70 lakhs is shown as Capital Commitments for the project in Note 33.1.
33.9	**EXPANSION PROJECT OF CHENNAI TRADE CENTRE (CTC)**
	The Board of Tamil Nadu Trade Promotion Organisation (TNTPO) in the 48th Board meeting held at New Delhi on 24.11.2016 approved the expansion of TNTPO for the total project outlay of Rs.289 crores. The salient features of expansion of TNTPO include additional rentable exhibition area of 15,700 sq. mtrs. and total Car Parking facility of 2940 cars, besides creation of other facilities like Utility building, Restaurant, Integrated Building Management System, Lifts & Escalator facilities etc. Subsequently the Board of TNTPO in its 55th Board meeting held at New Delhi on 30.04.2019 has approved the revised design for the expansion project of Chennai Trade Centre without basement covering the rentable area of 20,322 sq. mtrs. with car parking facility having 2320 cars with ground floor and first floor of exhibition hall, Convention Centre, meeting rooms, business centre with separate multi level car parking(MLCP) as suggested by Standing Finance Committee of DOC, Government of India TIES grant of Rs.20 Crores has been sanctioned and first instalment of Rs. 10 crores was released by Department of Commerce, Government of India, vide letter No. F.No.K-46012/7/2017–States Cell dated 06.11.2017. The same has been disclosed under Other Equity (Note No.12) as Govt Grant received from TIES for the expansion project of CTC Financing pattern of TNTPO's expansion project as Rs.85 crores from internal accruals, Rs.20 crores from TIES Grant and Rs.184 crores from bank loan was approved by the Board of TNTPO and the proposal was submitted for approval of the Department of Commerce, Ministry of Commerce and Industries, New Delhi. The Expansion project of CTC has been approved by Hon'ble Commerce and Industry Minister as recommended by SFC, Department of Commerce, New Delhi vide letter No.2(2)/2017-TP section dated 21.08.2018. Subsequently the revised sourcing of funds was decided as Rs. 120 crores from internal accruals, Rs. 20 crores from TIES grant, Government of India and Rs.149 crores term loan from Financial Institution, totalling Rs. 289 crores.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

33.10 **International Amusement Limited (IAL)– Appu Ghar**

International Amusement Limited (IAL)– Appu Ghar, an ex-licensee of space in Pragati Maidan vide agreement dated 04.01.2018, was to pay ITPO an amount of Rs 1032.94 lakhs out of which Rs 100 lakhs was paid upfront on 1.5.2018 and balance amount of Rs 932.94 lakh was to be paid in 4 equal quarterly installments of Rs 233 lakhs each. However, IAL defaulted on the payments of quarterly installments and has paid only Rs 100 lakhs on 1.11.2018.

On default, the Company persued the matter with Estate Officer Pragati Maidan. The Estate Officer vide order dated 19th February 2019 allowed ITPO to take legal course to recover its dues by invoking corporate guarantee and personal guarantee submitted by IAL at the time of agreement. The order also allowed recovery from IAL to be made under Public Premises Act, 1971. Accordingly, the Company has approached the concerned Revenue authority for the implementation of order.

Consequently, warrant for attachment of property of IAL under Land Reforms Act, 2013 have been issued against IAL by concerned Revenue Authority on 3.5.2019. IAL has since deposited Rs 60.00 lakhs with the Company during 2019-20. Thus total amount of Rs 260.00 lakhs has been recovered from IAL.

As per Ind AS 115, the amount of Rs 200 lakhs received during 2018-19 and further amount of Rs 60.00 lakhs, received subsequently, has been adjusted against debt of IAL and reversed the Provision for Doubtful Debts of Rs 260 lakhs. Interest on delayed payments as per agreement has not been accounted for in accordance with Ind AS 115 as the realisation of the same considered uncertain.

33.11 **LEASES**

The Holding Company, ITPO's significant leasing arrangements are in respect of operating leases relating to its leased office premises and properties. These lease arrangements which are cancellable, are generally renewable by mutual consent. The aggregate lease rental income and lease rent paid are disclosed in Note 28 and 31 respectively.

33.12 **Employee Benefit disclosure**

General description of various defined employee benefit schemes are as under:-

I **Defined Contribution Plans**

Provident Fund

The Company pays its contribution relating to the Provident Fund of its employees, at the prescribed rates to the ITPO Employees' Contributory Provident Fund Trust which invests the funds in permitted securities. The contribution for the year is recognized as expense and is charged to the Statement of Income and Expenditure. The Company is also under obligation to make good the shortfall of the trust, if any, and recognizes such shortfall as its expense.

The Group Company (TNTPO) pays its contribution relating to the Provident Fund of its employees, at the prescribed rates to the EPFO. The contribution for the year is recognized as expense and is charged to the Statement of Income and Expenditure.

The Group Company (KTPO) is not registered under PF Act, as the same is presently not applicable to the organisation.

Pension Fund

The Company is under obligation to contribute specified amounts towards the Superannuation benefit of the employees to the ITPO Employees Defined Contribution Superannuation Trust. The contribution for the year is recognized as expense and is charged to the Statement of Income and Expenditure. The Company is also under obligation to make good the shortfall of the trust, if any, and recognizes such shortfall as its expense.

Expense charged to the Statement of Income & Expenditure as employer's contribution to these funds during the year is as under:

(Rs. in Lakhs)

	2018-19	**2017-18**
Employer's contribution towards Provident Fund	626.57	571.30
Employer's contribution towards Pension Fund	353.84	451.65
	980.41	**1,022.95**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

II. Defined Benefits Plans

Gratuity

The Company has a defined benefit gratuity scheme. The Scheme is funded. A separate ITPO Employees Gratuity Fund Trust manages the affairs of the trust. The funds of the trust are managed by LIC. It is recognized in the books of the Company on the basis of actuarial valuation. Every employee who has rendered continuous service of 5 years or more is entitled to get gratuity at the rate of 15 days salary [15/26 x (last drawn basic salary + dearness allowance)] for each completed year of service, as per rules of the Company/ DPE guidelines on the subject.

i. Expenses recognized in the statement of Income and Expenditure **(Rs. in Lakhs)**

