आई टी पी ओ ITPO

India Trade Promotion Organisation

(A Government of India Enterprises)

ANNUAL REPORT 2020-21

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

AUTHENTICATED

44th Annual General Meeting of ITPO in Progress

Auditors

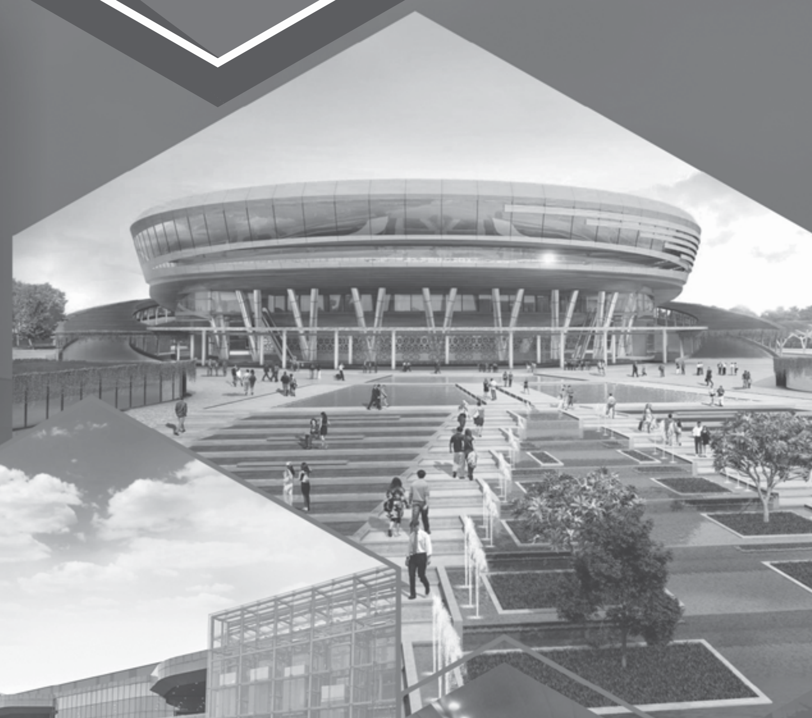
M/s S P Chopra & Co.
Chartered Accountants

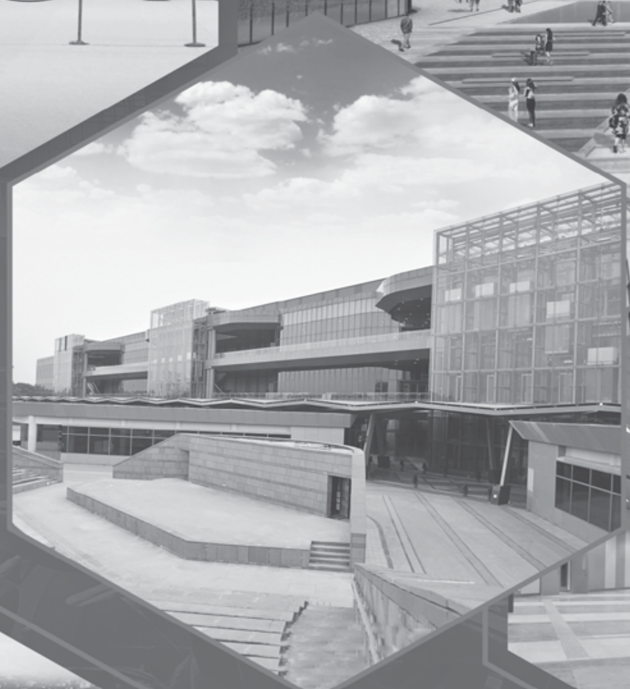
Main Bankers

Central Bank of India
Canara Bank
Union Bank of India

आई टी पी ओ
ITPO

44th ANNUAL REPORT 2020-21





INDIA TRADE PROMOTION ORGANISATION
(A Government of India Enterprise)

New Exhibition Complex (Halls 2,3,4 & 5), Delhi
Visit of Hon'ble PM, 2021

Contents

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



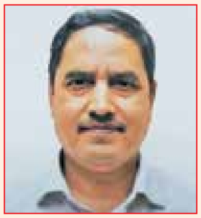
44th

ANNUAL REPORT 2020-21

BOARD OF DIRECTORS

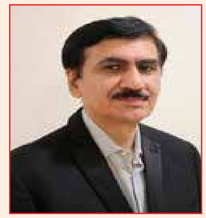
(Present)

Shri L.C.Goyal
Chairman & Managing Director
(w.e.f. 2.9.2015)



Shri Shashank Priya
Spl. Secretary & Financial Adviser
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)



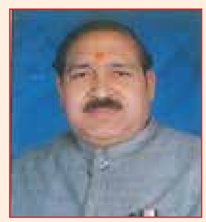
Shri Vibhu Nayar
Executive Director
(w.e.f. 17.09.21)

Shri Amitabh Kumar
Joint Secrtary
Ministry of Commerce & Industry
(w.e.f. 17.11.2020)

Shri Md. Noor Rahman Sheikh
Joint Secretary Ministry of External Affairs (w.e.f. 27.12.2021)

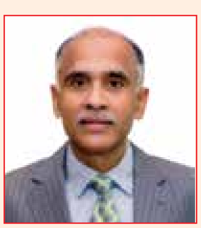
Smt. V.G.Aravindanayagi
Independent Director
(w.e.f. 30-10-2019)

Rahul Kumar Shrawat
Rear Admiral (Retd.)
Independent Director
(w.e.f. 12-12-2019)



Shri Om Prakash Chalniwale
Independent Director
(w.e.f. 3.11.2021)

(During the Year)



Shri P Harish
Addl. Secretary
Ministry of External Affairs
(up to 27-12-2021)

Shri Rajesh Agrawal
Executive Director
(up to 21-06-2021)

Smt. Nidhi Mani Tripathi
Joint Secretary
Ministry of Commerce and Industry
(upto 17-11-2020)

KEY EXECUTIVES

(As on date of AGM on 30.11.2021)

Shri S. R. Sahoo
Company Secretary & General Manager

Mrs. Hema Maity
General Manager

Col. Shri Pushpam Kumar
Officer on Special Duty

Shri Bimal Kumar Dubey
General Manager

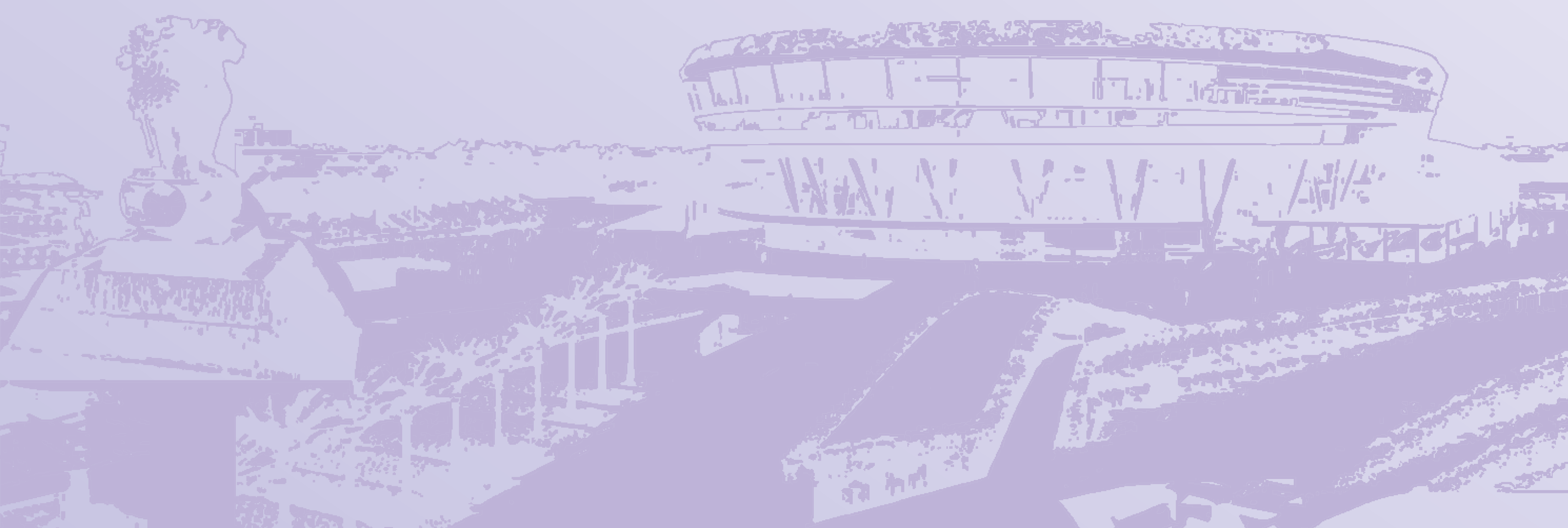
Shri Vikash Kumar Singh
General Manager

Shri R.K. Thakur
Deputy General Manager

Shri Brij Lal
Deputy General Manager

Hon'ble Prime Minister Inaugurates
New Exhibition Complex (Halls 2,3,4 & 5)

ITPO Offices in India



Inauguration of IITF 2021 by Hon'ble Minister Shri Piyush Goyal

ITPO OFFICES IN INDIA

Registered & Head Office
India Trade Promotion Organisation
Pragati Bhawan, 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,
Egmore, Chennai-600008
Tel.: 91-44-28554655/28587297/28415416/28524655
Fax : 91-44-28554740
E-mail: itpochn@md4.vsnl.net.in
narayanv@itpo.gov.in

Kolkata
International Trade Facilitation Centre,
5th Floor, 1/1, Wood Street,
Kolkata-700016
Tel.: 91-33-22825820/22822904/22828586
Fax : 91-33-22828269
E-mail: itpocal@cal3.vsnl.net.in/rroy@itpo.gov.in

Mumbai
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

New Exhibition Complex (Halls 2,3,4 & 5), Delhi

Chairman's Statement

CHAIRMAN'S STATEMENT 44th ANNUAL GENERAL MEETING

LADIES & GENTLEMEN,

It is my pleasure to welcome you all to the 44th Annual General Meeting of ITPO. The Directors Report and the Audited standalone Accounts for the financial year 2020-21, along with the Statutory Auditors Report have already been circulated. With your permission, I take them as read.

CHALLENGES AND WAY FORWARD

The Covid-19 pandemic has challenged the entire humanity. Needless to mention, all economic activities came to a grinding halt for some time and then started opening up gradually. The exhibition, travel and hospitality sectors still continue to suffer. Exhibition industry in India was completely paralysed during the global COVID-19 pandemic. Although exhibition activities are now permitted, the industry will take some time to reboot itself and plan out exhibitions on a sustainable basis.

Challenges were many due to Covid-19, worldwide economical scenario and other issues. ITPO made every possible effort to deal with the situation. It is a matter of pride that the Hon'ble Prime Minister inaugurated on 13.10.2021 the new Exhibition Complex (Halls 2, 3, 4 & 5) as a part of the IECC Project together with the launch of PM Gati Shakti. The Hon'ble Prime Minister was briefed by CMD, ITPO about the entire project, including its present status, through a photo gallery before the inauguration. The Hon'ble Commerce and Industry Minister mentioned during the programme that the world-class, state-of-the-art Convention Centre is getting ready for G20 Summit in 2023.

COVID-19 MANAGEMENT:

ITPO had taken steps for compliance with the instructions/guidelines issued by various Govt. departments such as MoHFW, MHA, DPE, DoPT to raise awareness about the Covid appropriate behavior amongst its employees and their family members. Particularly, ITPO adapted Work From Home (WFH) functioning with the integration of latest technologies and electronic means in the aftermath of lockdown, and successfully carried out all tasks expedient to the functioning of ITPO. Facial recognition based Biometric Attendance System was also implemented in place of finger print based Attendance System.

FINANCIAL PERFORMANCE

I am not happy to mention that the total income generated by the Company during the year is Rs.50.38 crore against Rs. 240.36 crore generated in the previous year. This year your company has suffered a net loss of Rs.81.36 crore compared to Rs.90.12 crore surplus in the previous year. The main reason for decline in the total income is due to the outbreak of the COVID-19 pandemic globally and its severe impact on the business of the exhibition industry. Many exhibitions scheduled to be held at Pragati Maidan upto September, 2021 were either cancelled or rescheduled. Only a few exhibitions could be held upto October, 2021 which will again impact ITPO's financials in the next year. The interest income on deposits in the banks is also now marginal in view of substantial funds/corpus having been utilized for the IECC project.

MAJOR ACHIEVEMENT

B2C exhibitions were allowed by the Delhi Disaster Management Authority (DDMA) only on September 15, 2021. Yet, ITPO could hold its flagship event India International Trade Fair (IITF-2021) by adhering to Covid protocols. IITF-2021 was a great success and was hugely applauded by visitors, senior Govt. Officers, exhibition industry and all the stakeholders. There were 3000 exhibitors which included start-ups, women Self Help Groups, stalls by SC/STs, artisans, craftsmen and MSMEs. IITF-2021 generated huge economic activities and substantial much needed income for the stakeholders and the needy people who majorly participated in this event, particularly in a post Covid-19 situation.

IITF'2021 was visited by around 4 lakh people during the 14 days. It gave confidence and message to the exhibition industry to hold their events at Pragati Maidan, which was not happening due to the Covid scenario for the past 2 years.

It is expected that ITPO will bounce back to its earlier revenue income and will put out improved financial results in the coming years.

PARTICIPATION IN FAIRS HELD ABROAD

Due to the outbreak of the COVID-19 pandemic in India and abroad and the subsequent travel restrictions worldwide, all the exhibitions planned during 2020-21 had either been cancelled or rescheduled. Hence, no exhibition in India and overseas could be organised by ITPO. However, ITPO successfully organized participation in Anuga, Cologne (Germany), October 9-13, 2021, in 591 sq.mtr. Thirty-four participants took part in this fair.

DOMESTIC FAIRS

Due to the outbreak of the COVID-19 pandemic globally, the business of the exhibition and trade show industry has been severely impacted. All exhibitions planned at Pragati Maidan upto September, 2021 were either cancelled or rescheduled. However, a few exhibitions are being held by third parties from October onwards. ITPO is also planning to hold its important event Aahar in April, 2022.

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

In view of the COVID-19 pandemic and to ensure that the events are not cancelled but rescheduled to be held at Pragati Maidan, ITPO adopted a proactive approach and granted relief and relaxations to third party organizers.

Accordingly, two third-party exhibitions were organised at Pragati Maidan in the month of March, 2021; "Ride Asia Expo" in the existing halls and "Convergence and Smart Cities Expo" in the new halls. No other third-party event could be organised during the FY 2020-21.

During the current year, 7 B2B exhibitions, namely (i) EV Expo- 2021 (ii) 6th International Police Expo, 5th India Homeland Security Expo, 3rd FSD Expo (Fire

Safety & Disaster Management), 2nd CCTV Expo & Drone International Expo (iii) THE YOGSHALA EXPO 2021 and (iv) Star Gems and Jewellery Expo (v) Gift World Expo, 2021 (vi) Photo Video Asia and (vii) Tent Decor Asia, Catering Asia, Bakery Asia have so far been held at Pragati Maidan.

REDEVELOPMENT PROJECT (IECC)

ITPO's ongoing mega re-development project has been adversely affected and got delayed, inter alia, due to bans on construction imposed in Delhi NCR region by the Hon'ble Supreme Court/National Green Tribunal (NGT) during 2018-19 and 2019-20 and the subsequent first and second waves of the COVID-19 pandemic. Four Exhibition Halls as a part of the IECC project were launched on 13.10.2021. The work on the remaining segments of the IECC project is moving ahead and the entire project is now rescheduled to be completed by June, 2022. All possible efforts are being made to emphasise with the Contractor to infuse necessary funds into the project so that the project does not get further delayed.

Since the G20 Summit being hosted by India in 2023 is to be held in the state-of-the art iconic Convention Centre of the IECC project, it is not only necessary but strategic also that the project gets completed well before the G20 Summit. In fact, inter-ministerial meetings in connection with the G20 Summit start happening one year in advance. Given this situation, the progress of the IECC project is also being reviewed at different levels in the Government.

The traffic component of the IECC project is also being reviewed. The component comprises 1 main tunnel and 6 underpasses. 3 underpasses have already been completed, the main tunnel and the other 3 underpasses are now expected to be completed by the end of January, 2022.

COOPERATION WITH OTHER TRADE PROMOTION ORGANISATIONS

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

TOWARDS ICT ENABLEMENT

ITPO continued its Endeavour to adopt ICT (Information and Communications Technology) enabled good governance initiatives and expanded utilization of technology for carrying out its functions and achieving the desired results thereby ensuring equitable access of its services to the trade industry. The following projects were initiated/carried-out:-

- The e-Office (e-File) software by National Informatics Centre (NIC) towards the aim of a paperless office was adopted at ITPO HQ, New Delhi in the FY 2020-21.
- Contact-less Face-recognition based Biometric Attendance System (BAS) implemented successfully in FY 2020-21 to adhere to COVID-19 protocols for attendance management through automated systems.
- Project for development of a Software Application for automating on-line space booking process and corresponding back-office management of overseas events also commenced during FY 2020-21.

- Project for implementation of a RFID-based Asset Management System (AMS) was initiated during FY 2020-21 with the objective to properly manage and track fixed assets of ITPO and digitization of the physical/paper stock registers.
- A cloud-based Human Resource Management System (HRMS) software project on SaaS model for catering to the HR functions management in ITPO was initiated during FY 2020-21.
- Software application for booking of space in domestic events organised by ITPO was revamped during FY 2020-21 with better UI, simpler workflow and enhanced security features such as latest standard data encryption mechanisms, OTP authentication based login features, etc.
- Usage of web-based application for online hall(s) booking for third party events organized at Pragati Maidan, its back-office management process with online payment remittance facility was continued during FY 2020-21.
- ITPO has also increased its social media presence across all major social media platforms (viz. Facebook, Twitter, Instagram and Youtube) to enhance engagement with target audience and increase brand awareness by regular posts/ updates about ITPO`s events and activities within the country and abroad.

PROGRESSIVE USE OF THE OFFICIAL LANGUAGE (HINDI)

To ensure proper implementation of the Official Language Policy of the Govt. of India in ITPO, instructions received from the 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 up in ITPO. Efforts were made to achieve targets in different areas as laid down by the Dept. of Official Language, Govt. of India.

SUBSIDIARY COMPANIES:

TAMILNADU TRADE PROMOTION ORGANISATION (TNTPO) AT CHENNAI

TNTPO is in the midst of implementing the construction of a multi-purpose (Exhibition/Convention/ Conference Hall) hall with an area of 20,322 square meters under the expansion plan of TNTPO at an approved cost of Rs.309 crore. After the expansion, there will be 8 Exhibition Halls, 2 Convention Centres, and 3 Conference Halls in the total area of 39,952 Square meters in 34.61 acres of land.

KARNATAKA TRADE PROMOTION ORGANISATION (KTPO) AT BENGALURU

KTPO is engaged in implementing the construction of a multi-purpose (convention/exhibition) hall with an area of 7633 sq.mtrs. under the expansion plan of KTPO. After the expansion, there will be two halls for conventions and exhibitions with a total area of 10,371 sq. Mtrs. The estimated project cost is Rs.67.59 crore.

ITPO SERVICES LIMITED

A Special Purpose Vehicle (SPV) is formed by ITPO as a 100% subsidiary registered with the name “ITPO Services Limited” a Private Company under Companies Act 2013 as a “for profit” company (non-Section 8 company). The SPV has an authorized share capital of Rs.10 lakhs divided into 10,000/- (Ten Thousand) shares of Rs. 100 each and issued & paid-up share capital of Rs.5 lakhs (5,000 shares of Rs. 100 each) to be contributed by ITPO as its capital contribution.