	2018-19	2017-18
Interest cost	131.30	114.20
Current service cost	207.63	224.21
Expenses recognised in the Statement of Income & Expenditure Account	**338.93**	**338.41**
Actuarial gain/ (loss) for the year	7.08	5.05
Gain/ (Loss) due to Change in Demographic Assumption	(0.87)	4.83
Gain/ (Loss) due to Change in Financial Assumption	(17.35)	(110.76)
Gain/ (Loss) due to Change in Experience Adjustment	(260.30)	112.52
OCI recognized for the year	**(271.44)**	**11.64**

ii. The amount recognized in the Balance Sheet **(Rs. in Lakhs)**

	As at March 31, 2019	As at March 31, 2018
Present value of the obligation at end of the year	6,092.48	6,288.31
Fair value of plan assets at end of period	5,480.95	4,558.72
Net liability/(assets) recognised in Balance Sheet and related analysis	**611.53**	**1,729.59**
Funded/ (unfunded) Status	(611.53)	(1,729.59)

iii. Changes in the Present Value of Obligations: **(Rs. in Lakhs)**

	2018-19	2017-18
Present value of the obligation at the beginning of the period	6,288.31	5,932.97
Difference in Opening	-	30.76
Acquisition in	-	11.51
Interest cost	477.91	421.09
Current service cost	207.63	224.21
Benefits paid (if any)	(1,159.94)	(325.70)
Actuarial (gain)/loss	278.57	(6.53)
Present value of the obligation at the end of the year	**6,092.48**	**6,288.31**

iv. Maturity Profile: **(Rs. in Lakhs)**

Year	As at March 31, 2019	As at March 31, 2018
0 to 1 Year	1188.06	1,033.68
1 to 2 Year	7.06	869.60
2 to 3 Year	68.89	524.25
3 to 4 Year	496.85	426.13
4 to 5 Year	486.05	458.94
5 to 6 Year	257.53	478.94
6 Year onwards	2289.94	2,495.63

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

v. Sensitivity Analysis of the defined benefit obligation: (Rs. in Lakhs)

	2018-19
a) Impact of the change in discount rate	
Present Value of Obligation at the end of the period	6,092.48
a) Impact due to increase of 0.50 %	(145.54)
b) Impact due to decrease of 0.50 %	152.08
b) Impact of the change in salary increase	
Present Value of Obligation at the end of the period	6,092.48
a) Impact due to increase of 0.50 %	131.23
b) Impact due to decrease of 0.50 %	(195.03)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

vi. The assumptions employed for the calculations are tabulated below:

	As at March 31, 2019	As at March 31, 2018
Discount rate##	7.53% per annum	7.60% per annum
Salary Growth Rate###	6.00% per annum	6.00% per annum
Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Withdrawal rate (Per Annum)	2.00% per annum	2.00% per annum

Note:

The Discount rate taken by TNTPO for actuarial valuation of gratuity is 7.26% and 7.59% for 31.03.2019 and 31.03.2018 respectively.

The Salary Growth Rate taken by TNTPO for actuarial valuations above is 8.00% and 8.00% for 31.03.2019 and 31.03.2018 respectively.

vii. Expected contribution for the next Annual reporting period

	2018-19	2017-18
Service Cost	**217.07**	**232.89**
Net Interest Cost	**45.78**	**131.07**
Expected Expense for the next annual reporting period	**262.85**	**363.96**

viii. Major categories of plan assets (as percentage of total plan assets)

	As at March 31, 2019	As at March 31, 2018
Funds Managed by Insurer	**100%**	**100%**
Total	**100%**	**100%**

ix. Change in Fair Value of Plan Assets

	As at March 31, 2019	As at March 31, 2018
Fair value of plan assets at the beginning of the period	4,544.59	4,278.51
Interest Income on Plan Assets	1.34	1.04
Difference in Opening Fund	-	54.99
Actual return on plan assets	362.84	320.70
Less- FMC Charges	(10.44)	(9.75)
Employer contribution	1,728.44	226.55
Benefits paid	-	30.76
Fair value of plan assets at the end of the period	**6,626.77**	**4,902.80**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

III. Other Long Term Employee Benefits

Leave Encashment

The scheme of leave encashment is unfunded. It is recognized in the books of the Company on the basis of actuarial valuation. The encashment of Earned Leave (EL) and Half-Pay Leave (HPL) benefits to the employees of the Company accrue annually at the rate of 30 days and 20 days respectively. While in service, EL is encashable subject to a maximum of 60 days once in a calendar year leaving minimum balance of 30 days. However, employees within one year of their superannuation are allowed encashment of EL twice in a calendar year subject to the proviso that 30 days EL should be in credit at all times. EL is also encashable subject to a maximum of 300 days on superannuation / death / resignation etc. HPL is encashable only on superannuation / death / resignation etc. up to a maximum of 300 days as per the Rules of the Company. An overall ceiling of encashment of EL and HPL for 300 days is prescribed at the time of superannuation / death / resignation, etc. It is recognized in the books of the Group on the basis of actuarial valuation except in the case of the Jointly Controlled Entity (NCTI) which recognises the leave encashment expenditure on rational method basis. In case of Group Company (KTPO), there is no liability on account of Leave Salary and Gratuity, since its employees are on deputation from Government of Karnataka. In respect of deputationists, leave salary and pension contribution are provided and charged to Income & Expenditure Account.

i. Expenses recognized in the Statement of Income and Expenditure **(Rs. In Lakh)**

	2018-19	2017-18
Interest cost	195.09	191.72
Current service cost	105.80	103.78
Net actuarial (gain)/loss recognised in the period	163.26	171.49
Expenses recognised in the Statement of Income and Expenditure	**464.15**	**466.99**

ii. The amount recognized in the Balance Sheet **(Rs. in Lakhs)**

	As at March 31, 2019	As at March 31, 2018
Present value of the obligation at end of the year	2,478.70	2,566.91
Net liability/(assets) recognised in Balance Sheet and related analysis	2,478.70	2,566.91
Unfunded Status	(2,478.70)	(2,566.91)

iii. Changes in the Present Value of Obligations: **(Rs. in Lakhs)**

	2018-19	2017-18
Present value of the obligation at the beginning of the period	2566.91	2715.28
Acquisition in		4.77
Interest cost	195.09	191.72
Current service cost	105.80	103.78
Benefits paid (if any)	(552.36)	(620.13)
Actuarial (gain)/loss	163.26	171.49
Present value of the obligatiaon at the end of the year	**2,478.70**	**2,566.91**

iv. Maturity Profile: **(Rs. in Lakhs)**

Year	As at March 31, 2019	As at March 31, 2018
0 to 1 Year	435.64	366.12
1 to 2 Year	57.25	355.62
2 to 3 Year	228.79	233.56
3 to 4 Year	295.60	284.25
4 to 5 Year	212.72	204.58
5 to 6 Year	249.89	228.22
6 Year onwards	999.05	890.69

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

	v. Sensitivity Analysis of the defined benefit obligation:		
			2018-19
	a) Impact of the change in discount rate		
	Present Value of Obligation at the end of the period		2,478.69
	a) Impact due to increase of 0.50 %		(56.15)
	b) Impact due to decrease of 0.50 %		58.73
	b) Impact of the change in salary increase		
	Present Value of Obligation at the end of the period		2,478.69
	a) Impact due to increase of 0.50 %		59.31
	b) Impact due to decrease of 0.50 %		(57.20)
	vi. The assumptions employed for the calculations are tabulated below:		
		As at March 31, 2019	**As at March 31, 2018**
	Discount rate##	7.53% per annum	7.60% per annum
	Salary Growth Rate	6.00% per annum	6.00% per annum
	Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
	Withdrawal rate (Per Annum)	2.00% per annum	2.00% per annum
	## The Discount rate taken by TNTPO for actuarial valuation of leave encashment is 7.17% and 7.63% for 31.03.2019 and 31.03.2018 respectively.		
	### The salary Growth Rate taken by TNTPO for actuarial valuation of leave encashment is 8% per annum.		
	#### The Withdrawal rate taken by TNTPO for actuarial valuation of leave encashment is 2.00% per annum.		
	vii. Bifurcation of PBO at the end of year in current and non current		(Rs. in Lakhs)
		2018-19	**2017-18**
	Current liability (Amount due within one year)	435.60	**366.12**
	Non-Current liability (Amount due over one year)	2,043.10	**2,200.79**
	Total PBO at the end of year	**2,478.70**	**2,566.91**
33.13	**EARNINGS PER SHARE**		
		As at March 31, 2019	**As at March 31, 2018**
	Surplus for the year (Rs. in lakhs)	9,855.77	16,124.04
	Equity shares (Nos.)	25,000.00	25,000.00
	Nominal value per share (Rs.)	100.00	100.00
	Earnings per share (Basic/ Diluted) (Rs. in lakhs)	0.39	0.64

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

33.14 RELATED PARTY DISCLOSURES

(a) LIST OF RELATED PARTIES

Name of Related Parties	Principal Place of Operation	Nature of relationship
ITPO Employess Provident Fund Trust	India	Post -Employment Benefit Plan of ITPO
ITPO Employess Gratituty Fund Trust	India	Post -Employment Benefit Plan of ITPO
ITPO Employees Defined Contribution Superannuation Trust	India	Post -Employment Benefit Plan of ITPO
Tamilnadu Industrial Development Corporation Ltd (TIDCO)	India	Co-promoter of Subsidiary Company- TNTPO
Karnataka Industrial Area Development Board (KIADB)	India	Co-promoter of Subsidiary Company- KTPO

(Rs. In lakhs)

		2018-19	2017-18
(b)	**TRANSACTIONS WITH RELATED PARTIES**	**2018-19**	**2017-18**
	ITPO Employees Provident Fund Trust		
	Contribution by the Company	2,132.09	1,913.20
	ITPO Employees Gratuity Fund Trust		
	Contribution by the Company	1,724.56	215.70
	ITPO Employees Defined Contribution Superannuation Trust		
	Contribution by the Company	1,166.71	2,294.65
	Karnataka Industrial Area Development Board (KIADB)		
	Due for services	5.00	5.00
(c)	**OUTSTANDING BALANCES WITH RELATED PARTIES**		**(Rs. In lakhs)**
	Particulars	**31.03.2019**	**31.03.2018**
(i)	**Payable by Company**		
	ITPO Employees Provident Fund Trust	12.53	15.76
	ITPO Employees Gratuity Fund Trust	608.02	1,724.56
	Karnataka Industrial Area Development Board-Co-Promoter	0.01	605.00
(ii)	**Receivable by Company**		
	ITPO Employees Defined Contribution Superannuation Trust	-	0.01
	Karnataka Industrial Area Development Board-Co-Promoter	86.42	81.43

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

(d)	**KEY MANAGEMENT PERSONNEL**	
	Name	**Position held**
	Sh. L C Goyal	Chairman & Managing Director
	Sh. Deepak Kumar (till 18.06.2019)	Executive Director
	Sh. Rajneesh (w.e.f. 25.06.2019 till 27.08.2019)	Executive Director
	Sh. Rajesh Agrawal (w.e.f. 28.08.2019)	Executive Director
	Dr. Subhash Chandra Pandey (till 30.06.2019)	Nominee Director
	Sh. Sanjay Chadha (till 09.12.2018)	Nominee Director
	Sh. Manoj K. Bharti (w.e.f. 24.12.2018 till 30.06.2019)	Nominee Director
	Ms. Alka Nangia Arora	Nominee Director
	Sh. Vinod k. Jacob (till 23.12.2018)	Nominee Director
	Sh. Praveen Bonigala (w.e.f. 10.12.2018 till 21.06.2019)	Nominee Director
	Sh. Shashank Priya (w.e.f. 28.08.2019)	Nominee Director
	Shri P. Harish (w.e.f. 01.07.2019)	Nominee Director
	Smt. Nidhi Mani Tripathi (w.e.f. 28.08.2019)	Nominee Director
	Sh. P N Vijay (till 09.06.2019)	Independent Director
	Sh. D M Sharma	CFO
	Sh. S R Sahoo	Company Secretary
	Group Company- Tamilnadu Trade Promotion Organisation	
	V.R.Subbulaxmi	Managing Director
	Group Company- Karnataka Trade Promotion Organisation	
	Sh. T Halaswamy	Managing Director
	Dr. Veeranna S.H.	Managing Director
	Note: Related Parties and their relationship is as identified by the Company	