The main objects of ITPO Services Limited are to promote/undertake hospitality and F&B services including facilitating a 5-star hotel, conferences/ exhibitions/ display of products/ event management and other activities ancillary and/ or incidental to trade promotion and any other commercial activities in and around Pragati Maidan or any other area within or outside India.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

ITPO has been strictly adhering to the CSR and Sustainability Guidelines issued by the Department of Public Enterprises and the applicable Act & Rules of the Companies Act 2013. The CSR initiatives/activities are implemented and monitored accordingly. The CSR funds have been transferred to a special designated account meant exclusively to take up CSR activities of the organization.

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 has received 'Excellent' Grade on this during 2021.

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..

ACKNOWLEDGEMENTS

I take this opportunity to thank all the Members of Company for their continued and whole hearted support as well as the confidence reposed in the Management. I wish to extend my sincere thanks to the Department of Commerce for their 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 Pragati Maidan a new world class venue for the MICE industry and a better service provider in terms of delivery of quality and quick services for the exhibition industry. I convey my sincere thanks to all my colleagues on the Board, Auditors and to all the employees of ITPO for their discipline, dedication and hard work for the company's overall performance.

Jai Hind.

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

Place : New Delhi
Date : 30th November, 2021

World Class Iconic International Exhibition - Cum - Convention Centre
Hon'ble CIM reviews the Progress of IECC along with CMD & ED, ITPO

New Exhibition Complex , Delhi
Visit of Hon’ble PM in New Hall No. 5, 2021

Notice of Annual General Meeting

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

SHORTER NOTICE OF ANNUAL GENERAL MEETING

SHORTER NOTICE IS HEREBY GIVEN THAT THE 44th ANNUAL GENERAL MEETING OF THE MEMBERS OF M/S INDIA TRADE PROMOTION ORGANISATION WILL BE HELD ON TUESDAY THE 30th DAY OF NOVEMBER, 2021 AT 3.00 PM. 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 of ITPO as on 31st March, 2021 and the Auditors' Report thereon. CAG comments on the standalone accounts of ITPO will be placed in the meeting.

BY ORDER OF THE BOARD OF DIRECTORS
INDIA TRADE PROMOTION ORGANISATION

Sd/-
(S.R. Sahoo)
Company Secretary

Place: New Delhi
Dated: 22-11-2021

NOTES

1. **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.**
2. **Proxy form is enclosed herewith.**

BY ORDER OF THE BOARD OF DIRECTORS
INDIA TRADE PROMOTION ORGANISATION

Sd/-
(S.R. Sahoo)
Company Secretary

Place: New Delhi
Dated: 22-11-2021

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 44th Annual General Meeting of members of the Company, to be held on 30.11.2021 at the Pragati Maidan New Delhi- 110001 registered office of the Company at 3.00 PM 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 as on 31st March, 2021 and the Statement of Income & Expenditure for the financial year ended on that date together with Audit Report.

Signed this_______________day of______________2021

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.*

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 44th ANNUAL ADJOURNED GENERAL MEETING OF THE MEMBERS OF M/S INDIA TRADE PROMOTION ORGANISATION WILL BE HELD ON THURSDAY THE 31ST DAY OF MARCH, 2022 AT 4:00 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 Consolidated Audited Annual Accounts of ITPO as on 31st March, 2021 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. CAG comments on the standalone & consolidated accounts of ITPO will be placed in the meeting.

BY ORDER OF THE BOARD OF DIRECTORS
INDIA TRADE PROMOTION ORGANISATION

Sd/-
(S.R. Sahoo)
Company Secretary

Place: New Delhi
Dated: 14-03-2022

NOTES

1. **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.**
2. **Proxy form is enclosed herewith.**

BY ORDER OF THE BOARD OF DIRECTORS
INDIA TRADE PROMOTION ORGANISATION

Sd/-
(S.R. Sahoo)
Company Secretary

Place: New Delhi
Dated: 14-03-2022

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 44th Annual General Meeting (Adjourned) of members of the Company, to be held on 31.03.2022 at the Pragati Maidan New Delhi- 110001 registered office of the Company at 4.00 PM 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 as on 31st March, 2021 and the Statement of Income & Expenditure for the financial year ended on that date together with Audit Report.

Signed this___________day of______________2022

Signature of Shareholder

Signature of Proxy holder(s)

AFFIX REVENUE STAMP

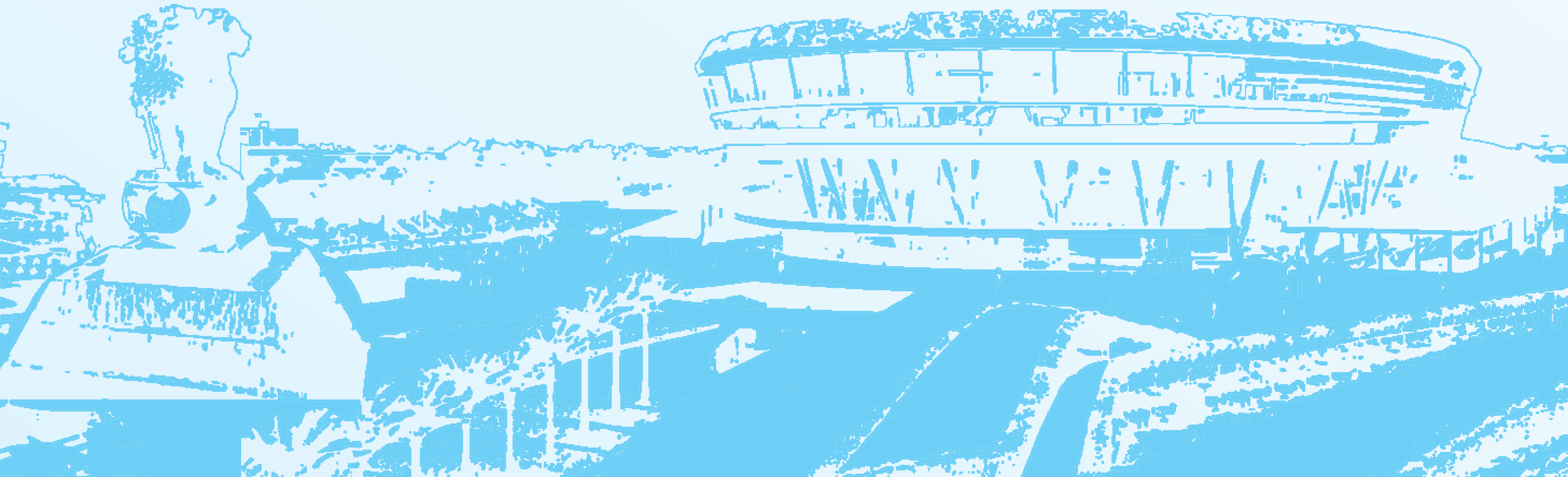
Note: *This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.*

New Complex (Halls 2,3,4 & 5)
ITPO, Pragati Maidan , New Delhi.

44th ANNUAL REPORT 2020-21

New Exhibition Complex , Delhi
Visit of Hon’ble PM in New Hall No. 5, 2021

Directors' Report



DIRECTORS' REPORT

To the Members,

The Board of Directors has pleasure in presenting the Company's 44th Annual Report and the Audited Statement of Accounts for the financial year ended on 31st March, 2021.

1. FINANCIAL HIGHLIGHTS

During the year 2020-21, your Company has suffered a loss of Rs. 81.59 crore after considering 'Other comprehensive Income compared to a surplus of Rs. 85.34 crore (recast as per Ind-AS) in the preceding year.

The total income during the year is Rs. 50.39 crore against Rs. 240.37 crore (recast as per Ind-AS) generated in the previous year. The main reason for decline in the Income is due to the outbreak of the COVID-19 pandemic globally, which has adversely impacted the business of exhibition and trade show. The exhibitions that were scheduled to be held at Pragati Maidan up to March, 2021 have either been cancelled or rescheduled. Further, due to worldwide travel restrictions and the pandemic, no foreign fairs could be organised by ITPO. Income has come only from 2 third party events held in March'2021 in addition to interest income on deposits in banks and interest on Income Tax refunds.

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.

2. BOARD OF DIRECTORS

Shri L.C. Goyal is the Chairman & Managing Director of the Company. Shri Rajesh Agrawal was the Executive Director from 28th August, 2019 till 21st June, 2021. Shri Vibhu Nayar took over the charge as Executive Director, ITPO w.e.f. 17.09.2021. The non-whole-time Directors & Independent Directors on the Board of the Company are enumerated below:

Sl. No.	Name of Director	From	To
1.	Shri Shashank Priya, Additional Secretary & Financial Adviser, Department of Commerce,Udyog Bhawan, New Delhi	28.08.2019	Continuing
2.	Shri P. Harish Additional Secretary (ED & States), Ministry of External Affairs, New Delhi	01.07.2019	Continuing
3.	Smt. Alka Nangia Arora Joint Secretary, Ministry of Micro Small & Medium Enterprises(MSME), Udyog Bhawan, New Delhi	17.8.2017	Continuing
4.	Smt. Nidhi Mani Tripathi Joint Secretary, Ministry of Commerce & Industry, Udyog Bhawan, New Delhi	28.08.2019	17.11.2020
5.	Shri. Amitabh Kumar Joint Secretary, Ministry of Commerce & Industry, Udyog Bhawan, New Delhi	17.11.2020	Continuing
6.	Smt. V.G. Aravindanayagi Independent Director	30.10.2019	Continuing
7.	Rear Admiral Rahul Kumar Shrawat (Retd.) Independent Director	12.12.2019	Continuing

There were a total of 4 Meetings of the Board held during the year 2020-21. 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 are Key Managerial Personnel of ITPO during the year:-

- Shri L.C. Goyal, CMD, ITPO – continuing w.e.f. 02.09.2015
- Shri Rajesh Agrawal, ED, ITPO – from 28.08.2019 to 21.06.2021
- Shri D.M. Sharma, CFO – from 31.7.2015 to 30.04.2021
- Shri S.R. Sahoo, Company Secretary – continuing w.e.f. 27.8.2013

4. MEMORANDAM OF UNDERSTANDING (MOU)

The Company signs an annual MoU with the Ministry of Commerce & Industry, Government of India, every financial year. Accordingly, the MoU for the year 2020-21 was signed on 24th November 2020.

Your Company achieved MoU rating of "Good" for 2019-20. The main reason for not achieving excellent/ very good rating was due to ban on construction of the IECC Project imposed in winter months in view of poor air quality by the Hon'ble Supreme Court and its consequential impact resulted in decline of performance of ITPO both in terms of revenue and expenditure under CAPEX.

5. FAIRS IN INDIA AND ABROAD

Due to the outbreak of COVID-19 pandemic in India and abroad and the subsequent travel restrictions worldwide, no exhibitions in India and overseas could be organized by ITPO. The exhibition industry was the worst hit under the circumstances. Domestic Fair Division has during this period emphasized on automation of the registration process, preparation of SOPs and organized interactive sessions with Industry leaders and experts. The Division has also reviewed all the past pending cases of recoveries and refunds.

6. FAIRS/ EVENTS ORGANISED BY THIRD-PARTY ORGANISERS AT PRAGATI MAIDAN

ITPO introduced a revised tariff policy keeping in line with the ever-evolving market conditions and keeping in mind the much needed relief necessary for third-party event organizers due to the impact of the COVID-19 pandemic on the exhibition industry. Further, to provide immediate relief to the organizers, as a major venue & services provider, various other relaxations were also announced during the year.

Despite many such measures, most of the events booked by third party organisers during the above period were cancelled / rescheduled to the next FY due to the continuing impact of the COVID-19 pandemic and the restrictive government guidelines for organising events. ITPO, being the concerned nodal agency for the Commerce Ministry, had been liaisoning with various government departments for SOPs to organise exhibitions, premises licence, NOCs & permissions to restart exhibitions amid the pandemic etc. over the past FY.

However, after a gap of one year and while sustaining the impact of the pandemic, 02 third-party exhibitions were organised at Pragati Maidan in March, 2021; "Ride Asia Expo" in the existing halls and "Convergence and Smart Cities Expo" in the new halls.

During this year of the pandemic, BDD (Marketing) Division, ITPO worked in the area of 'New Business' and many new as well as old event organisers were provided support and apprised of detailed information regarding organising their event(s) at Pragati Maidan. Many of these have been promising leads, with many converted to bookings in the FY 2021-22.

During this time, the Division has also undertaken the work of closing the past events' accounts by working on the debtors and creditors.

7. OTHER INITIATIVES TAKEN FOR 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 space booking system in domestic events.
- Online booking of Halls & service requirements for 3rd party events.
- E-procurement from GEMS/e-tendering introduced.
- Functioning of E-payment/E-refund.
- Wi-fi facility in all old AC halls and the process initiated for new halls.
- Implementation of eOffice Lite (eFile) product suite in ITPO including Data Center services at NDC, Bhubaneswar completed.

➢ **Customer Friendly Measures**

- Competitive tariff policy introduced for 3rd party events.
- Single Point of Contact (SPC) for 3rd party events.
- 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.
- Work started on development and maintenance of web-based software for overseas events management.

➢ **Other Measures**

- Economy and austerity measures introduced.
- VRS scheme continued to further rationalize manpower.
- Vigilance Clearance Portal.

8. IECC PROJECT

The different sectors of the economy have been impacted by the Covid-19 pandemic in the Financial Year 2020-21. The construction industry is among those badly affected because of the ongoing situation of Covid-19.The IECC project has been delayed, among other factors by the continuing effect of the Covid-19 situation.

The Project Monitoring Committee (PMC) under the chairmanship of CMD, ITPO has been meeting regularly to review the progress of implementation of the IECC Project. While 4 exhibition halls (A2 – A5 Exhibition Complex) were launched in Oct, 2021, the rest of the Project is now scheduled to be completed by June, 2022 with one exhibition hall going upto August, 2022.

9 COOPERATION WITH OTHER TRADE PROMOTION ORGANISATIONS

ITPO participates in the activities organized by the India Convention Promotion Bureau (ICPB). ITPO is a Member of UFI – The Global Association of the Exhibition Industry, France, an Organisation for promoting the Exhibition Industry. ITPO also associates itself with International Association of Exhibitions and Events (IAEE) that promotes the unique value of exhibitions and other events that bring buyers and sellers together such as road shows, conferences with an exhibition component, and proprietary corporate exhibitions.

10. TRADE INFORMATION RELATED ACTIVITIES

ITPO's Membership: ITPO offers facilities and services to all those who wish to become its members.

Such members get information about 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 Database: A Central Data Base of participants in the fairs organized by India Trade Promotion Organisation in India and abroad has been created. The accessibility to this database by ITPO users is being made through TIR&P Division.

Indian Export Bulletin Quarterly (E-Library): TIR&P, ITPO provides a package of services to exporters enrolled as members. These services include trade enquiries received from Indian Missions abroad and directly 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 the information on third party events 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.

11. TOWARDS ICT ENABLEMENT

ITPO continues to pursue ICT (Information and Communications Technology) enabled good governance initiatives

The following projects were initiated/carried-out:-

- The e-Office (e-File) software by National Informatics Centre (NIC) towards the aim of a paperless office was adopted at ITPO, HQ, New Delhi in the FY 2020-21.
- Contact-less Face-recognition based Biometric Attendance System (BAS) implemented successfully in FY 2020-21 to adhere to COVID-19 protocols for attendance management through automated systems.
- Project for development of a Software Application for automating on-line space booking process and corresponding back-office management of overseas events also commenced during FY 2020-21.
- Usage of web-based application for online hall(s) booking for third party events organized at Pragati Maidan, its back-office management process with online payment remittance facility was continued during FY 2020-21.
- ITPO has also increased its social media presence across all major social media platforms (viz. Facebook, Twitter, Instagram and Youtube) to enhance engagement with target audience and increase brand awareness by regular posts/ updates about ITPO`s events and activities within country/ abroad.
- ICT Projects for providing on-demand internet services in Wireless & Wire-line modes viz. Wi-Fi, Internet Leased Line (ILL), Broadband Internet Services and provisioning In-building Solutions (IBS) for enhancing Cellular Network coverage in the entire IECC complex viz. Exhibition Halls (Old & New), Convention Centre, Admn. Bldg. and adjoining areas, basement areas, F&B outlets, Ticketing Plazas etc. are also at a conceptualization stage.

12. ADMINISTRATION & HRD

(i) During the year 2020-21, 6 officials (i/c 1 on deputation) were appointed through Direct Recruitment (DR) basis as per the following details:

Group	SC	ST	OBC	UR	PWD	Total
‘A’	01	--	--	04	--	05
‘C’	--	--	--	01	--	01

(ii) During the year, one official was promoted. 07 officials were granted personal up-gradation under Incentivised Assured Career Progression Scheme (IACPS).

(iii) The VRS was extended upto 31.12.2020.

(iv) Implementation of apprenticeship in ITPO.

(v) Ensured weeding out of old and obsolete records in accordance with the GoI guidelines.

(vi) Observance of Yoga Day; Sadhbhavna Diwas; Rashtriya Ekta Diwas; Flag Day; Communal Harmony Campaign; Constitution Day; Swachhta Pakhwada etc.

Reservation Policy of Government of India:

The Guidelines on reservation policy have been 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/OBC and minority category has been associated to look after the interests 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 have also been complied with. Floral tributes were offered on the occasion of the Birthday of Dr. B.R. Ambedkar.

Covid-19 Management:

ITPO dealt with the COVID situation including compliance of appropriate COVID behaviour as per the instructions/guidelines issued by various Govt. Agencies and ministries/departments such MoHFW, MHA, DPE and DoPT. Among others, ITPO ensured attendance of officials on need basis to complete time bound tasks where deadlines were to be met and also adopted online module and work from home functioning with the integration of latest technologies and electronic means to successfully carry out all tasks central to the functioning of ITPO and the sector.

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

ITPO provides one-stop solution by offering services like consultancy, design, lay outing, site preparation and execution to meet all the requirements for infrastructure and facilities in terms of holding Exhibitions/Fairs and Conferences organised at Pragati Maidan and at other locations outside Delhi by ITPO. Site visits are conducted at all the venues including the new venues for successfully organizing prospective exhibitions.

All venue based services are provided to third-party fair organizers. Inspections are carried out to ensure compliance of public safety guidelines. Service delivery has been ensured in all the events organised at Pragati Maidan.

14. 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 are made to achieve targets in different areas as laid down by the Dept. of Official Language, Govt. of India.

Hindi workshops are 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 Department 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. To encourage Hindi in routine file work of ITPO, an Incentive Scheme been in vogue. Employees of ITPO also participated in various Hindi Competitions organized by the TOLIC (Delhi).

Besides, Business Visitors' Guides, Background 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.

15. SECURITY

- ITPO had made necessary security arrangements for safeguarding the personnel and property of ITPO.
- Required fire fighting arrangements were made to meet any unforeseen circumstances.
- Security, fire and parking arrangements were made for organisors, exhibitors and visitors of "Ride Asia Expo 2021" and "Convergence India & Smart Cities India Expo 2021".
- Requisite NOCs for holding exhibitions in new halls were obtained from Delhi Fire Service, Delhi Police and Delhi Traffic Police.
- Fire service week was celebrated during April 14-20, 2021 with an aim to generate awareness in ITPO employees towards fire safety. Sessions of basic fire safety and fire warden training were imparted to all the employees. One Fire Mock Drill and One Mega Evacuation drill were conducted for all the officials.

16. VIGILANCE

The Vigilance Division assists in 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, the Vigilance Division performs inspection of office spaces and conducts surprise visits in exhibition halls.

The Vigilance Division also scrutinises 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 done away with the offline mode of submission of the Monthly/Annual reports by the CVO and has 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.

Following the instructions issued by the Central Vigilance Commission, Vigilance Awareness Week was observed in ITPO and its Regional Offices to spread awareness on the values of practicing ethical and transparent business transactions in day-to-day official work and public interface. A link of CVC's E-Pledge' was uploaded on ITPO's website and was given publicity among the employees. The employees were 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 i.e. exhibitors and participants of fairs and events in ITPO.