(e)	**COMPENSATION FOR KEY MANAGEMENT PERSONNEL**				
	Name Of Person	**Designation**	**Salary & Allowances**	**Perks**	**Total Renumeration**
					(Rs. In lakhs)
					2018-19
	Holding Company- India Trade Promotion Organisation				
1	Sh. L C Goyal	Chairman & Managing Director	23.36	25.67	49.02
2	Sh. Deepak Kumar	Executive Director	29.28	1.39	30.66
3	Sh. P N Vijay- Sitting Fees of Rs. 2.40 lakh (Refer Note 31)	Independent Director	-	-	-
4	Sh. D M Sharma	CFO	31.07	-	31.07
5	Sh. S R Sahoo	Company Secretary	25.00	-	25.00
	Group Company- Tamilnadu Trade Promotion Organisation				
1	V.R.Subbulaxmi	Managing Director	14.83	-	14.83
	Group Company- Karnataka Trade Promotion Organisation				
1	Sh. T Halaswamy	Managing Director	-	-	-
2	Dr. Veeranna S.H	Managing Director	19.11	-	19.11

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

					(Rs. In lakhs)
	Name Of Person	**Designation**	**Salary & Allowances**	**Perks**	**Total Renumeration**
					2017-18
	Holding Company- India Trade Promotion Organisation				
1	Sh. L C Goyal	Chairman & Managing Director	14.14	9.60	23.74
2	Sh. Deepak Kumar	Executive Director	22.64	0.95	23.59
3	Sh. P N Vijay- Sitting Fees of Rs. 2.20 lakh (Refer Note 31)	Independent Director	-	-	-
4	Sh. D M Sharma	CFO	25.09	-	25.09
5	Sh. S R Sahoo	Company Secretary	19.83	0.01	19.84
	Group Company- Tamilnadu Trade Promotion Organisation				
1	Sh. S Visakan	Managing Director	14.69	0.35	15.04
	Group Company- Karnataka Trade Promotion Organisation				
1	Sh. T Halaswamy	Managing Director	5.55	-	5.55
2	Dr. Veeranna S.H	Managing Director	8.22	-	8.22

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

33.15 CORPORATE SOCIAL RESPONSIBILITY

(i) Holding Company

As per section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been constituted by the Company. The amount of Rs. 312.01 lakhs is payable towards CSR expenses based on average net profit (calculated as per section 198 of the Companies Act, 2013) of the preceeding three financial years. The details of the amount spent/pending to be spent during the year is as under:

b) Amount spent during the year :

(Rs. in lakhs)

	Amount spent in cash during the year ended 31 March, 2019	Amount yet to be paid in cash as at 31 March, 2019	Total Amount
- Gross amount lying pending for the earlier year as at 01.04.2018			**356.39**
- Gross amount required to be spent during the year			**312.01**
- Amount spent during the year			
a. Construction/ acquisition of assets	-	-	**-**
b. Contribution to various Government departments/NGO/Trust etc. for the following social sectors:			
- Sanitation		100.00	**100.00**
- Education		25.00	**25.00**
- Social Welfare	7.25	61.80	**69.05**
- Solar Energy		233.00	**233.00**
- Plantation		10.00	**10.00**
	7.25	**429.80**	**437.05**
- Gross amount lying pending (including for the earlier year) as at 31.3.2019			**231.35**

(ii) Tamil Nadu Trade Promotion Organisation (TNTPO):

Section 135 of the Companies Act, 2013 and Rules made thereunder prescribe that every company having a net worth of Rs. 500 crores or more, or turnover of Rs. 1,000 crore or more or a net profit of Rs. 5 crores or more during any financial year shall ensure that the company spends, in every financial year, at least 2% of the average net profits made during the three immediately preceeding financial years, in pursuance of its Corporate Social Responsibility Policy. The provisions pertaining to corporate social responsibility as prescribed under the Companies Act, 2013 applicable to Tamilnadu Trade Promotion Organisation, a Section 8 Company and Central Public sector Enterprise. The financial details as sought by the Companies Act,2013 are as follows:

(Rs. in Lakh)

Particulars	**Total**
Average net profit of the Company for last three financial years	2,821.54
Prescribed CSR expenditure (2% of the average net profit as computed above)	56.43
Details of CSR expenditure during the financial year:	
Total Amount to be spent for the financial year (As per the Board approval)	56.43
Amount Spent for the year 2017-18	56.38
Amount Unspent for 2016-17	Nil

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

(iii) Kartnataka Trade Promotion Organisation (KTPO):

Section 135 of the Companies Act, 2013 and Rules made there under prescribe that every company having a net worth of Rs. 500 crore or more, or turnover of Rs. 1,000 crore or more or a net profit of Rs.5 crores or more during any financial year shall ensure that the company spends, in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The provisions pertaining to corporate social responsibility as prescribed under the Companies Act, 2013 applicable to Karnataka Trade Promotion Organisation, a Section 8 Company and Central Public sector Enterprise. The financial details as sought by the Companies Act,2013 are as follows:

(Rs. in Lakh)

Particulars	**KTPO**
	Amount in Rs.
Average net profit of the Company for last three financial years	475.40
Prescribed CSR expenditure (2% of the average net profit as computed above)	9.51
Details of CSR expenditure during the financial year:	
Amount committed for expenditure for the year 2018-19	30.00
Amount Unspent for the year 2017-18	6.94
Amount unspent for 2016-17	8.52
Amount Unspent for 2015-16	8.82
Amount Unspent for 2014-15	6.81

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

33.16 Financial Instruments - Fair Values Measurement and Financial Risk Management

I Fair Value Measurements

(Rs. in Lakhs)

A. Financial Instruments by Category

	As at 31 March 2019		As at 31 March 2018	
	FVTPL	**Amortised Cost**	**FVTPL**	**Amortised Cost**
Financial Assets				
Non-current assets				
Loans	-	449.60	-	521.22
Current assets				
Investments	80.33	-	78.75	-
Trade receivables	-	950.42	-	936.18
Cash and Cash Equivalents	-	8,059.56	-	4,059.02
Bank Balances other than Cash and Cash Equivalents	-	68,077.15	-	116,112.64
Loans	-	1,642.72	-	2,189.18
Other Financial assets	-	6,213.76	-	31,383.30
	80.33	**85,393.21**	**78.75**	**155,201.54**
Financial Liabilities				
Current Liabilities				
Borrowings	-	-	-	605.00
Trade Payables	-	1,959.00	-	1,898.12
Other Financial Liabilities	-	3,836.90	-	4,099.37
	-	**5,795.90**	**-**	**6,602.49**

B. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:
(a) recognised and measured at fair value and
(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:
Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all 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).

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescibed under the accounting standard. An explanation of each level is given in the table below.

Financial assets and liabilities measured at fair value-recurring fair value measurements

(Rs. in Lakhs)

	As at 31 March 2019			As at 31 March 2018		
	Level 1	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Financial Assets						
Financial Investments at FVTPL						
Investments						
Mutual Funds	80.33	-	-	78.75		
Total Financial Assets	**80.33**	**-**	**-**	**78.75**	**-**	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed						(Rs. in Lakhs)
	As at 31 March 2019			As at 31 March 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Non-current assets						
Loans	-	-	449.60	-	-	521.22
Current assets						
a) Trade Receivables	-	-	950.42	-	-	936.18
b) Cash and Cash Equivalents	-	-	8,059.56	-	-	4,059.02
c) Bank Balances other than Cash and Cash Equivalents	-	-	68,077.15	-	-	116,112.64
d) Loans	-	-	1,642.72	-	-	2,189.18
e) Other Financial assets	-	-	6,213.76	-	-	31,383.30
Total Financial Assets	**-**	**-**	**85,393.21**	**-**	**-**	**155,201.54**
Financial Liabilities						
Current Liabilities						
Borrowing	-	-	-	-	-	605.00
Trade Payables	-	-	1,959.00	-	-	1,898.12
Other Financial Liabilities	-	-	3,836.90	-	-	4,099.37
Total Financial Liabilities	**-**	**-**	**5,795.90**	-	-	**6,602.49**

C. Fair Value of financial assets and liabilites measured at amortised cost: **(Rs. in Lakhs)**

			As at 31 March 2019		As at 31 March 2018	
			Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets						
Non-current assets						
Loans			449.60	449.60	521.22	521.22
Current assets						
a) Trade Receivables			950.42	950.42	936.18	936.18
b) Cash and Cash Equivalents			8,059.56	8,059.56	4,059.02	4,059.02
c) Bank Balances other than Cash and Cash Equivalents			68,077.15	68,077.15	116,112.64	116,112.64
d) Loans			1,642.72	1,642.72	2,189.18	2,189.18
e) Other Financial assets			6,213.76	6,213.76	31,383.30	31,383.30
			85,393.21	**85,393.21**	**155,201.54**	**155,201.54**
Financial Liabilities						
Current Liabilities						
Borrowing			-	-	605.00	605.00
Trade Payables			1,959.00	1,959.00	1,898.12	1,898.12
Other Current Financial Liabilities			3,836.90	3,836.90	4,099.37	4,099.37
			5,795.90	**5,795.90**	**6,602.49**	**6,602.49**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances, other current financial assets and liabilities are considered to be the same as their fair value, due to their short term nature.

The fair value of loans were calulated based on cash flows using MCLR/ base rate of SBI. They are classified as level 3 fair values in their fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

II Financial risk management

The Company's principal financial liabilities comprise trade and other payables. The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also holds investment in mutual funds. The Company's activities expose it to some of the financial risks: market risk, credit risk and liquidity risk.

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 comprises Foreign Currency Risk and Interest rate risk. Financial instruments affected by market risk includes trade receivables and trade payables.

(i) Foreign Currency Risk

The company operated internationally and is exposed to insignificant foreign currency risk arrising from foreign currency transactions, Company does not hedge any foreign currency risk for foreign currency transactions.

(Rs. In Lakhs)

Forign Currency (FC)	Note no.	Currency Symbol	As at 31st March, 2019		As at 31st March, 2018	
			FC	INR	FC	INR
Assets						
CASH & CASH EQUIVALENTS	12					
Balances with Banks- Current & Savings account						
Yen		¥	7.9215	5.01	7.9215	4.77
United States Dollar		$	0.0605	4.21	0.0605	3.89
Cash on Hand						
Euro		€	-	-	0.0307	2.41
Yen		¥	-	-	1.6887	1.02
United States Dollar		$	0.0691	4.89	0.0194	1.25
Russian Ruble		₽	0.0016	0.00	-	-
Turkish Lira		₺	0.0148	0.18	-	-
OTHER CURRENT ASSETS	16					
Advances to vendors (Unsecured)						
Yen		¥	35.7991	22.07	12.9895	7.82
Euro		€	0.0423	3.25	2.6355	207.59
Euro		€	0.0020	0.15	0.0668	5.26
United States Dollar		$	0.1832	12.60	1.0606	68.20
United States Dollar		$	0.5950	40.92	0.0500	3.22
Deutche Mark		DEM	-	-	0.0438	2.98
Sundry Deposits (Unsecured)						
United States Dollar		$	-	-	0.0141	0.91
Malaysian Ringgit		MYR	-	-	0.0035	0.06
Liabilities						
TRADE PAYABLES	23					
Euro		€	0.0070	0.55	1.1776	94.79
Yen		¥	67.6306	42.81	-	-
Net Assets (in INR)				**49.92**		**214.59**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

ii) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate. The company manages its interest risk in accordance with the companies policies and risk objective. Financial instruments affected by interest rate risk inludes deposits with banks and Inter coporate deposits with NBFC's etc. Interest rate risk on these financial instruments are very low as interest rate is fixed for the period of financial instruments.