17. ESTATE MANAGEMENT

Estate Management Division (EMD) makes arrangements for installation of BTS towers in Pragati Maidan. At present, five towers (Base Transceiver Stations) are installed in Pragati Maidan that facilitate wireless communication between UE and a network, operation of digital payment, Wi-Fi, etc. EMD has obtained 'Health Trade Licence' for Hall No.7, 8 to 11, 12 and 12-A from SDMC to facilitate the organisers of the events.

18. DESIGN & DISPLAY

Design & Display Division is the in-house design studio of ITPO. It is primarily involved in the ideation, planning and execution of designs for various ITPO's domestic and international events. It is a multi disciplinary design unit working on exhibition branding, corporate visual publicity - both print and digital platforms, design management, on ground activation, & promotion through social media promos, short animated films, web banner campaigns etc.

19. TRADE PROMOTION CENTRES

Trade Centre, Chennai

The Chennai Trade Centre is managed by TNTPO, a Joint venture of ITPO and TIDCO. The Chennai Trade Centre was set up in 2001 over an area of 25.48 acres of land in Nandambakkam, a prime location in Chennai. Hall Nos. 1 & 2 were constructed in 2001 encompassing an area of 6,160 square meters. The Convention Centre constructed in 2004 can accommodate 2,000 participants with a provision for dividing the hall into two equal parts. Hall No. 3 measuring 4,400 square meter was inaugurated in 2008. All the three Exhibition Halls and the Convention Centre are interconnected. All the exhibition halls are air-conditioned and are without pillars or columns.

During 2020-21, 9 exhibitions were held in the Exhibition Halls of Chennai Trade Centre and 4 events took place in the Convention Centre. TNTPO earned a total income of Rs.20.17 crore as compared to Rs.54.12 crore in the previous year. The net surplus is Rs.6.33 crore after considering 'Other comprehensive Income', as against Rs.36.04 crore (Recast as per Ind-AS) in the previous year (2019-20).

The Board of TNTPO has approved the construction of a multi-purpose (Exhibition/Convention) hall with an area of 20,322 square meters under expansion plan of TNTPO at an approved cost of Rs.308.75 crore including GST. After the expansion, there will be a total of 2 convention centres and 5 halls for exhibitions in the total area of 35,677 square meters in an area of 34.61 acres of land.

Trade Centre, Bengaluru

Located at a prime area in Whitefield, Bengaluru, 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 equipment 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 2020-21, 01 event was held in Trade Centre, Bengaluru. KTPO earned a total income of Rs.5.86 crore as compared to Rs.10.33 crore in the previous year. The net surplus is Rs.3.08 crore as against the net surplus of Rs.2.67 crore in the previous year.

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 and the estimated project cost is Rs.67.59 crore. The construction work for the same was started during the year 2018-19 and it will be completed in the year 2022. After the expansion, there would be 2 halls for conducting exhibitions and conventions with a total exhibiting area of 14,504 Sq. Mtrs.

20. SUBSIDIARIES AND ASSOCIATE COMPANIES

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

21. 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).

22. 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.

23. RELATED PARTIES TRANSACTIONS

Related Parties transactions have been reported (Refer disclosure at Note no. 35.15 of the Annual Financial Statements).

24. AUDITORS

M/s. S P Chopra & Co., Chartered Accountants, New Delhi were appointed as Statutory Auditors of the Company for the Financial Year 2020-21 by the Comptroller and Auditor General (C&AG) of India.

25. STATUTORY AUDITORS' REPORT

The Statutory Auditor's Report (Annexure-III) is part of Director's Report.

The comments of CAG on the annual accounts of the Company for the year ended 31st March, 2021 would form part of this report. (Annexure-IV& V).

26. 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. IFCS audit has been conducted and reported to the Board.

27. 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 the annual report in Compliance with DPE's Guidelines on Corporate Governance to the Department of Commerce during 2020-21, within the specified timelines and reported an Annual Average Pro-rata Score of 96.13% to qualify for an 'Excellent' Grade. A detailed report is set out and appended which forms part of this report (Annexure-VI &VII).

28. 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.

29. RIGHT TO INFORMATION (RTI)

All RTI applications and appeals have been settled in time. Further, RTI Cell has implemented Transparency Audit of CIC in ITPO within its time limits.

30. 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).

31. CORPORATE SOCIAL RESPONSIBILITY (CSR)

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 and monitored accordingly. The detailed policy about CSR initiatives of ITPO is available at http://www.indiatradefair.com/csr.php.

The Board noted the recommendations of the CSR Committee. The Board after detailed discussion decided the following:

(i) The CSR activity for the year 2020-21 and onwards will be kept in abeyance till the financial position of the company improves. Presently ITPO is not in a position to contribute more funds under CSR due to the ongoing financial stress further accentuated by the COVID-19 pandemic. However, the pending unexecuted work for the ongoing projects undertaken in the financial year 2019-20 or before should be completed as per the approval of the Board.

(ii) As soon as the financial position of the organization improves, we will start the work related to CSR as per the Companies Act, 2013 & rules of DPE, Government of India guidelines and with the prior approval of the Competent Authority. The complete details of CSR initiatives by ITPO are enclosed at Annexure-IX

32. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

33. 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 exports for the country.

C. Foreign Exchange Earnings And Outgo

	Current Year (2020-21) (Rs. In crore)	Previous Year (2019-20) (Rs. In crore)
Earnings	-	8.13
Outgo	0.16	25.14

34. 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;

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.

35. ACKNOWLEDGEMENTS

We are thankful to the Central Government Ministries and Departments, particularly the Ministry of Commerce and Industry, Ministry of Housing and Urban Affairs, Ministry of External Affairs including Indian Missions, Ministry of MSME for their continued guidance and assistance. The Directors are also grateful to State Governments, Public Sector Enterprises, Central Public Works Department, PWD, DJB, BSES, South Delhi Municipal Corporation (SDMC), Delhi Police, 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, Department of Public Enterprises and 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: 03/02/2022

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 31.3.2021	Tamilnadu Trade Promotion Organisation	Karnataka Trade Promotion Organisation	ITPO Services Ltd.
2.	The date since when subsidiary was acquired	17.11.2000	06.12.2000	24.05.2020
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A	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.	N.A.
5.	Share capital	Rs.1,00,000/-	Rs. 20,00,00,000/-	Rs. 5,00,000/-
6.	Reserves & surplus	Rs.306,86,39,000/-	Rs.123,14,45,000/-	Rs.(23260)/-
7.	Total assets	Rs.371,78,16,000/-	Rs.1,47,53,68,000/-	Rs. 4,96,040/-
8.	Total Liabilities	Rs.64,90,77,000/-	Rs. 4,39,23,000/-	Rs. 19,300/-
9.	Investments	-	-	-
10.	Turnover	Rs.20,16,69,000/-	Rs. 5,85,59,000/-	Rs. 62,03,920/-
11.	Profit/ (Loss) before taxation	Rs.6,32,86,000/-	Rs. 3,08,43,000/-	Rs. (23260)/-
12.	Provision for taxation	-	-	-
13.	Profit / (Loss)after taxation	Rs.6,32,86,000/-	Rs. 3,08,43,000/-	Rs. (23260)/-
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	NIL
15	Extent of shareholding (%)	51%	51%	100%

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**
Latest audited Balance Sheet Date:31 March,2021	National Centre for Trade Information	Jammu & Kashmir Trade Promotion Organisation
Date on which the Associate or Joint Venture was associated or acquired	31.03.1995	30.05.2018
Shares of Associate/Joint Ventures held by the company on the year end		
No. (Number)	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%	42.05%
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 40% share capital held by ITPO (holding voting right more than 20%)
Reason why the associate/joint venture is not consolidated	Ind AS-28	Ind AS-28
Net worth attributable to shareholding as per latest audited Balance Sheet	Rs.81,87,805/-	Rs.6,39,10,202/-
Profit/Loss for the year		
Considered in Consolidation	Rs. -167560/-	Rs.4642335/-
Not Considered in Consolidation	Rs. -167560/-	Rs. -1,10,40,036/-

Sd/-
(S.R. Sahoo)
Company Secretary & General Manager

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

Annexure-II

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2021

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	ITPO Services Limited Pragati Bhawan Pragati Maidan, New Delhi- 10001	U55209DL2020GOI363949	SUBSIDIARY	100%	Non section 8 Company
4	Jammu & Kashmir Trade Promotion Organisation Jammu and Kashmir Industries, Old Secretariat, Srinagar 190001	U93090JK2018NPL010473	ASSOCIATE	42.05%	Sec.8
5.	National Centre For Trade Information Hall # 19, Pragati Maidan, New Delhi – 110001	U74899DL1995NPL067008	ASSOCIATE	50%	Sec.25 now 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 Gov	-	-	-
(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%

VI. INDEBTEDNESS

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

	Secured loans excluding deposits (Amount in Rs.)	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	2,32,22,50,000	NIL	-	NIL
(ii) Interest due but not Paid	1,46,62,733	-	-	-
(iii) Interest accrued but not due	NA	-	-	NA
Total (I + ii+ iii)	2,33,69,12,733	-	-	-
Change in Indebtedness during the financial year	1,04,67,38,501	-	-	-
• Addition	-	-	-	-
• Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	3,36,26,43,335	-	-	-
ii) Interest due but not paid	2,10,07,899	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (I + ii+ iii)	3,38,36,51,234	-	-	-

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager		
		CMD (Amount in Rs.)	ED (Amount in Rs.)	Total (Amount in Rs.)
1.	**Gross salary** **(a) Salary as per provisions contained in section 17(1) of the Income- tax Act, 1961**	23,42,554	32,08,879	55,51,433
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	22,54,860	4,59,600	27,14,460
	(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…..	-	-	-
	Total (A)	45,97,414	36,68,479	82,65,893
	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 V.G. Aravindanayagi** Rs. 20,000/- per meeting, **Rear Admiral Rahul Kumar Shrawat** Rs 20,000/-per meeting	Rs. 1,40,000/- Rs. 1,00,000/-
	Commission	-	-
	Others, please specify(Air Travel)	-	-
	Total (1)	-	-
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)	-	-
	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 (Amount in Rs.)
		CEO (Amount in Rs.)	Company Secretary (Amount in Rs.)	CFO (Amount in Rs.)	
1	**Gross Salary**				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	NA	23,38,950	31,74,535	55,13,485
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	1,18,780	2,22,423	3,41,203
	(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	-	**24,57,730**	**33,96,958**	**58,54,688**

VIII. 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

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, 2021, 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, 2021 and its deficit (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 Standalone financial Statements' section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the 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 – Uncertainties and the impact of COVID 19 on financial statements

We draw attention to note 35.12 of the accompanying standalone financial statements, which describes the effect of uncertainties relating to COVID-19 pandemic outbreak on the Company's operations which resulted in significant decrease in economic activities of the Company as well as on the implementation of International Exhibition cum Convention Centre (IECC) project activities which have been impacted resulting in delay in completion of work and management's evaluation of its impact on the accompanying financial statements as at the balance sheet date, the extent of which is significantly dependent on future developments. Our opinion is not modified in respect of this matter.

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 Report of the Board of Directors', including annexures, if any, thereon (but does not include the standalone financial statements and our Auditor's Report thereon), which is expected to be made available to us after the date of this Auditor's Report.

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

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

When we read the Report of the Board of Directors', including annexures, if any, thereon, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the 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") specified 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 are 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. 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.
4. As required by section 143(3) of the Act, we report that:
   a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   b. in our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
   c. the 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") specified 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'**; and
   h. with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
      i. the company has disclosed the impact of pending litigations on its financial position in note 35.1 to its standalone financial statements as at 31 March 2021;

ii. the company has not entered into any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021; and

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. 099143
UDIN 21099143AAAADE9993

Place: New Delhi
Date: 27th August, 2021

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

(Referred to in paragraph 2 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 Promotions Organisation for the year ended 31st March, 2021)

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 Promotions Organisation for the year 2020-21.

Sr. No.	Directions/ Sub Directions	Auditor's Responses	Action taken thereon by management	Impact on standalone 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 transcations 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, 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

Sr. No.	Directions/ Sub Directions	Auditor's Responses	Action taken thereon by management	Impact on standalone financial statements
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. 099143
UDIN 21099143AAAADE9993

Place: New Delhi
Date: 27th August, 2021

Annexure 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 4(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, 2021)

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 with reference to financial statements of '**India Trade Promotion Organisation**' ("the Company") as at 31st March, 2021 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Responsibilities of management and those charged with governance for the internal financial controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 for the audit of the internal financial controls with reference to financial statements

Our responsibility is to express an opinion on the company's internal financial controls with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 standalone 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 with reference to financial statements.

Meaning of internal financial controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements 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 standalone 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 standalone financial statements.

Inherent limitations of internal financial controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 31st March, 2021, based on the internal control with reference to financial statements 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. 099143
UDIN 21099143AAAADE9993

Place: New Delhi
Date: 27th August, 2021

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, 2021, 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, 2021 and its consolidated deficit (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 (ICAI) 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**

   Part A: Qualifications of FY 2020-21

a) **<u>Long pending amount recoverable from Debtors (event organisers) – Debit balance as on 31.03.2021 of Rs. 10.10 lakhs</u>**

   It is observed that an amount of Rs.10.10 lakhs is recoverable from "Association of Surgeons - ASICON 2018" (Debtor) for more than 2 years as on date.

   It is stated by TNTPO that this amount pertains to TDS deducted by organiser but organiser failed to pay TDS challan payment and failed to file requisite returns. Consequently, the amount was not claimed as credit in TNTPO's income tax return since it was not finding place in 26AS statement.]

To the extent of uncertainity in recovery from debtor, TNTPO is required to create a provision for bad and doubtful debts.

Resultantly, "Trade receivables" in Balance Sheet is overstated and Deficit as per Income and Expenditure statement is understated to the extent of Rs. 10.10 lakhs.

b) Financial impact of unspent Corporate Social Responsibility (CSR) funds of Rs. 73.07 lakhs

Based on note 37.19(ii) of consolidated financial statements on "Corporate Social Responsibility (CSR)", it is observed that there is unspent CSR amount for various years as follows:

Particulars	Amount (Rs. in lakhs)
Amount unspent for 2020-21	68.40
Amount unspent for 2019-20	4.62
Amount unspent for 2018-19	0.05
Total unspent CSR funds	73.07

To the extent of Rs. 73.07 lakhs (unspent CSR of 2018-19, 2019-20 and 2020-21), TNTPO has failed to comply with mandatory CSR expenditure provisions in Companies Act, 2013 as on 31 March 2021.

To the extent of unspent CSR funds of Rs. 73.07 lakhs, TNTPO is required to make a provision in books of account since this is a mandatory expenditure required under Companies Act, 2013. In addition, financial penalties leviable on TNTPO under Companies Act, 2013 for the non-compliance remains to be quantified.

Resultantly, "Current provisions" in Balance Sheet is understated and Deficit as per Income and Expenditure statement are understated to the extent of Rs. 73.07 lakhs.

c) Capital work-in-progress on expansion project overstated by Rs. 545.72 lakhs

TNTPO has accounted an amount of Rs.1861.21 lakhs as provision for capital work-in-progress pertaining to expansion project based on the following breakup:

Sl. No.	Particulars	Amount (Rs. in lakhs)
1	1st Bill estimate	1,315.49
2	Secured advance*	545.72
3	Total capital work in progress accounted	1,861.21

*In respect of "Secured advance", it is understood that this amount pertains to advance given to NCC Ltd. (contractor) against various materials/ equipment brought to the site of construction which are yet to be incorporated into the work value of contract. (Refer clause 32 of key contract data finding place in general conditions of contract i.e. vol II of tender document titled "National competitive bidding for construction of additional exhibition and conventional hall, separate multilevel car parking and utility building etc., including all civil, mep works for expansion project of chennai trade centre" for details)

Based on the above, it is observed that such secured advance does not pertain to value of works incorporated into capital work-in-progress as on 31.03.2021 but is only on advance against materials not yet incorporated into works. Hence, secured advance should not be included in estimation of capital work-in-progress as on 31.03.2021.

Resultantly, “Capital work-in-progress” and “Current provisions” in Balance Sheet are overstated by Rs. 545.72 lakhs.

d) <u>Excess provision of demand from DGFT</u>

i Provision of Rs. 25.08 lakhs for interest and duty were created by TNTPO in FY 2019-20 in respect of Customs/ DGFT demand pertaining to violation of Export Promotion Guarantee (EPCG) license condition (refer note 37.25 of consolidated financial statements on “Customs and DGFT imposing duty and penalty in connection with EPCG licence“).

ii. In this matter, TNTPO has further received order from the customs department in FY 2020-21 on the same matter and TNTPO has filed appeal in response to the said order.

iii. As per the appeal filed, export transactions to the tune of Rs. 135 lakhs (out of exports obligation of Rs. 180.94 lakhs) was claimed to be effected by TNTPO. Resultantly, admitted liability of duty and interest worked out to Rs.19.81 lakhs.

Based on above points i and iii, there is excess provision in respect of customs duty and interest thereon amounting to Rs. 5.25 lakhs.

To this extent, “Current provisions” in Balance Sheet is overstated and “Deficit” as per Income and Expenditure statement is overstated.

<u>Part B: Pending audit qualifications of FY 2019-20 having impact on FY 2020-21</u>

a) <u>Disputed property tax not appropriately accounted</u>

i. Report on property tax matters with respect to FY 2018-19 and 2019-20 already finding place in the audit report for FY 2019-20 is not rectified till 31.03.2021. The said report continues for FY 2020-21 also as below:

“Property tax liability at old rates (prior to 01.04.2018 revision) for the financial year 2018-19 and 2019-20 put together worked out to Rs.14.96 lakhs and revised property tax demand as per notice from authorities for the period FY 2018-19 and FY 2019-20, totalled to Rs. 100.24 lakhs (@ Rs. 25.06 lakhs per half year).

Management disputed the property tax rate enhancement and has made payment of property tax for financial year 2018-19 and 2019-20 to the tune of Rs. 75.18 lakhs.

Entire amount of Rs. 75.18 lakhs paid was accounted as expenditure in FY 2019-20. Necessary rectification entries to be carried out after confirming the following data:

Property tax Assessment No.	Existing rate (prior to 01.04.2018 revision)	Demand - revised rate (01.04.2018 onwards)	Difference	As per Books of account (Tally)	Excess paid over and above agreed amount
A. Annual property tax rates for FY 2018-19					
122-158-2020	0.16	5.83	5.67	5.83	5.67
122-158-2019	2.16	15.13	12.97	15.13	12.97
122-158-2018	5.16	29.16	24.00	29.16	24.00
Total (A)	7.48	50.12	42.64	50.12	42.64
B. Annual property tax rates for FY 2019-20					
122-158-2020	0.16	5.83	5.67	2.92	2.75
122-158-2019	2.16	15.13	12.97	7.56	5.41
122-158-2018	5.16	29.16	24.00	14.58	9.42
Total (B)	7.48	50.12	42.64	25.06	17.58
Total (A+B)	14.96	100.24	85.28	75.18	60.22

Resultantly, property tax expenditure of Rs. 60.22 lakhs is overstated for the financial year 2018-19 and 2019-20 and this amount to be shown separately under amount paid under protest account (Other current assets). To the said extent, "Deficit" is overstated. "

ii. Report on property tax matters with respect to FY 2020-21:

As per existing rates, property tax due for FY 2020-21 was Rs. 7.48 lakhs

It is observed that said property tax due has not been accounted.

To this extent, "Deficit" is understated and "Property Tax "(Expenditure) is understated. Further, appropriate financial statement disclosures to be updated. (Refer note 37.26 of consolidated financial statements for management disclosures).

b) Rejection of service tax refund claim not provided for

'Service tax recoverable' item under note 10 of consolidated financial statements on 'Other non-current assets' amounting to Rs. 37.50 lakhs pertain to service tax paid on advances for which refund claim has been filed by TNTPO.

However, it is observed that refund claim was rejected by GST authorities during the financial year and TNTPO has filed an appeal against the rejection order which is pending as on date. Hence, to the extent of this uncertainty in recovery, a provision is required to be made.

To this extent of Rs. 37.50 lakhs, provisions and Deficit as per Income and Expenditure statement are understated. (Refer note 37.8(ii) of consolidated financial statements for management disclosures).

c) Provision (Current liabilities) and other financial liabilities (Current liability) – misclassification

Various accounting entries with respect to the following items during the financial year 2019-20 and 2020-21 were approved as provision for estimated expenditure by management.

Sl. No.	FY	Ledger	Description of entries	Amount (Rs. in lakhs)
1	2019-20	Expenses Payable to EPCG	Provision for duty payable for violation of EPCG license	25.08
2	2019-20	Expenses Payable to TIDCO	Provision for lease rent of additional land of 9.3 Acres for period 24.03.2016 to 31.03.2019	108.28
3	2020-21	Expense Payable	Provision for other expenses	3.47
		Total		136.83

However, above-said amounts have been presented as liabilities (crystallized dues) as on 31.03.2021.

Resultantly, to the extent of Rs. 136.83 lakhs, the said amounts were reflected in Balance Sheet under "Other financial liabilities" instead of under "Current provisions".

d) Advance accounting issues

i) Opening balances of Advance from customers, Trade receivables, TDS receivable, Miscellaneous income adjustments and GST adjustments

Opening balances of the following financial statement's items remain to be reconciled between subsidiary records (i.e. individual event files) and general ledger (Tally system):

Sl. No.	Item	Classified under	Financial Statement Note reference
1	Trade Receivables	Trade Receivables	12
2	Advances from customers for future events / refund to organisers	Other Current Liabilities	25
3	Income Tax / TDS Recoverable	Non-current tax assets	9
4	Revenue from operations / Other Income	Income	30 and 31

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

ii) Income tax TDS related matters

It is the practice of TNTPO to retain advances received from organisers even for completed events until TDS deducted by organiser is available as TDS credit in income tax portal (26AS). On receipt of TDS credit in 26AS, refunds are granted to the organiser.

In this regard, it is observed that TDS receivable entries of various years remain to be reconciled between books of account, 26AS and assessment orders issued for each year.

iii) GST related matters

It was stated by the management that advance balance as on 1 April 2020 of Rs. 722.13 lakhs (shown under "Contract liability - advance received for fairs/ exhibition" in note 38 of financial statements of TNTPO on "Disclosure under Ind AS-115 on Revenue from contracts with customers" to financial statements) includes GST balances.

To this extent, advance balances and GST balances are yet to be bifurcated by TNTPO. Further, event-wise details have not been furnished for our verification. Pending bifurcation of event-wise advances and GST, constructive reconciliation of GST on advances, Advance from customers, Trade receivables and Income tax TDS receivable remains to be done.

iv) Subsidiary register not reconciled

Event-wise advance balances (subsidiary register) remain to be reconciled with books of accounts.

v) Misclassification of advance for future event balances as refundable balances

For the following debtors (event organizers), it is observed that there was no billing/ transaction during FY 2020-21. For such items, classification of "Advance pending for future events" and "Amount refundable to organizers" as shown in FY 2019-20 should remain unchanged till 31.03.2021. However, these items have been reclassified as "Amounts refundable to organizers" without any basis or approvals:

		As per advance register of FY 2019-20 (Rs. in lakhs) (A)		**As per advance register of FY 2020-21 (Rs. in lakhs) (B)**	
Sl. No.	**Organiser's Name**	**Advance for future event**	**Balance Refundable**	**Advance for future event**	**Balance Refundable**
1	Intellect Design Arena Ltd	4.00	0.20	-	4.20
2	BIG3 Exhibitions	3.00	2.67	-	5.67
3	Chennai Runners Association	0.74	-	-	0.74
4	Lions Clubs International Multiple Dist-324	5.50	-	-	5.50
5	Aiema Technology Centre	58.01	4.47	56.01	6.47
	Total	71.25	7.34	56.01	22.58
		Advance for future event		Balance Refundable	
A	Summary of above 5 debtors as per FY 19-20	71.25		7.34	
B	Summary of above 5 debtors as per FY 20-21	56.01		22.58	
	Difference (A-B)	15.24		(15.24)	

Resultantly, "Advance received from customers" (note 29) is overstated and "Refund due to customers" (note 27) is understated to the tune of Rs.15.24 lakhs.

vi) Inconsistency in data presented as per various notes forming part of financial statements

It is observed that amount presented as “Advance received for fairs/ exhibitions” as per note 29 of the consolidated financial statements is not matching with the same item presented under note 38(b) of financial statements of TNTPO on “Disclosure under Ind AS-115 on Revenue from contracts with customers“ Details of difference below:

Particulars	Amount as per note 38 (Rs. in lakhs)	Amount as per note 29 (Rs. in lakhs)	Difference (Rs. in lakhs)
Contract liabilities (Advance received for fairs/ exhibitions)	571.76	363.74	208.01

On completion of reconciliation of aforesaid issues (as reported in Part-B(d) above), rectification entries to be appropriately effected in Income and Expenditure account and Balance Sheet.

Based on above impact, "Disclosure under Ind AS-115 on Revenue from contracts with customers" under note 38 of TNTPO and other related notes to consolidated financial statements is to be modified accordingly.

e) Expenditure item related to rent for additional land of 9.13 acres shown as capital work-in-progress

TNTPO has accounted a provision of Rs. 108.28 lakhs in respect of estimated rent payable to TIDCO for 9.13 acres of additional land for the period 24.03.2016 to 31.03.2019 and shown the same as addition to capital work-in-progress under note 3 “Property, plant and equipment” of the consolidated financial statements.

This piece of land is taken over for the expansion project of chennai trade centre and TNTPO has accounted this item as capital work-in-progress.

Though land is intended for expansion project of TNTPO, IndAS - 16 on “Property plant and equipment” requires land and building (expansion project) to be treated as separate assets.

Based on this principle, leasehold land is to be capitalized in respect of lease rents due for unexpired period of lease. However, lease rent pertaining to expired period upto 31.03.2019 does not qualify for capitalisation under Ind AS-116.

Consequently, subject arrears lease rent is to be accounted as prior period expenditure. Hence, to the extent of Rs. 108.28 lakhs, capital work-in-progress and reserves and surplus continues to be overstated.

2. Subsidiary Company – KTPO

Non-provision of income tax

KTPO’s charitable status has been challenged by the Income tax department and matter is subjudice. Given this situation, KTPO has to make provision in the books for the income tax liability at least for those years where demand has already been raised by the income tax department.

As per note 37.5(iii) of consolidated financial statements regarding the status of the pending litigations with the income tax department, the details are as follows:

“KTPO had obtained exemption u/s 10(23C)(iv) of Income Tax Act, 1961 up to assessment year 2008-09. KTPO 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.

KTPO 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 the 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 KTPO, 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 KTPO u/s 11/ 10(23c)(iv) by applying the amendment of section 2(15) of the Income Tax Act by the Finance Act 2008.

The status of the income tax assessments are as follows:

Assessment year	Demand raised (Rs. in lakhs)	TDS receivable as per books of account (Rs. in lakhs)	Current position	Section under which assessment done
2009-10	Assessment pending	7.16	Assessment pending	-
2010-11	Nil	8.35	Appeal filed against Assessment allowed. Appeal filed by the Department before Appellate Tribunal dismissed.	143 (3)
2011-12	58.31	31.38	Appeal filed against Assessment allowed. Department's appeal in Appellate Tribunal pending.	143 (3)
2012-13	110.47	48.80	Appeal filed against Assessment allowed. Department's appeal in Appellate Tribunal pending.	143 (3)
2013-14	238.80	70.50	Appeal filed and pending.	143 (3)
2014-15	158.75	83.57	Appeal filed and pending.	143 (3)
2015-16	Pending	95.06	Assessment pending	
2016-17	239.83	70.53	Appeal filed with Asst. Commissioner of Income Tax (Appeals) against the intimation received u/s 143(1) pending.	
2017-18	Nil	321.37	Assessment Completed	143 (3)

2018-19	Assessment completed	-	Assessment Completed with a demand of Rs.1155.17 lakhs. Appeal filed against the demand with Commissioner of Income Tax (Appeals) NFAC against the order under section 143(3) rws 143(3A) and 143(3B) on 21.9.2021.	143(3)
2019-20	Assessment pending	76.89	Assessment pending	-
2020-21	Assessment pending	64.40	Assessment pending	-
2021-22	Assessment pending	42.64	Assessment pending	-

KTPO had received notice from the Additional Commissioner of Income Tax (Tech- I) proposing to cancel the approval granted under section 10 (23c)(iv) of the Income Tax Act for the assessment years 2003-04 to 2008-09 with effect from 01.04.2009, (i.e. from the date of amendment of 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 of the Income Tax Act. In response, KTPO had made representation to the Income Tax department for non-cancellation of registration. Decision in this regard is still awaited.

For assessment year 2016-17, the assessing officer issued intimation on 17.03.2018 under section 143(1) of the 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 pending.

For assessment year 2018-19, the assessing officer issued an assessment order under section 143(3) read with section 143(3A), 143(3B) of the Income Tax Act raising a demand of Rs.1155.17 lakhs against which KTPO has filed an appeal before the Commissioner of Income Tax (Appeals)(NFAC) on 21.09.2021.

KTPO has not made any provision towards income tax liability in its standalone financial statements. It has shown in the said statements an amount of Rs. 532.97 lakhs as Tax refundable by the Income Tax 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 income tax for the assessment years 2011-12, 2012-13, 2013-14, 2014-15, 2016-17, for which demand is raised as reported in the details given above. For other financial years, we are unable to quantify the amount of provision in the absence of required information/ details.

3. Jointly controlled entity – NCTI

As discussed in note 37.27(d) of consolidated financial statements, we draw attention that Cabinet has approved the proposal of winding up of NCTI vide letter no. 13(I)/2018-TP dated 16th July, 2021. As per the approval from Cabinet, further implementation will follow through. Accordingly, the financial of NCTI have not been prepared based on going concern assumption.

4. Associate – JKTPO

The management of JKTPO has not taken approval of the Board of Directors for deployment of employees of J&K Cements Ltd. in JKTPO and as such is without the authority of the Board of Directors.

Material uncertainty related to going concern

1. Subsidiary company - ITPO Services Limited (ISL)

ISL has not yet started the operations for which it was incorporated. So, there is material uncertainity regarding the going concern of the entity.

2. Jointly controlled entity – NCTI

As mentioned in Basis of qualified opinion section of our report, we draw attention that Cabinet has approved the proposal of winding up of NCTI vide letter no. 13(I)/2018-TP dated 16th July, 2021. As per the approval from Cabinet, further implementation will follow through. As such, the financials of the company have not been prepared based on the going concern.

Emphasis of matter

We draw attention to the following matters in the notes to the consolidated financial statements:

1. Holding company – ITPO

We draw attention to note 35.13 of the consolidated financial statements, which describes the effect of uncertainties relating to Covid-19 pandemic outbreak on ITPO's operations which resulted in significant decrease in economic activities of ITPO as well as on the implementation of International Exhibition cum Convention Centre (IECC) project activities which have been impacted resulting in delay in completion of work and management's evaluation of its impact on the accompanying financial statements as at the balance sheet date, the extent of which is significantly dependent on future developments.

2. Subsidiary company – TNTPO

a) Change in lessor of leasehold land held by company

Land to the extent of 25.48 acres was allotted by Government of Tamil Nadu through TIDCO on lease basis to TNTPO vide G.O Ms. No.28 dated 03.02.2003 for a period of 30 years. Further, additional land to extent of 9.13 acres was allotted by Government of Tamil Nadu through TIDCO on 24.03.2016 to TNTPO, vide letter No.8427/MIE-1/2015-3 dated 04.03.2016 for expansion project of chennai trade centre. However, lease deed was not executed between TIDCO and TNTPO for any land till date.

Government of Tamil Nadu vide GO M.s.631 dated 11.11.2020, has amended earlier Government orders with respect to status of lessor for lease out of said land to TNTPO. As per new Government Order, 25.48 acres of land is directly leased to TNTPO by Government on the existing terms and conditions (as earlier applicable with TIDCO) and lease deed to be executed between TNTPO and District Collector, Kanchipuram.

Further, as per above-said GO dated 11.11.2020, additional land of 9.13 acres is also directly leased out to TNTPO by Government of Tamil Nadu.

In this connection, it is observed that lease rentals @ Rs. 100 lakhs per annum are unpaid for the years FY 2019-20 and FY 2020-21 amounting to Rs. 200 lakhs (for 25.48 acres of land).

Further, estimated lease rent @ Rs. 35.83 lakhs per annum are unpaid from the date of takeover of land till 31.03.2021 (for 9.13 acres of land).

In absence of lease deed/ clarification from TIDCO and Government of Tamil Nadu, party to whom the aforesaid lease dues are payable is not ascertainable.

On obtaining suitable clarification from the Government of Tamil Nadu and TIDCO, the financial statement's disclosures of TNTPO are to be appropriately updated.

b) 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 37.5(ii) of consolidated financial statements)

c) Non-confirmation/ reconciliation of certain balances under advance from customers and other, trade receivables, loans and advances, trade payables and other parties of TNTPO.

d) Non-carrying out of physical verification of property, plant and equipment.

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

f) Deficiencies in internal control:

i) TNTPO processes its transactions through Tally financial accounting package and online booking portal and event-wise hard copy files maintained on single-entry basis. It is observed that each of these systems are separate and used independently without any integration.

There is no periodic reconciliation process carried out between the separate systems. Specifically, event-wise hard copy files remain to be reconciled with Tally general ledger balances.

Hence, there is no revenue software/ system for recording complete event-wise advance details (initial advance, installment advance, collection, adjustment, forfeiture, refund etc.).

Advance amounts received from customers for events are recorded in respective customer ledgers in Tally financial accounting package and identification as to the following matters is not available from Tally FA package:

1. Advance received pending for future events
2. Advance received adjusted against sales invoices on completion of event
3. Advances received forfeited on account of cancellation of event or penal charges leviable
4. Advances received refundable to customer in respect of completed events

In these circumstances, controls to periodically reconcile between event-wise advance balances (as per event-wise hard copy files maintained on single-entry basis) and Tally financial accounting package (Tally general ledger system) to ensure accuracy of transactions and balances are not established.

ii. 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.

iii. 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.

iv. 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 transactions is not established.

v. Specifically, in respect of journal entries not having direct cash inflow/ outflow impact, entries passed are not supported by authenticated workings and relevant evidences. (Refer item no.1 of journal entries given below)

Sl. No.	Voucher date	Particulars	Reference		Debit Amount (Rs. in akhs)	Credit Amount (Rs. in lakhs)
1	31-Mar-21	Operation & Maintenance CC-GST-18%	Journal	593	3.24	
		Operation & Maintenance CC-GST-18%			1.08	
		SGST Input Credit			0.39	
		CGST Input Credit			0.39	
		TDS Payable-Companies				0.06
		TDS on GST-CGST				0.04
		TDS on GST-SGST				0.04
		Firstman Management Services Pvt Ltd				4.94
		Being the entry towards manpower charges for operation and maintenance of housekeeping and landscaping services in CTC for the month of July-2020. Vide Bill No.1999/20.08.2020.				

Sl. No.	Voucher date	Particulars	Reference		Debit Amount (Rs. in akhs)	Credit Amount (Rs. in lakhs)
2	31-Mar-21	Operation & Maintenance CC-GST-18%	Journal	594	3.46	
		Operation & Maintenance CC-GST-18%			1.15	
		SGST Input Credit			0.42	
		CGST Input Credit			0.42	
		TDS Payable-Companies				0.07
		TDS on GST-CGST				0.05
		TDS on GST-SGST				0.05
		Firstman Management Services Pvt Ltd				5.29
		Being the entry towards manpower charges for operation and maintenance of housekeeping and landscaping services in CTC for the month of August-2020. Vide Bill No.2419/19.09.2020.				
3	31-Mar-21	Operation & Maintenance CC-GST-18%	Journal	595	3.75	
		Operation & Maintenance CC-GST-18%			1.25	
		SGST Input Credit			0.45	
		CGST Input Credit			0.45	
		TDS Payable-Companies				0.07
		TDS on GST-CGST				0.05
		TDS on GST-SGST				0.05
		Firstman Management Services Pvt Ltd				5.73

Sl. No.	Voucher date	Particulars	Reference		Debit Amount (Rs. in akhs)	Credit Amount (Rs. in lakhs)
		Being the entry towards manpower charges for operation and maintenance of housekeeping and landscaping services in CTC for the month of September-2020. Vide Bill No.2845/19.10.2020.				
4	31-Mar-21	Operation & Maintenance CC-GST-18%	Journal	596	4.28	
		Operation & Maintenance CC-GST-18%			1.43	
		SGST Input Credit			0.51	
		CGST Input Credit			0.51	
		TDS Payable-Companies				0.08
		TDS on GST-CGST				0.06
		TDS on GST-SGST				0.06
		Firstman Management Services Pvt Ltd				6.54
		Being the entry towards manpower charges for operation and maintenance of housekeeping and landscaping services in CTC for the month of October-2020. Vide Bill No.3275/19.11.2020.				
5	31-Mar-21	Operation & Maintenance CC-GST-18%	Journal	597	4.23	
		Operation & Maintenance CC-GST-18%			1.41	
		SGST Input Credit			0.51	
		CGST Input Credit			0.51	
		TDS Payable-Companies				0.08
		TDS on GST-CGST				0.06

Sl. No.	Voucher date	Particulars	Reference		Debit Amount (Rs. in akhs)	Credit Amount (Rs. in lakhs)
		TDS on GST-SGST				0.06
		Firstman Management Services Pvt Ltd				6,45
		Being the entry towards manpower charges for operation and maintenance of housekeeping and landscaping services in CTC for the month of November-2020. Vide Bill No.3775/19.11.2020.				
6	31-Mar-21	Operation & Maintenance TC GST 18%	Journal	629	1.11	
		Expense Payable				1.11
		Being the provision made towards manpower charges for the month of March-2021 as per last bill dated 3311024172/02.03.2021.				

vi Logical access controls in application program-level (Event booking portal 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.

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

viii. Controls in respect of annual closure of books to ensure accuracy and completeness of closing entries are not established.

ix. Controls are not established to prevent back-dated entries/ subsequent modification or deletion of entries in Tally financial accounting system. Tally financial accounting system should have audit trails/ logs to track/ identify 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.

3. Subsidiary Company – KTPO

We draw attention to note 37.19(iii) of consolidated financial statements wherein KTPO has disclosed unspent CSR expenditure of Rs. 23.16 lakhs as on 31st March 2021. The Companies Act mandates that this sum must be transferred to funds specified under Schedule VII of the Companies Act within 30th September 2021.

4. **Jointly controlled entity – NCTI**

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

i. Share application money pending allotment of Rs. 57.86 lakhs (Refer note 40 of Balance Sheet of NCTI), the same has been shown as payable to the respective applicant.

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. The same has been shown as payable to the respective applicant.

iii. Credit and Debit balances of various parties. (Refer note 43 of Balance Sheet of NCTI).

iv. Rs. 5 lakhs from ITPO and Rs. 5.35 lakhs from NIC towards share capital of the company shown under “Other current liabilities” (Refer note 36 of Balance Sheet of NCTI).

v. TDS recoverable Rs. 27.48 lakhs shown under “Non-current tax assets” is subject to reconciliation.

b) Provision for doubtful debts 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 Rs. 13.36 lakhs.

iii. NSFDC Rs. 0.33 lakh.