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

(i) Provision for Expected Credit Losses

As at 31st March 2019

a) Expected Credit Loss for Trade Receivables under simplified Approach

Ageing	**< 6 M**	**> 6 < 12**	**> 12 < 24**	**> 24 < 36**	**> 36**	**Total**
Gross Carying Amount	707.18	30.90	102.48	60.96	1,150.60	2,052.12
Expected Credit rate	1.52%	0.00%	4.69%	18.09%	93.44%	53.69%
Expected Credit losses (Loss provision Allowance)	(10.76)	-	(4.80)	(11.03)	(1,075.11)	(1,101.70)
Gross Carying Amount of Trade Receivables	**717.94**	**30.90**	**97.68**	**49.93**	**75.49**	**950.42**

b) Expected Credit Loss for loans and investments

Particulars		**Assets Group**	**Carrying Value**	**Expected Probability of Default**	**Expected credit Loss**	**Carying Amount Net of Expected credit Loss**
Loss allowance measured at Life Time ECL	Financial assets for which credit risk has increased and not credit impaired	Grant Recoverable from Government of India	911.34	0.11%	1.00	910.34
		Due in Respect of Deposit Work	91.75	100.00%	91.75	-
			1,003.09	**9.25%**	**92.75**	**910.34**

As at 31st March 2018

a) Expected Credit Loss for Trade Receivables under simplified Approach

Ageing	**< 6 M**	**> 6 < 12**	**> 12 < 24**	**> 24 < 36**	**> 36**	**Total**
Gross Carying Amount	543.21	63.72	132.47	79.43	1,365.84	2,184.67
Expected Credit rate	0.00%	0.00%	1.94%	0.00%	91.22%	57.15%
Expected Credit losses (Loss provision Allowance)			(2.57)		(1,245.92)	(1,248.49)
Gross Carying Amount of Trade Receivables	**543.21**	**63.72**	**129.90**	**79.43**	**119.92**	**936.18**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

b) Expected Credit Loss for loans and investments

Particulars		Assets Group	Carrying Value	Expected Probability of Default	Expected credit Loss	Carying Amount Net of Expected credit Loss
Loss allowance measured at Life Time ECL	Financial assets for which credit risk has increased and not credit impaired	Grant Recoverable from Government of India	732.82	2.93%	21.47	711.35
		Due in Respect of Deposit Work	91.75	45.48%	41.73	50.02
			824.57	**7.66%**	**63.20**	**761.37**

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to settle or meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Company's finance division is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The working capital position of the Company is given below:

Particulars	As at 31-03-19		As at 31-03-18	
i) Financial Assets				
a) Investments	80.33		78.75	
b) Trade Receivables	950.42		936.18	
c) Cash and Cash Equivalents	8,059.56		4,059.02	
d) Bank Balances other than Cash and Cash Equivalents	68,077.15		116,112.64	
e) Loans	1,642.72		2,189.18	
f) Other Financial assets	6,213.76	**85,023.94**	31,383.30	**154,759.07**
ii) Financial Liabilities				
a) Borrowings	-		605.00	
b) Trade Payables	1,959.00		1,898.12	
c) Other Financial Liabilities	3,836.90	**5,795.90**	4,099.37	**6,602.49**
Net Working Capital		**79,228.04**		**148,156.58**

33.17 Capital Management

For the purpose of the Group company's capital management, capital includes issued equity capital, capital grant from Government of India treated as other equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

33.18 Segment reporting for the year ended 31st March 2019

The operating segments are identified on the basis of internal reports used by the Company's Management to allocate resources and assess their performance for decision making. The Board of Directors is collectively the Company's "Chief Operating Decision Maker" (CODM) within the meaning of Ind AS 108.

(Rs. In Lakhs)

	Trade promotion activities in India	Trade promotion activities Abroad	Unallocated	Total
Revenue-External	20,610.71	3,183.51	2,687.26	26,481.48
	(26916.65)	(4092.52)	(335.18)	(31344.35)
Inter-segment	-	-	-	-
Total Expenses	16,210.55	5,067.80	1,716.40	22,994.75
	(15871.5)	(5463.56)	(2964.90)	(24299.97)
Segment result	4,400.16	-1,884.29	970.86	3,486.73
	(11045.15)	(1,371.04)	(2,629.71)	(7044.38)
Interest/Dividend income	-	-	8,056.01	8,056.01
	-	-	(11557.50)	(11557.50)
Surplus before taxation	-	-	-	**11,542.74**
	-	-	-	(18601.88)
Excess of income over expenditure	-	-	-	**11,542.74**
	-	-	-	(18601.88)
Other information				
Investment in Joint Ventures & Associates	308.94	-	-	308.94
	(152.58)	-	-	(152.58)
Segment assets	196,082.92	1,091.81	67,897.66	265,072.39
	(84880.89)	(1066.40)	(170206.43)	(256153.72)
Segment liabilities	32,809.59	146.81	7,295.85	40,252.25
	(29868.44)	(594.67)	(11234.57)	(41697.68)
Capital expenditure	105,736.04	-	-	105,736.04
	(30390.50)	-	-	(30390.50)
Depreciation & Amortisation	652.44	-	-	652.44
	(838.44)	-	-	(838.44)

NOTE:

(a) The unallocated expenditure includes 10% of establishment and office expenses. The balance is apportioned among the segments on the basis of their respective revenues.

(b) The unallocated assets and liabilities include those which are not possible to be appropriately identified to a specific segment.

(c) Figures in brackets in the Segment Report relate to the previous year.