Our opinion is not modified in respect of above matters.

Information other than the consolidated financial statements and auditor’s report thereon

The holding company’s Board of Directors are responsible for the other information. The other information comprises the Corporate Governance Report and Report of the Board of Directors’, including annexures thereon (but does not include the consolidated financial statements and our Auditor’s report thereon), which is expected to be made available to us after the date of this auditor’s report.

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

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

When we read the Corporate Governance Report and Report of the Board of Directors, including annexures, if any, thereon, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the management and those charged with governance for the consolidated financial statements

The holding company’s Board of Directors are 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") specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

The Board of Directors of the respective 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 Board of Directors of the holding company, as aforesaid.

In preparing the consolidated financial statements, the Board of Directors of the respective 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 Board of Directors of the respective 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 auditors 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. Our responsibilities in this regard are further described in section titled 'Other matters' in this audit report.

We communicate 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.

Other matters

We did not audit the financial statements of subsidiary companies namely Tamilnadu Trade Promotion Organisation, Karnataka Trade Promotion Organisation and ITPO Servcies Ltd., 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. 53,146.55 lakhs as at 31st March, 2021, and total revenues of Rs. 2,696.61 lakhs, total comprehensive income (net) of Rs. 827.89 lakhs and cash outflows (net) of Rs. 4,935.30 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, Karnataka Trade Promotion Organisation and ITPO Servcies Ltd., 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 it 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' paragraphs above, the aforesaid consolidated financial statements comply with the Indian Accounting Standards ("Ind AS") specified 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' paragraphs 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 companies, 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, as amended 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 37.1 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 for which there were any material forseeable losses as at 31 March 2021; and

   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. 099143
UDIN 22099143AAGMSM1536

Place: Noida
Date: 3rd February, 2022

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, 2021)

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 with reference to financial statements 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, 2021, 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 with reference to financial statements reporting criteria established by the respective 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 for the audit of internal financial controls with reference to financial statements

Our responsibility is to express an opinion on the group's, jointly controlled entity's and associate's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the 'Guidance mote 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 consolidated 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 with reference to financial statements.

Meaning of internal financial controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements 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 consolidated 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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, the following material weaknesses have been identified as at March 31, 2021:

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 (TDS under Income tax Act) 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, 2021, based on the internal control with reference to financial statements 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 insofar as it relates to the subsidiary companies namely Karnataka Trade Promotion Organisation and ITPO Services Ltd., 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 companies. 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. 099143
UDIN 22099143AAGMSM1536

Place: Noida
Date: 3rd February, 2022

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 ORGANIZATION FOR THE YEAR ENDED 31 MARCH 2021

The preparation of financial statements of India Trade Promotion Organization for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 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 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 27 August 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of India Trade Promotion Organization for the year ended 31 March, 2021 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 auditors and is limited primarily to inquiries of the statutory auditors 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/-
(Vidhu Sood)
Principal Director of Audit
(Industry & Corporate Affairs)
New Delhi

Place: New Delhi
Dated: 21-12-2021

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 2021

The preparation of consolidated financial statements of India Trade Promotion Organisation for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act. 2013 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 03.02.2022.

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, 2021 under Section 143(6)(a) read with section 129 (4) of the Act. We conducted a supplementary audit of financial statements of India Trade Promotion Organisation (the company) and Jammu Kashmir Trade Promotion Organisation (Associate), but did not conduct supplementary audit of the financial statements of Joint Ventures/Subsidiaries as mentioned in Annexure, for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors 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 & Auditor General of India

Sd/-
(S. Ahlladini Panda)
Principal Director of Audit
(Industry & Corporate Affairs)
New Delhi

Place: New Delhi
Date: 29.03.2022

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 8 (earlier section-25) Company as per the Companies Act, 2013 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 8 Directors, out of which 2 were Functional Directors including the Chairman and Managing Director, 4 were Nominee Directors of Government of India and 2 Independent Directors.

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, 2021, the Board Meetings were held on 18th June, 2020, 22nd September, 2020 ,30th December, 2020, and 16th March, 2021 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 2020-21 are tabled below:

Sl. No.	Name of Director	Board Meetings		Attendance at last AGM held on (24th November 2020)	As on March 31, 2021 (No. of other Director-ship
		Held during the tenure	Attendance		
1.	Shri L.C. Goyal	4	4	Yes	2 (KTPO, TNTPO)
2.	Shri Shashank Priya	4	3	No	7 (HMT, MMTC, STC,BHEL, Invest India, IICECL, NJMC)
3.	Shri P. Harish	4	3	Yes	2 (WAPCOS, IIFT)
4.	Smt. Alka Nangia Arora	4	3	Yes	2 (NSIC, DSIIDC)
5.	Shri. Rajesh Agrawal	4	4	Yes	6(JKTPO, KTPO, WBTPO, NCTI, TNTPO, ISL)
6.	Smt. Nidhi Mani Tripathi	2	1	No	Nil
7.	Shri Amitabh Kumar	2	2	Yes	3 (ECGC, EXIM Bank, ISL)
8.	Shri Rahul Kumar Shrawat	4	3	Yes	1 (Naval Group)
9.	Smt.V.G Aravindanayagi	4	4	Yes	1(NARAD and Associates LLP)

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 2020-21

The Company has complied with the Corporate Governance guidelines and accordingly, three Audit Committee Meetings were held on 22nd September, 2020 and 16th March, 2021 respectively.

Sl. No.	Name of Committee Members	Designation	Position in Committee	Meetings	
				Held during the tenure	Attendance
1.	Smt. V.G Aravindanayagi	Independent Director	Chairman	2	2
2.	Shri Shashank Priya	Part Time official Director	Member	2	1

3.	Shri Rajesh Agrawal	Part Time official Director	Member	2	2
4.	Shri Rahul Kumar Shrawat	Independent Director	Member	2	1

3.2 Composition of Remuneration Committee, Meetings held and attendance in Remuneration Committee during the year 2020-2021

During the Year 2020-21, 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 Rahul Kumar Shrawat	Independent Director	Chairman	-	-
2.	Smt. V.G Aravindanayagi	Independent Director	Member	-	-
3.	Shri Rajesh Agrawal	Part Time official Director	Member	-	-
4.	Smt. Nidhi Mani Tripathi	Part Time official Director	Member	-	-

3.3 Composition of CSR Committee, Meetings held and attendance in CSR Committee during the year 2020-2021.

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.	Shashank Priya	Part Time officialDirector	Chairman	1	0
2.	Shri Rajesh Agrawal	Part Time official Director	Member	1	1
3.	Smt. Alka Nangia Arora	Part Time official Director	Member	1	1
4.	Shri Rahul Kumar Shrawat	Independent Director	Member	1	0

During the Year 2020-21, one meeting of the CSR Committee was held on 16th March, 2021.

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
2018-19	22.10.2018	3:00 PM	Pragati Bhawan Pragati Maidan New Delhi- 110 001	Nil
2019-20	27.09.2019 & 21.11.2019 (Adjourned Meeting)	3.30 PM	Pragati Bhawan Pragati Maidan New Delhi- 110 001	Nil
2020-21	24.11.2020	12:00 Noon	Pragati Bhawan 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	Pragati Bhawan Pragati Maidan New Delhi- 110 001	Yes - One

6. DISCLOSURES

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

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 8 company (earlier section 25) 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 2020-21 will be a part of the Annual Report.

9. TRAINING OF BOARD OF DIRECTORS

Training of Directors is 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. The CSR initiatives/activities will be implemented with the approval/monitoring accordingly. The detailed policy about CSR initiatives of ITPO is available at http://www.indiatradefair.com/csr.php

ITPO has been an active contributor towards the welfare of various communities under its CSR initiatives. For the years 2017-18 to 2019-20, ITPO extended support to Institution for the blind, Swachh Bharat Kosh, Clean Ganga Fund, International Solar Alliance (ISA), Friends of Himalaya (to support the children and widows of Uttrakhand), Bosco-Net (Poor Rural Women in Jharkhand), National Dairy Development Board (Milk to school children), Kalinga Institute for Social Sciences, Education and health for tribal population etc. For the year 2019-20, ITPO continued its efforts towards promotion of Sanitation by contributing Rs.50 lakh towards “Swachh Bharat Kosh of Govt. of India and also provided CSR support in the field of education, Workshops/exhibitions, PM Care Funds etc.

For the year 2020-21, ITPO could not continue its contribution towards CSR due to worldwide effect of Covide-19 pandemic and its subsequent impact on the financial position of ITPO.

Accordingly, Board noted the recommendations of the CSR Committee for the year 2020-21. The Board, after detailed discussion, decided the following:

1. The CSR activity for the year 2020-21 and onwards will be kept in abeyance till the financial position of the company improves, as ITPO is not in a position to contribute more funds due to ongoing financial stress further accentuated by the COVID-19 pandemic.

2. The pending unexecuted work for the ongoing projects undertaken in the financial year 2019-20 or before should be completed as per the approval of the Board. No new work out of the earlier approved projects needs to be initiated without the approval of CMD, ITPO.

3. As soon as the financial position of the organization improves, we will start the work related to CSR as per act & rules of DPE, Government of India guidelines and with the prior approval of the Competent Authority. The CSR funds of 2020-21 will also be used only in CSR activities of the organization.

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 Organisation for the year ended March 31, 2021. as stipulated in Notification No. 18(8)/2005- GM, dated 14th May 2010, issued by the 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 2020 to 31/03/2021. The company has appointed two Independent directors w.e.f 30.10.2019 & 12.12.2019 respectively and has complied with the requirements of subsection (4) of Section 149 and other applicable provisions of The Companies Act, 2013 as well as the requirements of DPE Guidelines. Compliance with 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 the 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 : 06-Aug-2021

Annexure-VIII

INDIA TRADE PROMOTION ORGANISATION

(A Govt. of India Enterprise)
Pragati Bhawan, 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 2020-21.

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

Place : New Delhi

Dated : 30.04.2021

Annexure-IX

CORPORATE SOCIAL RESPONSIBILITIES

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 and development of backward region and uplift of the marginalized and under-privileged section 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 will be implemented with the approval/monitoring accordingly. The detailed policy about CSR initiatives of ITPO is available at http://www.indiatradefair.com/csr.php.

ITPO has been an active contributor towards the welfare of various communities under its CSR initiatives. For the years 2017-18 to 2019-20, ITPO extended support to Institution for the blind, Swachh Bharat Kosh, Clean Ganga Fund, International Solar Alliance (ISA), Friends of Himalaya (to support the children and widows of Uttrakhand), Bosco-Net (Poor Rural Women in Jharkhand), National Dairy Development Board (Milk to school children), Kalinga Institute for Social Sciences, Education and health for tribal population etc. For the year 2019-20, ITPO continued its efforts towards promotion of Sanitation by contributing Rs.50 lakh towards "Swachh Bharat Kosh of Govt. of India and also provided CSR support in the field of education, Workshops/exhibitions, PM Care Funds etc.

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2. The pending unexecuted work for the ongoing projects undertaken in the financial year 2019-20 or before should be completed as per the approval of the Board. No new work out of the earlier approved projects needs to be initiated without the approval of CMD, ITPO.
3. As soon as the financial position of the organization improves, we will start the work related to CSR as per act & rules of DPE, Government of India guidelines and with the prior approval of the Competent Authority. The CSR funds of 2020-21 will also be used only in CSR activities of the organization.

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
- Independent Director

  (RADM Rahul Kumar Shrawat) - Member

1. The average net profit of the company for the last three financial years (2017-18, 2018-19 and 2019-20) is Rs.98.39 crore
2. The amount sanctioned on CSR activities for the year 2020-21 is Rs.1.97 crore (approx.) (2% of average net profit of the company for the last three financial years). In addition, an amount of Rs. 2.86 crore (approx.) is also carried out relating to CSR projects of previous years, which were either cancelled or refund received after completion of Project from the executing agency by completing the project in less than the sanctioned amount.
3. Few projects relating to earlier year were cancelled. The main reasons for cancellation of the project/s were that the CSR agencies could not execute the project as per the sanction of ITPO and other administrative reasons.

Distribution of Books, Uniform, School Bags and Stationery by ITPO through NAI DISHA FOUNDATION

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, 2021, have yielded a Loss of Rs.81.59 crore as against surplus of Rs. 85.34 crore (Recast as per Ind-AS) for the fiscal year 2019-20. The total income generated during 2020-21 is Rs. 50.39 crore compared to Rs. 240.37 (Recast as per Ind-AS) in the preceding year 2019-20.

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's mega project of redevelopment of Pragati Maidan into a world-class iconic landmark i.e. the International Exhibition and Convention Centre (IECC) is at a significant stage and is being implemented in a phased manner. Hall No. A3 to A5 Complex, complete in all respects, is likely to be delivered by November, 2020. The work on the remaining exhibition halls and the Convention Centre is progressing and the entire project is now rescheduled to be completed by October, 2021 except Exhibition Hall no. 6 that will be completed by January, 2022. The outbreak of the novel Covid-19 pandemic has hit the world at an unprecedented scale. The MICE industry is amongst the most affected. The IECC project activities were earlier impacted due to ban on construction activities in Delhi at various intervals. Now the construction work has been further impacted due to the Covid-19 and consequential lockdown. It may be noted that even if construction has restarted, the pace of construction will remain significantly low for some time due to imposition of social distancing guidelines and labour mobilization issues.

As a result, the earlier timelines had to be revised again which will further delay the availability of Exhibition Halls and other infrastructure.

The infrastructure including the Convention Centre is planned to be an added facility for the G20 Summit being hosted by India in 2022. The upcoming exhibition halls and the Convention Centre will fill critical gaps in requirements for MICE (Meetings, Incentives, Conferences and Events) sector. The IECC project includes development of 3,82,188 sqm total built up area including a world-class Convention Centre with an area of 53,399 sqm and exhibition area of 1,51,687 sqm with basement parking for 4,800 ECUs and administrative building of 8,857 sqm area.

An area of 3.70 acres has been earmarked for a five-star hotel at Pragati Maidan, which will be an integral part of the modern complex. However, there has not been any progress made towards operationalisation of the Hotel component due to poor response from the market.

The Convention Centre will be a huge iconic landmark at par with the best infrastructure in the world. The Convention Centre will have a seating capacity for 7000 pax in a single format which will be more than 5 times the size of Vigyan Bhawan and comprising of G20 meeting and premium rooms with an amphitheatre of 3000 pax seating capacity and a large number of meeting rooms of different sizes.

The Integrated Transit Corridor Development Plan (ITCDP) which is vital for easy access to the IECC is also underway concurrently in and around Pragati Maidan. It will provide access to the basement parking and also an alternative route to Bhairon Marg which is carrying traffic beyond its capacity. The entire stretch of Mathura Road will be signal free once it is ready. This would decongest traffic within the vicinity of Pragati Maidan and will also significantly reduce pollution levels in this area. This component is also an integral part of IECC project and is expected to be completed by March,2021. Since the funds envisaged to flow from monetisation of land for the Hotel are not available, the IECC project is to be funded through ITPO's reserves and institutional loan from the SBI.

The IECC project will definitely help improve nation's image in terms of world class modern MICE infrastructure. Revenues and services of business sector in the Delhi-NCR region will shoot up as many events may shift to New Delhi from the East Asian and other countries and as such, global fraternity is very excited and thrilled about the upcoming venue and is keenly looking ahead to welcome commissioning of the facilities. In a nutshell, the new venue will not only help in positioning India world over in terms of growth, strength and potential for trade, investment and manufacturing activity but also in projecting India to be a global power.

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.

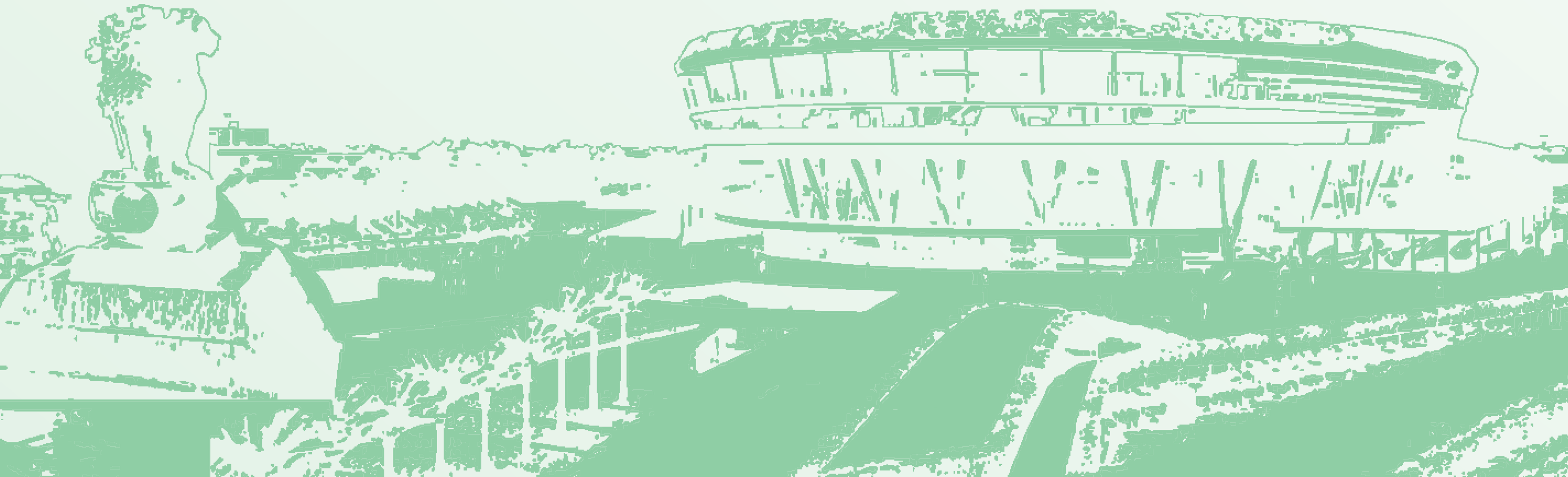
In ITPO the thrust of CSR and Sustainability is on capacity building, empowerment of communities, inclusive socio-economic growth, environment protection, promotion of green and energy efficient technologies, development of backward region, and upliftment of the marginalized and under-privileged section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


New Exhibition Complex
(Halls 2,3,4 & 5), Delhi

Accounts

Standalone Accounts



STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2021

(Rs. in Lakhs)

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	1,700.31	1,835.83
Right-of-use Assets	35.13	362.11	369.34
Capital work in progress	3	182,577.35	166,196.39
Other Intangible Assets	4	25.08	9.41
Investments in Subsidiaries, Joint Venture & Associate	5	1,327.39	1,324.06
Financial Assets			
Investments	6	-	-
Loans	7	1,095.02	1,405.49
Non-current tax assets	8	10,717.34	14,713.62
Other non-current assets	9	20,001.62	17,650.48
Current assets			
Financial Assets			
Investments	10	95.57	59.75
Trade receivables	11	470.19	1,451.81
Cash and cash equivalents	12	3,797.42	4,824.87
Bank balances other than cash and cash equivalents	13	25,699.42	20,311.49
Loans	14	447.48	345.83
Other Financial assets	15	847.29	10,210.08
Current tax assets	16	-	8,704.41
Other Current Assets	17	1,882.39	1,910.37
Total		**251,045.98**	**251,323.23**
EQUITY AND LIABILITIES			
Equity Share Capital	18	25.00	25.00
Other Equity	19	204,090.86	212,249.62
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	20	33,626.43	23,222.50
Lease liabilities	35.13	296.05	296.69
Non-current Provisions	21	1,880.63	2,093.12
Other non-current liabilities	22	673.08	817.53
Current Liabilities			
Financial liabilities			
Trade payables	23		
- Total outstanding dues of Micro and Small Enterprises		19.30	31.29
- Total outstanding dues of Creditors other than Micro and Small Enterprises		1,232.21	2,057.47
Lease liabilities	35.13	0.64	0.58
Other financial liabilities	24	5,829.78	5,580.43
Other current liabilities	25	2,524.82	3,731.45
Current Provisions	26	847.18	1,217.55
Total		**251,045.98**	**251,323.23**

'Significant Accounting Policies' and 'Notes'- 1 to 35 form an integral part of the Financial Statements

Sd/-
(R K Thakur)
Deputy General Manager (Finance)
M. No. 42105

Sd/-
(S. R. Sahoo)
Company Secretary & Chief Financial Officer
M. No. F5595

Sd/-
(Shashank Priya)
Director
DIN:8538400

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: 27.08.2021

STANDALONE STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 31ST MARCH, 2021

(Rs. in Lakhs)

Particulars	Note No.	Year ended 31st March 2021	Year ended 31st March 2020
Income			
Revenue From Operations	27	553.64	20,352.91
Other Income	28	4,485.20	3,683.63
Total Income		**5,038.84**	**24,036.54**
Expenditure			
Employee benefits expense	29	10,347.86	10,244.31
Depreciation and amortization expense	30	151.94	203.84
Finance Cost	31	34.27	37.25
Other expenses	32	2,641.54	7,802.88
Total Expenditure		**13,175.61**	**18,288.28**
Excess of Income over Expenditure/ (Expenditure over Income) before exceptional items and tax		**(8,136.77)**	**5,748.26**
Exceptional Items	33	-	3,264.00
Excess of Income over Expenditure/ (Expenditure over Income) before tax		**(8,136.77)**	**9,012.26**
Tax expense	35.5 (A)	-	-
Surplus/ (Deficit) for the year		**(8,136.77)**	**9,012.26**
Other Comprehensive Income			
Items that will not be reclassified to Income & Expenditure:			
Remeasurement gain/ (loss) on defined benefit plans	35.14 (II)	(21.99)	(478.17)
Other Comprehensive Income/ (Loss) for the year		**(21.99)**	**(478.17)**
Total comprehensive income for the year		**(8,158.76)**	**8,534.09**
Earnings per share- Basic/ Diluted (Face Value of Rs. 100/- each)	34	(0.33)	0.36

'Significant Accounting Policies' and 'Notes'- 1 to 35 form an integral part of the Financial Statements

Sd/-
(R K Thakur)
Deputy General Manager
(Finance)
M. No. 42105

Sd/-
(S. R. Sahoo)
Company Secretary &
Chief Financial Officer
M. No. F5595

Sd/-
(Shashank Priya)
Director
DIN:8538400

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: 27.08.2021

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

A. Equity Share Capital (Refer note. 18)

For the year ended 31st March 2021 **(Rs in Lakhs)**

Particulars	No. of shares	Amount
Balance as at 1 April 2020	25,000	25.00
Changes in equity share capital during the year	-	-
Balance as at 31 March 2021	**25,000**	**25.00**

For the year ended 31st March 2020 **(Rs in Lakhs)**

Particulars	No. of shares	Amount
Balance as at 1 April 2019	25,000	25.00
Changes in equity share capital during the year	-	-
Balance as at 31 March 2020	**25,000**	**25.00**

B. Other Equity (Refer note 19)

For the year ended 31st March 2021 **(Rs. in Lakhs)**

Particulars	Reserves and Surplus			Total
	Retained Earnings	Capital Reserve		
		Promoter's Contribution for KTPO	Others	
Balance as at 1 April, 2020	211,211.52	1,020.00	18.10	212,249.62
Changes in accounting policy or prior period errors	-	-	-	-
Restated Balance as at the 1 April, 2020	211,211.52	1,020.00	18.10	212,249.62
Add: Surplus/(deficit) for the year	(8,136.77)	-	-	(8,136.77)
Add: Other Comprehensive Income/(Loss) for the year	(21.99)	-	-	(21.99)
Balance as at 31 March 2021	203,052.76	1,020.00	18.10	204,090.86

For the year ended 31st March 2020 **(Rs. in Lakhs)**

Particulars	Reserves and Surplus			Total
	Retained Earnings	Capital Reserve		
		Promoter's Contribution for KTPO	Others	
Balance as at 1 April 2019	202,665.19	1,020.00	18.10	203,703.29
Changes in accounting policy or prior period errors	12.24	-	-	12.24
Restated balance as at 1 April 2019	202,677.43	1,020.00	18.10	203,715.53
Add: Surplus/(deficit) for the year	9,012.26	-	-	9,012.26
Add: Other Comprehensive income/(loss) for the year	(478.17)	-	-	(478.17)
Balance as at 31 March, 2020	211,211.52	1,020.00	18.10	212,249.62

'Significant Accounting Policies and Notes'- 1 to 35 form an integral part of the Financial Statements.

Sd/-
(R K Thakur)
Deputy General Manager (Finance)
M. No. 42105

Sd/-
(S. R. Sahoo)
Company Secretary & Chief Financial Officer
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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: 27.08.2021

STANDALONE CASH FLOWS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2021

(Rs. in Lakhs)

	Particulars	Year ended 31st March 2021		Year ended 31st March 2020	
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Excess of income over expenditure/ (expenditure over income) before Tax		(8,136.77)		9,012.26
	Adjustments For:				
	Other Comprehensive Income	(21.99)		(478.17)	
	Depreciation and Amortisation Expenses	151.94		203.84	
	Loss/ (Profit) on Sale of Property, Plant & Equipment (net)	19.92		(6.83)	
	Interest & Dividend Income	(4,260.41)		(2,330.68)	
	Finance Cost on lease	23.52		23.57	
	Provisions/ Write-offs	466.22		91.67	
	Provisions/Liabilities no longer required, written back	(111.09)		(479.17)	
	Provision for Impairment Loss on investment in JV	1.68		(0.29)	
	Fair value (gain)/ loss on Mutual funds	(32.64)	(3,762.85)	26.20	(2,949.86)
	Operating Profit before working capital changes		**(11,899.62)**		**6,062.40**
	Less: Net Increase (decrease) in Working Capital:				
	Increase (Decrease) in Non-Current Financial Loans	(310.47)		955.89	
	Increase (Decrease) in Non-Current Tax Assets	(3,996.28)		(7,925.15)	
	Increase (Decrease) in Other Non-Current Assets	(798.77)		(14.96)	
	Increase (Decrease) in Trade Receivables	(976.54)		738.03	
	Increase (Decrease) in Bank Balance	5,387.93		(23,587.51)	
	Increase (Decrease) in Current Loans	101.65		(1,218.59)	
	Increase (Decrease) in Other Current Financial Assets	(9,004.75)		4,744.48	
	Increase (Decrease) in Current Tax Assets	(8,704.41)		8,704.41	
	Increase (Decrease) in Other Current Assets	(0.89)		428.21	
	(Increase) Decrease in Non-Current Provisions	212.49		(60.80)	
	(Increase) Decrease in Other Non-Current Liabilities	144.45		122.12	
	(Increase) Decrease in Trade Payables	771.40		(419.19)	
	(Increase) Decrease in Lease Liability	0.58		0.54	
	(Increase) Decrease in Other Current Financial Liabilities	(280.30)		(2,410.99)	
	(Increase) Decrease in Other Current Liabilities	1,206.63		1,814.16	
	(Increase) Decrease in Current Provisions	432.09	(15,815.19)	3,273.66	(14,855.69)
	Net cash from Operating Activities [A]		3,915.57		20,918.09
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Investment in Associate		(5.00)		-
	Advance For IECC Project		(17,209.79)		(46,195.64)
	Capital Expenditure (WIP)		(19.02)		(220.41)
	Purchase of Property, Plant & Equipment/ other Intangible assets		(54.01)		(138.46)
	Sale of Property, Plant & Equipment		9.22		7.35
	Investments & Intercorporate Deposits		(3.18)		(5.62)
	Interest & Dividend Income		4,260.41		2,330.68
	Net cash from Investing Activities [B]		(13,021.37)		(44,222.10)

C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Borrowings		10,403.93		23,222.50
	Interest earned on DSRA		18.02		5.48
	Interest cost		(2,320.08)		(744.61)
	Finance cost on lease		(23.52)		(23.57)
	Net cash from Financing Activities [C]		8,078.35		22,459.80
	Net Increase / Decrease in Cash and Cash equivalents [A+B+C]		(1,027.45)		(844.21)
	Cash and Cash equivalents at the beginning of the year		4,824.87		5,669.08
	Cash and Cash equivalents at the end of the year		3,797.42		4,824.87
	Components of Cash and Cash Equivalents				
	at the end of the year				
	Cash in Hand and Cash equivalents (Refer note 1)		0.67		2.43
	Balance with Banks - in Current & Saving Accounts		3,796.75		4,822.44
			3,797.42		**4,824.87**

Note:-

1. Cash and Cash equivalents include Cash on hand and Drafts/Cheques on hand, if any.
2. Outflow from Operating Activities at 'A' includes Rs. 5.66 lakhs (previous year Rs. 421.50 lakhs) for payment on CSR Activities against the provisions recorded in previous years.

Significant Accounting Policies' and 'Notes'- 1 to 35 form an integral part of the Financial Statements

Sd/-
(R K Thakur)
Deputy General Manager
(Finance)
M. No. 42105

Sd/-
(S. R. Sahoo)
Company Secretary &
Chief Financial Officer
M. No. F5595

Sd/-
(Shashank Priya)
Director
DIN:8538400

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: 27.08.2021

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (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 the Registrar of Companies of Delhi & Haryana 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, 2021 were approved by the Board of Directors on 27th August 2021.

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 disclosed 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 STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (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.

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 as 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 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.

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

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.

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
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 in 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.

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.

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

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)

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.

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

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.

(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

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

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 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 the date of Financial Statements, 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 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.

(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 STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (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.

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 STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (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

Effective April 1, 2019, the Company adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on April 1, 2019.

All lease contracts where the company is lessee, with limited exceptions, are recognized in the financial statements by way of right-of-use assets and corresponding lease liabilities. Ind AS 116 defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

i. the contract involves use of an identified asset,

ii. the Company has substantially all the economic benefits from the use of the asset during the period of the lease and

iii. the Company has the right to direct the use of the asset.

Company as a lessee

At the date of commencement of the lease, the Company recognises a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for lease with a term of twelve months or less (i.e. short term leases) and leases for which the underlying asset is of low value. For these short-term leases for which the underlying asset is of low value, the Company recognizes the lease payments on straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of the lease along with any initial direct costs, restoration obligations and lease incentives received.

Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The Company applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss.

The lease liability is initially measured at present value of the lease payments that are not paid at that date.

The interest cost on lease liability is expensed in the Statement of Income & Expenditure.

Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

2.20. RECENT ACCOUNTING PRONOUNCEMENTS

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 01 April 2021. Key amendments relating to Division II which relate to Companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a Company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of Company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of Income & Expenditure:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

3. PROPERTY, PLANT AND EQUIPMENT (AS AT 31ST MARCH, 2021)

	Description	Useful Life (years)	Gross Block			
			As at 1.04.2020	Additions during the year	Sales/ disposal/ adjustments during the year	As at 31.03.2021
A	**PROPERTY, PLANT & EQUIPMENT**					
	Buildings- on Leasehold Land					
	A Class	40	1,210.45	-	-	1,210.45
	B Class	20	381.28	-	-	381.28
	C Class	10	145.21	-	-	145.21
	Buildings- Freehold					
	Residential/ office flats- free hold	40	160.09	-	-	160.09
	Electric installations/ fittings	10	189.31	-	-	189.31
	Water supply & drainage	10	8.63	-	-	8.63
	Plant and Machinery					
	Solar installation	15	110.26	-	-	110.26
	Air conditioning plants	15	60.37	-	60.37	-
	Furniture & fittings					
	Furniture & fixture	10	39.06	0.12	0.32	38.86
	Fire hydrant & fire fighting systems	10	6.89	-	-	6.89
	Vehicles	5	24.44	-	0.03	24.41
	Office Equipments					
	Office equipments/ other miscellaneous assets	5	122.60	12.33	41.69	93.23
	Audio visual equipments	5	149.93	-	2.44	147.49
	Computers & Data Processing					
	Servers & networks	6	38.76	-	-	38.76
	Computers, etc.	3	125.55	15.03	4.99	135.59
	SUB TOTAL(A)		**2,772.83**	**27.48**	**109.85**	**2,690.46**
B	**CAPITAL WORK IN PROGRESS**					
	International Exhibition Cum Convention Centre (Refer Note 35.8)		166,196.39	17,530.43	1,149.47	182,577.35
	SUB TOTAL (B)		**166,196.39**	**17,530.43**	**1,149.47**	**182,577.35**
	GRAND TOTAL (A+B)		**168,969.22**	**17,557.91**	**1,259.32**	**185,267.81**

3.1 Depreciation includes Rs. 0.46 lakh (Previous Year Rs. 0.57 lakh) in respect of each asset costing up to Rs. 5,000/-, fully depreciated in the year of addition.

3.2 Based on a study carried out by a professional firm, no case of impairment of assets exists as at 31st March, 2021 under the provisions of Ind AS- 36 on impairment of assets.

3.3 Pending the appointment of external agency, the physical verification of assets except Office Equipments & Furniture & Fixtures has been carried out internally during the year in which no material discrepancies were observed. The physical verification by the external agency, as per practice will be carried in due course.

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

(Rs. in Lakhs)

Depreciation				Net Block	
As at 1.04.2020	For the year	Sales/ disposal/ adjustments during the year	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020
322.90	47.95	-	370.85	839.60	887.55
42.53	18.45	-	60.98	320.30	338.75
35.15	14.60	-	49.75	95.46	110.07
30.69	6.14	-	36.83	123.26	129.40
71.85	13.29	-	85.15	104.16	117.46
3.50	0.77	-	4.26	4.36	5.14
27.16	6.98	-	34.14	76.11	83.10
49.03	-	49.03	-	-	11.35
23.43	2.32	0.28	25.47	13.39	15.63
1.28	0.05	-	1.33	5.56	5.61
17.84	2.83	-	20.67	3.74	6.60
56.37	15.85	27.63	44.59	48.64	66.22
130.24	-	2.02	128.22	19.26	19.69
26.89	0.90	-	27.78	10.96	11.86
98.14	3.71	1.76	100.10	35.49	27.41
937.00	**133.84**	**80.72**	**990.12**	**1,700.31**	**1,835.83**
-	-	-	-	182,577.35	166,196.39
-	**-**	**-**	**-**	**182,577.35**	**166,196.39**
937.00	**133.84**	**80.72**	**990.12**	**184,277.66**	**168,032.22**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

3. PROPERTY, PLANT AND EQUIPMENT (AS AT 31ST MARCH, 2020)

	Description	Useful Life (years)	Gross Block			
			As at 1.04.2019	Additions during the year	Sales/ disposal/ adjustments during the year	As at 31.03.2020
A	**PROPERTY, PLANT & EQUIPMENT**					
	Land (Refer Note 3.6)					
	Leasehold (Ghazipur)		78.76	-	78.76	-
	Leasehold (Pragati Maidan) (Refer Note 3.1 & 35.13)		0.00	-	0.00	-
	Buildings (on Leasehold Land)					
	A Class	40	1,178.34	32.11	-	1,210.45
	B Class	20	381.28	-	-	381.28
	C Class	10	38.52	106.69	-	145.21
	Buildings- Freehold					
	Residential/ office flats- free hold	40	160.09	-	-	160.09
	Electric installations/ fittings	10	189.31	-	-	189.31
	Water supply & drainage	10	8.63	-	-	8.63
	Plant and Machinery					
	Solar installation	15	110.26	-	-	110.26
	Air conditioning plants	15	60.37	-	-	60.37
	Furniture & fittings					
	Furniture & fixture	10	39.06	-	-	39.06
	Fire hydrant & fire fighting systems	10	6.89	-	-	6.89
	Vehicles	5	24.44	-	-	24.44
	Office Equipments					
	Office equipments/ other miscellaneous assets	5	108.14	15.22	0.77	122.60
	Audio visual equipments	5	149.93	-	-	149.93
	Computers & Data Processing					
	Servers & networks	6	35.80	2.96	-	38.76
	Computers, etc.	3	121.48	4.07	-	125.55
	SUB TOTAL(A)		**2,691.32**	**161.04**	**79.53**	**2,772.83**
B	**CAPITAL WORK IN PROGRESS**					
	Staff Quarters(Ghazipur)		23.15	-	23.15	-
	International Exhibition Cum Convention Centre (Refer Note 35.8)		132,294.53	34,859.82	957.96	166,196.39
	SUB TOTAL (B)		**132,317.68**	**34,859.82**	**981.11**	**166,196.39**
	GRAND TOTAL (A+B)		**135,009.00**	**35,020.86**	**1,060.64**	**168,969.22**

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

3.2 Depreciation includes Rs. 0.57 lakh (Previous Year Rs. 0.11 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, 2020 under the provisions of Ind AS- 36 on impairment of assets.

3.4 The report of physical verification of property, plant and equipment has been received from the appointed external agency and is under reconciliation. Post reconciliation, the discrepancies, if any in the physical verification report with the books will be adjusted in due course. However, 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 has been accounted as ROU asset under Ind AS 116 w.e.f. 01.04.2019 and the transfer has been shown as adjustments.

(Rs. in Lakhs)

Depreciation				Net Block	
As at 1.04.2019	For the year	Sales/ disposal/ adjustments during the year	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
-	-	-	-	-	78.76
-	-	-	-	-	0.00
256.29	66.61	-	322.90	887.55	922.05
23.79	18.74	-	42.53	338.75	357.49
21.71	13.44	-	35.15	110.06	16.82
24.55	6.14	-	30.69	129.40	135.54
54.75	17.10	-	71.85	117.46	134.56
2.72	0.78	-	3.50	5.13	5.92
20.18	6.98	-	27.16	83.10	90.08
49.03	-	-	49.03	11.35	11.35
20.41	3.02	-	23.43	15.63	18.65
1.23	0.05	-	1.28	5.61	5.66
14.75	3.09	-	17.84	6.60	9.69
42.00	14.63	0.26	56.37	66.22	66.14
130.24	-	-	130.24	19.69	19.69
23.69	3.20	-	26.89	11.87	12.11
86.84	11.30	-	98.14	27.41	34.64
772.17	**165.09**	**0.26**	**937.00**	**1,835.83**	**1,919.14**
-	-	-	-	-	23.15
-	-	-	-	166,196.39	132,294.53
-	**-**	**-**	**-**	**166,196.39**	**132,317.68**
772.17	**165.09**	**0.26**	**937.00**	**168,032.22**	**134,236.82**

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 21 (Contd.)