Information about major customers (from external customers)

The Company does not derive any revenue from external customers which amounts to 10 percent or more of the Company's revenues.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

33.19	Disclosure as per Schedule III to the Companies Act 2013								(Rs. In Lakhs)
	Name of the Entity in the Group	Net assets i.e. total assets minus total liabilities as at		Share in profit or loss for the year ended		Share in other comprehsenive income for the year ended		Share in total comprehensive income for the year ended	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
	Parent Company								
	India Trade Promotion Organisation								
	31st March 2019	83.91%	222,415.96	66.72%	7,877.85	99.10%	(270.58)	65.95%	7,607.27
	31st March 2018	84.99%	217,696.89	72.99%	13,568.67	60.73%	6.81	72.98%	13,575.48
	Subsidiary- Indian								
	Tamilnadu Trade Promotion Organisation								
	31st March 2019	5.54%	14,690.55	14.24%	1,682.32	0.16%	(0.44)	14.57%	1,681.87
	31st March 2018	5.06%	12,956.73	8.31%	1,544.00	21.98%	2.46	8.31%	1,546.46
	Karnataka Trade Promotion Organisation								
	31st March 2019	2.64%	7,007.76	3.03%	357.67	0.00%	-	3.10%	357.67
	31st March 2018	2.60%	6,651.25	5.51%	1,024.47	0.00%	-	5.51%	1,024.47
	Non -controlling Interest in all Subsidiaries								
	31st March 2019	7.79%	20,649.19	16.59%	1,959.99	0.16%	(0.43)	16.98%	1,959.56
	31st March 2018	7.30%	18,696.31	13.27%	2,466.63	21.11%	2.37	13.27%	2,469.00
	Joint Venture- Indian								
	National Centre for Trade Information								
	31st March 2019	0.03%	83.26	-0.57%	(67.75)	0.58%	(1.57)	-0.60%	(69.32)
	31st March 2018	0.06%	152.58	-0.07%	(13.10)	-3.82%	(0.43)	-0.07%	(13.53)
	Associate-Indian								
	Jammu & Kashmir Trade promotion Organisation								
	31st March 2019	0.09%	225.68	0.05%	5.68	0.00%	-	0.05%	5.68
	Total								
	31st March 2019	**100.00%**	**265,072.40**	**100.00%**	**11,815.76**	**100.00%**	**(273.02)**	**100.00%**	**11,542.74**
	31st March 2018	**100.00%**	**256,153.76**	**100.00%**	**18,590.67**	**100.00%**	**11.21**	**100.00%**	**18,601.88**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

33.20 TIDCO Matter in TNTPO

(a) The issue of treating the amount spent by promoters viz ITPO and TIDCO towards the Capital expenditure was considered as non-interest bearing long term borrowings and shown as Non-Current liabilities in the previous year Balance Sheet.

As per the 44th Board Meeting of TNTPO held on 03.12.2014 the above sub-ordinate loan of Rs.623.27 lakhs was to be repaid in 16 quarterly installments of Rs. 38.95 lakhs each to TIDCO towards repayment of land development and provision of infrastructure facilities w.e.f. 2014-15.

Likewise, ITPO spent Rs. 1,637.48 lakhs of which Rs. 1,206.39 lakhs was obtained from Central ASIDE Grant by ITPO. It was decided in the above said Board Meeting that the payment of Rs. 431.09 lakhs (which was invested by ITPO for setting up of exhibition Hall no. 1 & 2 after adjusting the Central ASIDE Grant) in 16 quarterly equal installments of Rs. 26.94 lakhs each to ITPO w.e.f. 2014 -15.

In accordance with the above, during the previous year 2017-18, TNTPO has paid Rs. 155.81 lakhs and Rs. 107.77 lakhs to TIDCO and ITPO respectively towards the repayment of interest free Sub-ordinate loan. There is no due to promoters in this regard as on 31st March-2019.

Lease:

(b) As per the MOU signed between India Trade Promotion Organisation (ITPO) and Tamilnadu Industrial Development Corporation Ltd. (TIDCO) dated 13.11.2000, TIDCO had to provide land and meet land development expenses and ITPO had to take care of construction of the Exhibition Centre. Land measuring 25.48 acres was allotted by Government of Tamil Nadu vide G.O.Ms.No.568, Revenue (LA (2)) Department dated 6.11.2000. As per the subsequent G.O. Ms.No.28 dated 03.02.2003 of the Government of Tamilnadu, TNTPO has to pay a lease rent of Rs.100 Lakhs per year from 2001-02 to the Government of Tamilnadu through TIDCO for the land handed over to TNTPO on a long term lease of 30 years. Accordingly, the Company has paid lease rent to the Government of Tamilnadu through TIDCO up to the financial year 2018-19. The lease deed in this respect remains to be executed between TNTPO and TIDCO.

Further, TNTPO has taken over the possession of 9.13 acres of additional land on 24.03.2016, vide letter No.8427/MIE-1/2015-3 Industries (MIE-1), department dated 04.03.2016 in order to expedite implementation of expansion project of Chennai Trade Centre. The lease rent for the above said additional land of 9.13 acres is yet to be fixed by the Government.

33.21 Reconciliation of Holding Company (ITPO) accounts with the Group Companies

			(Rs. In Lakhs)
(i)	**Particular**	**31st March 2019**	**31st March 2018**
	Excess Payable to TNTPO in the books of ITPO	2.76	-
	Total Excess liability	**2.76**	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

33.22 Disclosure as per Ind AS 112 'Disclosure of Interest in Other Entities'

a) Subsidiaries

The group's subsidiaries as at 31.3.2019 are set out below. Unless otherwise stated, they have equity share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting right held by the group.

Name of Entity	Place of Business/ Country of Incorporation	Ownership Interest held by the Group		Ownership Interest held by the Non Controlling Interests		Principal Activities
		31-03-19	31-03-18	31-03-19	31-03-18	
Karnataka Trade Promotion Organisation	India	51%	51%	49%	49%	Trade Promotion
Tamilnadu Trade Promotion Organisation	India	51%	51%	49%	49%	Trade Promotion

b) Summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amount disclosed for each subsidiary are before inter-company eliminations.