4. OTHER INTANGIBLE ASSETS (AS AT 31ST MARCH, 2021)

(Rs.in Lakhs)

Description	Useful Life (years)	Gross Block				Amortization				Net Block	
		As at 1.04.2020	Additions during the year	Sales/ disposal/ adjustments during the year	As at 31.03.2021	As at 1.04.2020	For the year	Sales/ disposal/ adjustments during the year	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020
Computer Softwares	3	90.79	26.49	-	117.28	81.51	10.78	-	92.30	24.98	9.27
Website	3	20.60	0.04	-	20.64	20.47	0.07	-	20.54	0.10	0.14
TOTAL		**111.40**	**26.53**	**-**	**137.93**	**101.99**	**10.86**	**-**	**112.85**	**25.08**	**9.41**

(Rs.in Lakhs)

Description	Useful Life (years)	Gross Block				Amortization				Net Block	
		As at 1.04.2019	Additions during the year	Sales/ disposal/ adjustments during the year	As at 31.03.2020	As at 1.04.2019	For the year	Sales/ disposal/ adjustments during the year	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
Computer Softwares	3	90.43	0.36	-	90.79	50.06	31.46	-	81.51	9.27	40.37
Website	3	20.41	0.20	-	20.60	20.41	0.07	-	20.47	0.14	0.00
TOTAL		**110.84**	**0.55**	**-**	**111.40**	**70.47**	**31.52**	**-**	**101.99**	**9.41**	**40.38**

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, 2021		As at March 31, 2020
	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		1,020.00	
	5,000 (Nil) equity shares of Rs.100/- each in ITPO Services Limited (ISL)	5.00		-	
			1,025.51		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	(118.12)	81.88	(116.45)	83.55
	2,20,000 (2,20,000) equity shares of Rs. 100/- each in Jammu & Kashmir Trade Promotion Organisation (JKTPO)		220.00		220.00
			1,327.39		**1,324.06**

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

5.1	Information about Subsidiaries, Joint Venture and Associate:				
	Name of Company	**Country of Incorporation**	**Principal Activities**	**Proportion (%) of Shareholding**	
				31.03.2021	**31.03.2020**
	Investment in Subsidiaries:				
	Tamil Nadu Trade Promotion Organisations	India	Trade Promotion	51%	51%
	Karnataka Trade Promotion Organisation	India	Trade Promotion	51%	51%
	ITPO Services Limited	India	Hospitality	100%	-
	Investment in Joint Venture & Associate:				
	National Centre for Trade Information	India	Trade Information	50%	50%
	Jammu & Kashmir Trade Promotion Organisation	India	Trade Promotion	42.05%	42.05%
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'.				

6 INVESTMENTS

(Rs. in Lakhs)

		As at March 31, 2021		As at March 31, 2020
	In Equity Shares- Unquoted, fully paid up			
	(carried at fair value through other comprehensive income)			
	5 (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	-		-
	* Amount less than Rs. 1,000/-			

7 LOANS (Considered good)

(Rs. in Lakhs)

		As at March 31, 2021		As at March 31, 2020
	Loan/ Advances to Employees (including accrued interest) **(Refer Note 7.1)**			
	Secured	238.72		328.74
	Unsecured	856.30		1,076.75
		1,095.02		**1,405.49**
7.1	Loan to Employees includes due from officers in the nature of loan	11.88		14.15

8 NON-CURRENT TAX ASSETS (Unsecured)

(Rs. in Lakhs)

			As at March 31, 2021		As at March 31, 2020
	Income Tax / TDS Recoverable (Refer Note. 35.5 B)				
	Considered good		9,398.34		13,394.62
	Considered doubtful	426.00		426.00	
	(Less): Provision for doubtful TDS	(426.00)	-	(426.00)	-
	Deposit (under protest)		1,319.00		1,319.00
			10,717.34		**14,713.62**

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

9 OTHER NON-CURRENT ASSETS

(Rs. in Lakhs)

			As at March 31, 2021		As at March 31, 2020
	Capital Advances				
	Secured (against corporate guarantee of NBCC) [Refer Note 35.8(g)]	15,621.00		8,400.00	
	Unsecured, considered good	2,248.90	17,869.90	6,998.09	15,398.09
	Other recoverable (Unsecured, considered good)				
	Sundry Deposits		1,187.22		1,153.85
	Service Tax Recoverable (Refer Note 35.10)		881.31		1,017.96
	Deferred Payroll expense		63.19		80.58
			20,001.62		**17,650.48**

10 INVESTMENTS

(Rs. in Lakhs)

		As at March 31, 2021		As at March 31, 2020
	In Mutual Funds- Quoted (Carried at fair value through income and expenditure)			
	3,25,333.892 (3,13,430.311) units of Rs. 10/- each in UTI-Balanced Fund Dividend Reinvestment scheme	95.57		59.75
		95.57		**59.75**
	(i) Aggregate amount of quoted investment & market value thereof	95.57		59.75
	(ii) Aggregate amount of impairment in the value of investments	-		-

11 TRADE RECEIVABLES

(Rs. in Lakhs)

			As at March 31, 2021		As at March 31, 2020
	Unsecured, considered good (Refer Note 11.1)		470.19		1,451.81
	Unsecured, considered doubtful (Refer Note 11.2)	938.09		933.49	
	(Less): Provision for doubtful debts	(938.09)	-	(933.49)	-
			470.19		**1,451.81**
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, 2021		As at March 31, 2020
	Balances with Banks:				
	-Savings accounts		3,784.22		4,772.88
	-Current accounts (Refer Note 12.1)		12.53		49.56
	Cash on hand (Refer Note 12.2)		0.10		1.86
	Postage Imprest		0.57		0.57
			3,797.42		**4,824.87**
12.1	Bank balance in current accounts includes amount of Rs. 9.84 lakhs (Previous year: Rs. 9.95 lakhs) held in bank accounts maintained in foreign countries.				
12.2	Amount held in Foreign currency- Nil (Previous year: Rs. 1.90 lakhs).				
12.3	There are no restriction with regard to cash and cash equivalents as at the end of the reporting period.				

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

13 BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

(Rs. in Lakhs)

		As at March 31, 2021		As at March 31, 2020
	Term deposits with banks having original maturity of more than 3 months but less than 12 months	25,699.42		20,311.49
		25,699.42		**20,311.49**
13.1	Includes Rs. 631.42 lakhs (previous year: Rs. 153.49 lakhs) deposited into Debt Service Reserve Account (DSRA) for the Loan raised from SBI for financing the IECC project to cover the interest servicing for one quarter.			

14 LOANS

(Rs. in Lakhs)

			As at March 31, 2021		As at March 31, 2020
	Loan/ Advances to Employees (including accrued interest) (Refer Note 14.1)				
	Secured, considered good		68.02		89.53
	Unsecured:				
	Considered good	194.11		256.30	
	Considered doubtful	90.70		66.55	
	(Less): Provision for doubtful recovery of Advances	(90.70)	194.11	(66.55)	256.30
	Advance to ITPO ECPF Trust (unsecured, considered good)		185.35		-
			447.48		**345.83**
14.1	Loans to Employees includes dues from:				
	Directors / Ex-Directors		-		0.01
	Officers in the nature of loan		2.26		2.09

15 OTHER FINANCIAL ASSETS

(Unsecured, considered good unless stated otherwise)

(Rs. in Lakhs)

			As at March 31, 2021		As at March 31, 2020
	Grant recoverable from Government of India				
	Considered good	345.33		1,003.63	
	Considered doubtful	358.95		1.00	
	(Less): Provision for doubtful recovery of Grant	(358.95)	345.33	(1.00)	1,003.63
	Inter-corporate deposits (placed with NBFCs)		-		8,455.00
	Due from Indian Missions Abroad		7.89		10.10
	Recoverable from KTPO, a Subsidiary Company		-		0.01
	Interest accrued on Saving bank accounts & term deposits		494.07		741.34
	Due from parties in respect of deposit works				
	Considered doubtful	70.15		70.15	
	(Less): Provision for doubtful dues	(70.15)	-	(70.15)	-
			847.29		**10,210.08**

16 CURRENT TAX ASSETS

(Unsecured, considered good)

(Rs. in Lakhs)

		As at March 31, 2021		As at March 31, 2020
	Income Tax / TDS Recoverable (Refer Note. 35.5 B)	-		8,704.41
		-		**8,704.41**

17 OTHER CURRENT ASSETS

(Unsecured, considered good unless stated otherwise)

(Rs. in Lakhs)

			As at March 31, 2021		As at March 31, 2020
	Advances to vendors				
	Considered good	302.38		397.40	
	Considered doubtful (refer note 17.1)	157.39		168.09	
	(Less): Provision for doubtful advances	(157.39)	302.38	(168.09)	397.40
	Sundry Deposits				
	Considered good	0.25		315.74	
	Considered doubtful	4.34		8.53	
	(Less): Provision for doubtful deposits	(4.34)	0.25	(8.53)	315.74
	Others				
	Deposit under protest with RPFC [Refer Note 35.1(a)]	100.00		100.00	
	GST Credit	1,091.46		839.50	
	Prepaid expenses	376.91		243.38	
	Deferred Payroll expense	11.39	1,579.76	14.35	1,197.23
			1,882.39		**1,910.37**
17.1	Advances to vendors include amount of Rs. 40.27 lakhs (Previous year: Rs. 40.27 lakhs) due from NCTI, JV Company.				

18 EQUITY SHARE CAPITAL

(Rs. in Lakhs)

		As at March 31, 2021		As at March 31, 2020
	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**

18.1 **Reconciliation of shares outstanding**

	As at March 31, 2021		As at March 31, 2020	
	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**

18.2 **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.

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

	As at March 31, 2021		As at March 31, 2020	
	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

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

19 OTHER EQUITY

(Rs. in Lakhs)

			As at March 31, 2021		As at March 31, 2020
	Capital Reserves				
	Promoter's Contribution for investment in KTPO		1,020.00		1,020.00
	Others (Refer Note 19.1)		18.10		18.10
	Retained Earnings				
	As per the last account	211,211.52		202,665.19	
	Add: Surplus/ (Deficit) for the year	(8,136.77)		9,012.26	
	Add: Remeasurement gain/(loss) of defined benefit plans	(21.99)		(478.17)	
	Add: Prior period Adjustments (Net)	-	203,052.76	12.24	211,211.52
			204,090.86		**212,249.62**
19.1	Represents excess of assets over liabilities of organisations merged with the Company in earlier years.				

20 BORROWINGS

(Rs. in Lakhs)

		As at March 31, 2021		As at March 31, 2020
	Borrowings from SBI for IECC	33,626.43		23,222.50
		33,626.43		**23,222.50**

20.1 Term loan of Rs. 1,50,000 lakhs was sanctioned by State Bank of India (SBI) to part finance the capital expenditure for redevelopment of ITPO complex into IECC at Pragati Maidan, New Delhi. The term loan carries the interest rate of 1-year MCLR, to be reset at annual interval, presently 7.40% (previous year: 8.50%) and is paid at monthly interval. The term loan is repayable in 56 quarterly installments after 30 months from the date of first disbursement, thus, the repayment of principal shall begin from December 2021.

The term loan is secured by an irrevocable guarantee of Government of India (GoI) towards principal and interest, restricted to the maximum of 80% of the loan facility or Rs. 105400 lakhs, whichever is less and is effective from 15th March 2019. Further, the Company in accordance with sanction stipulations has also maintained a DSR account with SBI by way of term deposits to cover the interest servicing for one quarter for which term deposits of Rs. 631.42 lakhs (previous year: Rs. 153.49 lakhs) were held as at 31st March, 2021 and shown in Note no. 13.1.

Loan amount of Rs. 33,626.43 lakhs (previous year: Rs. 23,222.50 lakhs) have been drawdown by the Company till 31/03/2021. Pending capitalisation of IECC, the cumulative interest on term loan of Rs. 2,830.69 lakhs (previous year: Rs. 744.61 lakhs), cumulative interest income of Rs. 23.51 lakhs (previous year: Rs. 5.48 lakhs) earned on DSRA and cumulative guarantee fees of Rs. 1,337.09 lakhs (previous year: Rs. 1,103.09 lakhs) to GOI towards its issue as on 31st March, 2021 have been included in Capital Work-in-progress in Note no. 3.

21 NON- CURRENT PROVISIONS

(Rs. in Lakhs)

		As at March 31, 2021		As at March 31, 2020
	Provision for employee benefits			
	Leave Encashment (Refer Note 35.14)	1,880.63		2,093.12
		1,880.63		**2,093.12**

22 OTHER NON-CURRENT LIABILITIES

(Rs. in Lakhs)

		As at March 31, 2021		As at March 31, 2020
	Advance received from customers	673.08		817.53
		673.08		**817.53**

23 TRADE PAYABLES

(Rs. in Lakhs)

		As at March 31, 2021		As at March 31, 2020
	Total outstanding dues of Micro and Small Enterprises (Refer Note 23.1)	19.30		31.29
	Total outstanding dues of creditors other than Micro and Small Enterprises	1,232.21		2,057.47
		1,251.51		**2,088.76**

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

(Rs. in Lakhs)

		As at March 31, 2021		As at March 31, 2020
a	Amount remaining unpaid to any supplier at the end of the year			
	Principal amount	19.30		31.29
	Interest due thereon	-		-
b	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.	-		-
c	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.	-		-
d	Amount of interest accrued and remaining unpaid	-		-
e	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	-		-

24 OTHER FINANCIAL LIABILITIES

(Rs. in Lakhs)

		As at March 31, 2021		As at March 31, 2020
	Employees' benefits payable	106.71		300.61
	Security deposits	467.76		582.92
	Refund due to customers	3,389.55		2,431.95
	Grant refundable to DoC	1,500.00		54.45
	Interest accrued on borrowings	210.08		146.63
	Other payables	155.68		2,063.87
		5,829.78		**5,580.43**

25 OTHER CURRENT LIABILITIES

(Rs. in Lakhs)

		As at March 31, 2021		As at March 31, 2020
	Advance received from customers	2,391.72		3,235.16
	Statutory Liabilities	133.10		496.29
		2,524.82		**3,731.45**

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

26 CURRENT PROVISIONS

(Rs. in Lakhs)

			As at March 31, 2021		As at March 31, 2020
	Provision for Employees' Benefits:				
	-Gratuity (Refer Note 35.14)	206.74		731.45	
	-Leave Encashment (Refer Note 35.14)	412.27		319.65	
	-Pension Fund	4.28		4.28	
	-Pay revision	162.17	785.46	162.17	1,217.55
	Provision for diminution in investment of PF Trust		61.72		-
			847.18		**1,217.55**

(Rs. in Lakhs)

	Particulars	As at April 1	Amount utilised/ reversed during the year	Provision made during the year	As at March 31
	Movement of Provisions (2020-21):				
	Pension Fund	4.28	-	-	4.28
	Pay revision	162.17	-	-	162.17
	Diminution in investment of PF Trust	-	-	61.72	61.72
	Movement of Provisions (2019-20):				
	Performance Related Pay/ Ex-gratia (Refer Note 35.3)	3,264.00	(3,264.00)	-	-
	Pension Fund	10.89	(6.61)	-	4.28
	Pay revision	162.17	-	-	162.17

27 REVENUE FROM OPERATIONS

(Rs. in lakhs)

			Year ended 31.03.2021		Year ended 31.03.2020
	Sale of Services				
	Space Rent	457.22		17,483.74	
	Unbilled revenue	50.31		-	
	Government Grant- Revenue	-		776.33	
	Receipts towards electricity & water charges	63.39		907.41	
	Receipts towards other services	0.78		354.09	
	Hoardings	(4.69)		321.36	
	Branding/ Sponsorship	-	567.01	45.83	19,888.76
	Other Operating Revenue				
	Sale of Entry Tickets / Seasonal Passes	(4.39)		373.86	
	Subscriptions	2.80		9.96	
	Advertisement- Publications	(11.78)		78.61	
	Sale of Publications	-	(13.37)	1.72	464.15
			553.64		**20,352.91**

28 OTHER INCOME

(Rs. in Lakhs)

			Year ended 31.03.2021		Year ended 31.03.2020
	Interest Income from				
	-Term deposits & Saving bank accounts	1,367.77		1,744.54	
	-Inter- corporate deposits	480.96		266.20	
	-Loan to employees	42.57		50.52	
	-Income Tax refund	2,349.38		261.72	
	-Others	16.55	4,257.23	2.07	2,325.05
	Dividend from Mutual Funds		3.18		5.63
	Rent		64.09		413.16
	Difference in Exchange (net)		3.48		5.33
	Other non-operating income				
	Profit on Sale of Property, Plant & Equipment (Net)	-		6.83	
	Liabilities/Provisions no longer required, written back	111.09		479.17	
	Penalties from customers (Refer Note 28.1)	7.20		404.60	
	Fair value gain on mutual funds	32.64		-	
	Provision for impairment loss written back	-		0.29	
	Miscellaneous Income	6.29	157.22	43.57	934.46
			4,485.20		**3,683.63**
28.1	Penalty of Rs. 762.25 lakhs, cumulative up to 31.03.2021 (previous year: 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)

			Year ended 31.03.2021		Year ended 31.03.2020
	Salaries & Wages				
	Salaries, Wages & Allowances (Refer Note 29.1)	6,926.51		6,423.77	
	Other Perks & Allowances	1,260.45	8,186.96	1,376.85	7,800.62
	Contribution to Provident & Other Funds				
	Contribution to Provident Fund (Refer Note 35.14)	564.72		622.38	
	Contribution to Pension Fund (Refer Note 35.14)	321.96		350.84	
	Gratuity (Refer Note 35.14)	250.29		253.28	
	Leave Encashment (Refer Note 35.14)	456.39		616.20	
	Contribution to Other Funds	7.64	1,601.00	8.41	1,851.11
	Staff Welfare expenses				
	Medical expenses	349.43		465.96	
	Compensation for deceased employees	160.91		41.57	
	Other Staff Welfare Expenses	49.56	559.90	85.05	592.58
			10,347.86		**10,244.31**
29.1	Includes Rs. 1,281.43 lakhs (Previous year Rs. 293.48 lakhs) on account of ex-gratia under the Voluntary Retirement Scheme.				

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

30 DEPRECIATION AND AMORTISATION EXPENSE

(Rs. in Lakhs)

	Year ended 31.03.2021		Year ended 31.03.2020
Depreciation on Property, Plant & Equipment	133.85		165.09
Depreciation on Right-of-Use Assets	7.23		7.23
Amortization of Other Intangible Assets	10.86		31.52
	151.94		**203.84**

31 FINANCE COST

(Rs. in Lakhs)

	Year ended 31.03.2021		Year ended 31.03.2020
Interest on lease	23.52		23.57
Bank Charges	0.57		3.09
Other interest cost	10.18		10.59
	34.27		**37.25**

32 OTHER EXPENSES

(Rs. in Lakhs)

		Year ended 31.03.2021		Year ended 31.03.2020
Expenses related to sale of services				
Participation Charges		14.85		2,103.40
Construction & Interior Decoration		3.89		1,134.75
Publicity		1.29		464.71
Freight, Packing & Handling		-		1.66
Interpreter charges		-		14.51
Travelling & Conveyance		0.51		340.45
Foreign Delegation		-		16.63
Other Operating Expenses				
Entertainment		3.76		47.30
Commission		-		96.18
Electricity Charges		289.38		677.32
Water Charges		14.21		88.96
Maintenance of Pragati Maidan				
-Civil	98.03		184.96	
-Electrical	315.41		482.33	
-Horticulture	11.71		33.98	
-Conservancy Arrangements	117.79	542.94	190.00	891.27
Other Administrative Expenses				
Repairs, Renewals & Maintenance		160.22		131.25
Security Expenses		523.22		589.26
Postage, Telegrams & Telephones		23.49		26.61
Insurance		2.19		5.83
Legal & Professional Charges (refer note 35.9)		129.92		48.70
Seminar & Training		1.17		14.50
Books & Periodicals		0.74		2.71
Printing & Stationery		26.41		59.13
Advertisement Expenses		0.22		7.41

	Corporate Social Responsibility Expenses (Refer Note 35.16)		-		361.18
	Rent		-		7.32
	Rates & Taxes	344.44		342.41	
	(Less): Recoveries	(0.87)	343.57	(3.51)	338.90
	Vehicle running & maintenance	16.36		19.36	
	(Less): Recoveries	(0.07)	16.29	(0.08)	19.28
	Provision for dimunition in investment of PF Trust		61.72		-
	Fair value loss on mutual funds		-		26.20
	Provision for impairment loss on Investments in JV		1.68		-
	Loss on Sale of Property, Plant & Equipment (Net)		19.92		
	Provisions/ Write Offs		404.50		91.68
	Other Miscellaneous Expenses (refer note 35.9)		43.55		183.20
	Sitting Fees to Directors		2.40		1.00
	Auditor's Remuneration				
	-Audit Fee	8.00		8.00	
	-Tax Audit Fee	1.50		1.50	
	-Arrears	-		1.13	
	-Reimbursement of expenses	-	9.50	0.95	11.58
			2,641.54		**7,802.88**

33 EXCEPTIONAL ITEMS

(Rs. in Lakhs)

		Year ended 31.03.2021		Year ended 31.03.2020
	Provision for PRP written back (Refer Note 35.3)	-		3,264.00
		-		**3,264.00**

34 EARNINGS PER SHARE

(Rs. in Lakhs)

		As at March 31, 2021		As at March 31, 2020
	Surplus/ (Deficit) for the year (Rs. in lakhs)	(8,136.77)		9,012.26
	Equity shares (Nos.)	25,000		25,000
	Nominal value per share (Rs.)	100.00		100.00
	Earnings per share (Basic/ Diluted) (Rs. in lakhs)	(0.33)		0.36

35 OTHER NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Rs. in Lakhs)

35.1	CONTINGENT LIABILITIES AND COMMITMENTS	As at March 31, 2021		As at March 31, 2020	
(a)	**Contingent Liabilities**				
	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 [refer note 35.5]	188.39		185.99	
	Service Tax [refer note 35.10(b)]	370.13		141.14	
	Employee Provident Fund (amount deposited Rs. 100.00 lakhs, previous year: Rs. 100 lakhs)	1,695.57	2,254.09	1,695.57	2,022.70
	Employee related matter (refer note 35.3)		3,335.18		3,335.02
	Others - for which the company is contingently liable (Refer Note 35.8(c))		2,642.24		1,847.46
			8,231.51		**7,205.18**

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

	The Company is contesting the above demands/ claims 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.				
(b)	**Capital Commitments**				
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances- Refer Note 35.8)		68,370.91		88,256.53
	Equity Contribution in Subsidiary/ Associate Company		1,000.00		1,005.00

35.2 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 w.e.f. 1976 on 7th March 2011, out of which the combined area of 7.2623 acres is under the occupation of two Government Departments i.e. National Science Centre and Crafts Museum, without a sublease agreement.