(Rs. In Lakhs)

Summarised Balance Sheet	Karnataka Trade Promotion Organisation		Tamilnadu Trade Promotion Organisation	
	31-03-19	31-03-18	31-03-19	31-03-18
Current Assets	11,012.56	12,125.77	25,494.84	22,602.36
Current Liabilities	201.08	1,531.14	1,208.87	999.85
Net Current Assets	10,811.48	10,594.63	24,285.97	21,602.51
Non Current Assets	2,926.96	2,444.76	4,757.49	3,948.04
Non Current Liabilities	-	-	35.08	29.70
Net Non Current Assets	2,926.96	2,444.76	4,722.42	3,918.34
Net Assets	13,738.44	13,039.39	29,008.38	25,520.85
Attributable to Non Controlling Interest	6,731.84	6,389.30	14,214.11	12,505.22

(Rs. In Lakhs)

Summarised Statement of Income & Expenditure	Karnataka Trade Promotion Organisation		Tamilnadu Trade Promotion Organisation	
	31-03-19	31-03-18	31-03-19	31-03-18
Revenue	1,049.76	1,127.72	5,724.50	4,755.94
Profit for the year	699.05	2,006.50	3,502.05	3,142.95
Other Comprehensive Income	-	-	(0.87)	4.83
Total Comprehensive Income	699.05	2,006.50	3,501.18	3,147.78
Attributable to Non Controlling Interest	342.53	983.19	1,715.58	1,542.41

Summarised Cash Flow	Karnataka Trade Promotion Organisation		Tamilnadu Trade Promotion Organisation	
	31-03-19	31-03-18	31-03-19	31-03-18
Cash flow from Operating Activities	(488.34)	(106.54)	1,329.33	1,486.58
Cash flow from Investing Activities	1,866.03	105.02	646.62	(3,477.65)
Cash flow from Financing Activities	(1,378.77)	-	65.50	989.78
Net increase/(decrease) in cash and cash equivalents	(1.07)	(1.52)	2,041.45	(1,001.29)

c) Interests in Joint Venture & Associates

(Rs. In Lakhs)

Name of Entity	Place of Business	Ownership Interest held by the Group		Accounting Method	Carrying Amount	
		31-03-19	31-03-18		31-03-19	31-03-18
National Centre For Trade Information	India	50%	50%	Equity Method	83.26	152.58
Jammu and Kashmir Trade Promotion Organisation	India	44%	-	Equity Method	225.90	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

d) Individually Immaterial Joint Venture

Financial Information regarding group's interest in individually immaterial joint ventures that is accounted for using the equity method is as below:

		(Rs. In Lakhs)
Particulars	**31-03-19**	**31-03-18**
Aggregate carrying amount of individually immaterial joint venture	83.26	152.58

Particulars	**31-03-19**	**31-03-18**
Aggregate amount of Group's share of:		
Profit for the year	(67.75)	(122.08)
Other comprehensive Income	(1.57)	(3.14)
Total Comprehensive Income	(69.32)	(125.23)

Vide 84th Board Meeting of NCTI held on 7th July'17, it has been decided that the winding up formalities may be initiated and communicated to both the promoters and the Department of Commerce for seeking necessary approvals at their end.

e) Associates

		(Rs. In Lakhs)
Particulars	**31-03-19**	**31-03-18**
Aggregate carrying amount of investments in Associates	225.90	-

Particulars	**31-03-19**	**31-03-18**
Aggregate amount of Group's share of:		
Profit for the year	5.68	-
Other comprehensive Income	0.00	-
Total Comprehensive Income	5.68	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

33.23 Prior Period Adjustments

			(Rs in Lakhs)
Particulars	**Nature of error**		**Amount**
Opening Retained Earning as on 01.04.2017			**191,607.34**
Adjustments			**(111.82)**
Restated Opening Retained Earning as on 01.04.2017			**191,495.52**
Restated Excess of Income over expenditure for the period from continuing operations for year ended 2017-18			18,601.88
Less: Transfer to Non-Controlling Interest			(2,469.00)
Add: Transfer from Capital Reserve			5,270.84
Restated Opening Retained Earnings as on 31.3.2018			**212,899.24**
Restated Excess of Income over expenditure for the year ended 31-03-2018			**(Rs in Lakhs)**
Particulars	**Nature of error**		**For Year ended 31st March 2018**
Impact on statement in Income & Expenditure (increase/(decrease) in total Comprehensive income			
Excess of Income over expenditure for the period from continuing operations			18,622.23
EMPLOYEES' BENEFITS EXPENSE			
Leave Encashment	omission	(2.11)	
Medical expenses	omission	(1.15)	
			(3.26)
OTHER EXPENSES			
Depreciation	omission	1.50	
Advertisement	omission	(0.12)	
Rates & Taxes	omission	1.21	
Publicity	omission	(4.30)	
Construction & Interior Decoration	omission	(3.26)	
Travelling & Conveyance	omission	(8.04)	
Entertainment	omission	2.00	
Commission	omission	(5.93)	
Repairs, Renewals & Maintenance	omission	(0.15)	
			(17.09)
Net Impact on Income & expenditure			**(20.35)**
Restated Excess of Income over expenditure for the period from continuing operations			**18,601.88**
Impact of Prior period errors on equity and EPS			**(Rs in Lakhs)**
Particulars		**As at 31st March 2019**	**As at 31st March 2018**
Impact on equity (increase/(decrease) in equity)			
Other Current Assets		5.20	
Other Payables		(27.05)	-
Property, Plant & Equipment		1.50	
Net Impact on Equity		**(20.35)**	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

	Impact on basic and diluted earnings per share (EPS) (increase/(decrease) in EPS)	
	Particulars	**For Year ended 31st March 2018**
	Earnings per share for continuing operation	
	Basic, profit from continuing operations attributable to equity holders	(0.00)
	Diluted, profit from continuing operations attributable to equity holders	(0.00)
33.24	**PREVIOUS YEAR FIGURES**	
	Previous year's figures have been regrouped/ rearranged/ recast, wherever considered necessary, to correspond with the current year figures.	
33.25	The financial statements for the year ended March 31, 2019 were approved by the Board of Directors on 29th Aug. 2019.	

Sd/-
(S.R.Sahoo)
Company Secretary
M. No. F5595

Sd/-
(D.M.Sharma)
Chief Financial Officer
M. No. 084838

Sd/-
(Rajesh Agrawal)
Executive Director
PAN: ABZPA5327N

Sd/-
(L.C.Goyal)
Chairman & Managing Director
DIN: 02389348

As per our Report of even date attached
For S P Chopra & Co.
Chartered Accountants
Firm Regn. No. 000346N
Sd/-
Ankur Goyal
Partner
Membership No. 099143

Place: New Delhi
Dated: 29.08.2019

Swachhta Pakhwada Campaign under Swachh Bharat Mission

स्वच्छ भारत

एक कदम स्वच्छता की ओर

India Trade Promotion Organisation
Pragati Maidan, New Delhi-110001
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