The expenditure incurred on the annual ground rent, paid to L&DO, including the area under possession of these government departments, is borne by the Company as the lease deed for the entire area is in the name of the Company. Further, the municipal taxes in respect of areas under their possession, as per past practice, are being paid by these departments directly to the Revenue authority. However, the annual rent of Rs. 646.58 lakhs [cumulative rent of Rs. 11922.31 lakhs (Previous year Rs. 11,275.73 lakhs)] is not being paid by both the departments and is being contested by them.

In respect of dues from National Science Centre, the Department of Commerce, the administrative ministry of the company has forwarded the matter for invocation of the Administrative Mechanism for Resolution of CPSE's Disputes (AMRCD) on 02.07.2021 for settlement of dispute. In respect of dues from the Crafts Museum, the company has taken up the matter at higher levels in the government for resolution of outstanding land charges as well as strip of land required by the Company for IECC project. In view of uncertainty in the realization of dues as above, the rental income from both the departments is not recognized since earlier years.

35.3 Performance Related Pay (PRP)/ Ex-gratia

The provision of Rs. 3264 lakhs towards Performance Related Pay (PRP)/ Ex-gratia was made by the Company during the period 01.04.2007 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. 1020.97 lakhs (Previous Year: Rs. 1222.19 lakhs), net of recoveries from the employees retired/ taken VRS, were released to the employees with the approval of the Board of Directors (BOD) of the Company as ‘Interest free advances’ against the undertakings obtained from the employees to refund/ adjust the advance as per the decision of the competent authority.

The BOD in its 205th meeting held on 29.08.2018 had noted that though as per DPE guidelines, ITPO could grant PRP/ Ex-gratia but it is not mandatory for it to do so since the guidelines of DPE only provide the guidance but they do not create any obligation for the Company and all financial decisions including PRP/ Ex-gratia have to be considered by the BOD and approved by the Administrative Ministry, wherever required. This was also clarified by the Department of Commerce (DoC) in Sep.'13 and reiterated in Oct.'17 that ITPO is ineligible for PRP as per recommendation of 2nd PRC.

However, in case of 3rd PRC, the decision on PRP/ Ex-gratia is dependent upon it's financial position and other factors. Therefore, due to huge financial outgo committed by the Company for ongoing IECC project and inadequate surplus generated from core activities, the BOD during 2017-18 and 2018-19 decided not to provide for PRP/ Ex-gratia/ Interest free advance for both these years.

For the year 2019-20, the BOD in its 213th meeting held on 18th June 2020 decided not to make provision towards PRP/ ad-hoc advance, considering the extreme financial stress on the Company due to ongoing IECC project, the adverse business outlook projected during next few years due to outbreak of Covid-19 pandemic and also to write back the provision of Rs. 3264 lakhs towards PRP/ Ex Gratia already made during the earlier years for 2nd pay revision period, which is not payable as per the clarification of DoC. The BoD in 214th meeting on 22nd September 2020 decided that the recoveries of ad-hoc advances from the employees be effected in monthly installments w.e.f. April '21 and be completed in three years or at the time of retirement/ VRS, whichever is earlier, to improve the availability of funds in the company for the project.

The ITPO Employees Union has filed an application for stay of recoveries in the Central Administrative Tribunal, which is pending for disposal. However, as per legal advice, the recoveries in monthly installments from employees in service are yet to be initiated and the recoveries from retiring employees are being made at the time of their VRS/ retirements, as per earlier approvals.

35.4 In the opinion of the management, the value of assets other than Property, Plant and Equipment and Intangible assets, on realization in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

35.5 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 and 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.

The Income Tax Department 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. However, regular hearings in the matter are yet to commence.

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, no provision for income-tax, interest and penalties is considered necessary from Assessment year 2009-10 onwards.

B. Demands and Income Tax recoverable

During the intervening time period of withdrawal of exemption and legal proceedings, 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 the demand of Rs. 15,589.86 lakhs against which Rs. 1,319.00 lakhs was deposited under protest. Subsequent to the restoration of the exemption by the Hon'ble High Court, the year-wise position in respect of demands, refunds received and tax recoverable is as under:

(Rs. in Lakhs)

	Assessment Years	Deposit/ TDS recoverable as on 31.3.2020	TDS additions during 2020-21	Refund received during 2020-21	Deposit/ TDS recoverable as on 31.3.2021
a	Various Assessment years (doubtful for recovery)	426.00	-	-	426.00
b	2009-10 to 2011-12 (against demand of Rs. 15,589.86 lakhs)*:				
	- deposit under protest	1,319.00	-	-	1,319.00
	- adjusted from refunds for various AYs	6,464.64	-	-	6,464.64
c	2012-13 to 2013-14 (refund received in earlier years)	-	-	-	-
d	2014-15 to 2020-21 #	15,634.39	203.93	(13,137.59)	2,700.73
e	2021-22	-	232.98	-	232.98
	Total	**23,844.03**	**436.91**	**(13,137.59)**	**11,143.34**

* Demands, since nullified by the ITAT, Delhi.

TDS additions for AY 2020-21 only

The company is pursuing the matter with the income tax department for obtaining the refund of balance amount along with interest for the aforesaid years and is confident of realisation.

35.6 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.

35.7 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, which in view of management will not be material.

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

35.8	**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, is to 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 and also the 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. Pending monetisation of land, the BoD has decided to deploy additional Rs. 40,000 lakhs from its internal resources and accordingly the term loan from bank will stand reduced to that extent.
(c)	During the year 2018-19, Request for Proposal (RFP) for selection of Developer cum Operator of 5-star hotel at Pragati Maidan was floated for which 2 bidders were found technically qualified. However, due to non-participation of one bidder in further bidding process, the said bid process was cancelled due to lack of competition and the bid security of Rs. 1,694.92 lakhs (net of GST of Rs. 305.08 lakhs), received from the said bidder who did not participate, was forfeited as per terms and conditions of RFP, and was considered as "Exceptional Income" in the said year. The bidder filed a writ petition against forfeiture of his bid security in the Hon'ble Delhi High Court in Aug'2019 which is being contested by the Company. The same has been included in 'Contingent Liability' in Note no. 35.1.
(d)	The Cabinet in its meeting held on 4th December, 2019, approved the monetization of 3.70 acres of land at Pragati Maidan on a 99-year fixed lease basis in favour of a Special Purpose Vehicle (SPV) formed as a wholly owned subsidiary of ITPO, for the development and operation of a 5-star hotel at Pragati Maidan. A Request for Proposal (RFP) for selection of a suitable developer and operator to construct, run and manage the said hotel through a competitive bidding process, was issued on 28.02.2020 but due to situation arising out of Covid-19 pandemic, no bid was received by the extended due date of 31.08.2020. Thus, the RFP stands cancelled and the Company will explore the options on this matter, as and when the situation improves.
(e)	Term loan of Rs. 1,50,000 lakhs was sanctioned by a nationalised bank on 28.05.2018. Guarantee for Rs. 1,05,400 lakhs has been issued by the Government of India against the said term loan on 15.03.2019 on which Guarantee fee of Rs. 1676.09 lakhs (previous year Rs. 1337.09 lakhs) has been paid.
(f)	NBCC, a Public Sector Undertaking, has been appointed as the Project Management Consultant (PMC) for the project for which an agreement has been entered into.
(g)	A special advance of Rs. 10,000 lakhs at an interest rate of 10.5% p.a. was approved to the contractor through NBCC in 215th BoD meeting held on 30th Dec. 2020 to mitigate the hardship to the contractor due to COVID-19 pandemic against the bank guarantee of Rs. 10,000 lakhs from the contractor to NBCC and Corporate Guarantee of equivalent amount given by NBCC to the company. An amount of Rs. 6,050 lakhs has been released till 31st March 2021 and included in Note no. 9.
(h)	The work done for IECC project amounting to Rs. 1,82,577.35 lakhs up to 31.03.2021 (Rs. 1,66,196.39 lakhs up to 31.03.2020) has been shown as Capital Work-in-Progress in Note. 3 and advance of Rs. 17,869.90 lakhs (previous year: Rs. 15,398.09 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. 68,370.91 lakhs is shown as Capital Commitments for the project in Note No. 35.1.
35.9	**ITPO Services Limited**
(a)	ITPO Services Limited was incorporated on 24th May 2020 as a wholly owned subsidiary of the company (Refer note 35.8(d)).
(b)	As per approved arrangements, the company appointed M/s MSTC, a PSU, as consultant for the preparation of RFP for selection of hotel developer, on behalf of ITPO Services Limited. The expenditure towards professional fee of Rs. 60 lakhs paid to M/s MSTC alongwith the preliminary expenses of Rs. 2.04 lakhs incurred on its formation have been borne by the company and are included in 'Other Expenses' in Note no. 32.
35.10	**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 the 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 by the company before CESTAT on 24.04.2015, and on the directions of CESTAT, the modified appeal was filed on 09.02.2017. 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 against which the Department had filed a civil appeal before the Hon'ble Supreme Court. The appeal of the Department has since been dismissed by the Hon'ble Supreme Court and the company has filed the application with the Department on 07.07.2021 for obtaining the refund of Rs. 881.31 lakhs along with interest.
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
Apr. 2014 to Jun. 2017	228.99
Total	370.13

The Company, based on the expert opinion, considers that the above matters, on which 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. 370.13 lakhs has been considered necessary in the accounts as at 31.03.2021 and the said demand of Rs. 370.13 lakhs has been included in Contingent Liability in note 35.1.

35.11 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 were paid upfront on 1.5.2018 and balance amount of Rs 932.94 lakh was agreed to be paid in 4 equal quarterly installments of Rs 233.24 lakhs each.

IAL defaulted on the payments of quarterly installments, paid Rs 100 lakhs only on 1.11.2018. On default, the Estate Officer Pragati Maidan vide its order dated 19th February 2019 allowed ITPO to take legal recourse to recover its dues by invoking corporate guarantee and personal guarantee submitted by IAL at the time of agreement and also to make recovery from IAL under Public Premises Act, 1971. The Company approached the concerned Revenue authority for implementation of the said order which has issued the warrant for attachment of property of IAL under Land Reforms Act, 2013. IAL further deposited Rs. 142 lakhs with ITPO during 2019-20. The company is following up with the Revenue Authority for the recovery of the outstanding amount.

As per Ind AS 115, amount of Rs. 342 lakhs, recovered till date, has been adjusted against the dues of IAL and the Provision for Doubtful Debts has also been reversed by the same amount. The interest on delayed payments as stipulated in the agreement has not been accounted for, in accordance with Ind AS 115, as its realisation is considered uncertain.

35.12 COVID-19 Impact

Coronavirus Disease (COVID-19) pandemic has resulted in significant decrease in economic activities of the company. Accordingly, the events scheduled during the year 2020-21 were cancelled/ postponed due to restrictions imposed by government authority, thus impacting the operations of the company substantially whereby only two events were held. Further, the IECC project activities were also impacted resulting in delay in completion of work.

The management has assessed the recoverability of carrying amount of assets and liabilities based on the current indicators of the future economic condition considering the probable impact of COVID 19. It is estimated as at the date of approval of financial statements that the Company will be able to recover the carrying amount of assets and settle its liabilities. However, the extent to which CoVID-19 pandemic will impact the Company's activities and financial results in future will depend upon future developments which are highly uncertain. Hence, its impact may be different from that now estimated and the Company will continue to closely monitor any material changes to future economic conditions and the same will be accounted for as and when crystallized in the period to which it relates.

35.13 LEASES

On adoption of Ind AS 116, the Company recognised lease liabilities and right-of-use (ROU) assets in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17 "Leases", except for those identified as low-value or having a remaining lease term of less than 12 months from the date of initial application. On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets, the Company has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straight line basis over the remaining lease term.

The Company has taken immovable properties on lease which are generally long term in nature. Lease liabilities are measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as at initial recognition. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 April 2019 was 8.05%.

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

(Rs. in Lakhs)

Particulars	Category of ROU Asset		Total
	Land	Office Flats	
Reclassified on account of adoption of Ind AS 116	179.37	197.20	376.57
Addition	-	-	-
Deletion	-	-	-
Depreciation	2.84	4.39	7.23
Balance as at 31st March'20	**176.53**	**192.81**	**369.34**
Addition	-	-	-
Deletion	-	-	-
Depreciation	2.84	4.39	7.23
Balance as at 31st March'21	**173.69**	**188.42**	**362.11**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Income & Expenditure.

The break-up of current and non-current lease liabilities is as follows: **(Rs. in Lakhs)**

Particulars	As at March 31, 2021		As at March 31, 2020
Current Lease Liability	0.64		0.58
Non-current Lease Liability	296.05		296.69
Total	**296.69**		**297.27**

The movement in lease liabilities during the year is as follows: **(Rs. in Lakhs)**

Particulars	Year ended March 31, 2021		Year ended March 31, 2020
Reclassified on account of adoption of Ind AS 116	297.27		297.81
Addition	-		-
Finance cost accrued during the period	23.53		23.57
Deletion	-		-
Payment of Lease liabilities	24.11		24.11
Balance at the year end	**296.69**		**297.27**

The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows: **(Rs. in Lakhs)**

Particulars	As at March 31, 2021		As at March 31, 2020
Less than one year	24.11		24.11
One to five years	96.45		96.45
More than five years	1,024.92		1,049.03
Total	**1,145.48**		**1,169.59**

35.14 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)

	2020-21	**2019-20**
Employer's contribution towards Provident Fund	564.72	622.38
Employer's contribution towards Pension Fund	321.96	350.84
	886.68	973.22

II. Defined Benefits Plans

Gratuity

The Company has a defined benefit gratuity scheme which 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)**

	2020-21	**2019-20**
Interest cost	47.83	45.79
Service cost	202.46	207.49
Expenses recognized in the statement of Income & Expenditure	250.29	253.28
Remeasurements:		
Opening unrecognized Actuarial Gain/ (loss)	(932.55)	(454.38)
Actuarial gain/ (loss) for the year on asset	(3.34)	(61.97)
Actuarial gain/ (loss) for the year on PBO due to change in:		
-Demographic Assumption	-	0.40
-Financial Assumption	(25.64)	(240.95)
-Experience Assumption	6.99	(175.65)
OCI recognized for the year	(21.99)	(478.17)
Net actuarial gain/(loss) unrecognized in OCI at the end of the year	(954.55)	(932.55)

ii. The amount recognized in the Balance Sheet **(Rs. in Lakhs)**

	As at March 31, 2021	**As at March 31, 2020**
Present value of the obligation at end of the year	5,427.37	6,068.97
Fair value of plan assets at end of year	5,220.63	5,337.52
Net liability recognized in Balance Sheet and related analysis	206.7 4	731.45
Funded/ (unfunded) Status	(206.74)	(731.45)

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

iii. Changes in the Present Value of Obligations: (Rs. in Lakhs)

	2020-21	2019-20
Present value of the obligation at the beginning of the year	6,068.97	6,068.01
Interest cost	396.91	456.92
Service cost	202.46	207.49
Benefits paid	(1,259.63)	(1,079.65)
Actuarial (gain)/loss	18.65	416.20
Present value of the obligation at the end of the year	5,427.37	6,068.97

iv. Maturity Profile: (Rs. in Lakhs)

Year	As at March 31, 2021	As at March 31, 2020
0 to 1 year	954.02	789.49
1 to 2 year	651.83	911.20
2 to 3 year	787.19	656.03
3 to 4 year	791.60	820.85
4 to 5 year	679.93	766.91
5 to 6 year	446.24	677.38
6 year onwards	1,116.55	1,447.12

v. Sensitivity Analysis of the defined benefit obligation: (Rs. in Lakhs)

	2020-21	2019-20
a) Impact of the change in discount rate		
Present Value of Obligation at the end of the year	5,427.37	6,068.97
a) Impact due to increase of 0.50%	(105.24)	(124.13)
b) Impact due to decrease of 0.50%	109.08	129.29
b) Impact of the change in salary increase		
Present Value of Obligation at the end of the year	5,427.37	6,068.97
a) Impact due to increase of 0.50%	109.00	97.04
b) Impact due to decrease of 0.50%	(106.14)	(99.78)

Sensitivities due to mortality & withdrawals are not material. Hence, impact of change due to these have not been calculated.

vi. The assumptions employed for the calculations are tabulated below:

	As at March 31, 2021	As at March 31, 2020
Discount rate	6.42% per annum	6.54% per annum
Salary Growth Rate	6.00% per annum	6.00% per annum
Mortality	IALM 2012-14	IALM 2012-14
Withdrawal rate (Per Annum)	2.00% per annum	2.00% per annum

vii. Expected contribution for the next annual reporting period (Rs. in Lakhs)

	2020-21	2019-20
Service Cost	204.47	232.87
Net Interest Cost	13.27	47.84
Expected Expense for the next annual reporting period	217.74	280.71

viii. Major categories of plan assets (as percentage of total plan assets)

	As at March 31, 2021	As at March 31, 2020
Funds Managed by Insurer	100%	100%

ix. Change in Fair Value of Plan Assets (Rs. in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Fair value of plan assets at the beginning of the period	5,337.53	5,459.99
Difference in Opening Fund	-	0.06
Actual return on plan assets	354.77	358.00
Less- FMC Charges	(9.04)	(8.89)
Employer contribution	797.00	608.02
Benefits paid	(1,259.63)	(1,079.65)
Fair value of plan assets at the end of the period	5,220.63	5,337.53

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. The BoD in its 214th meeting held on 22.09.2020 have revised the EL encashment during service subject to a maximum of 50% of the earned leave at credit or 20 days whichever is less, once in a calendar year leaving minimum balance of 30 days. EL is 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.

i. Expenses recognized in the statement of Income and Expenditure (Rs. in Lakhs)

	2020-21	2019-20
Interest cost	157.79	185.76
Service cost	113.83	114.85
Net actuarial (gain)/loss recognized in the period	184.76	315.59
Expenses recognized in the statement of Income and Expenditure	456.39	616.20

ii. The amount recognized in the Balance Sheet (Rs. in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Present value of the obligation at end of the year	2,292.90	2,412.77
Net liability recognized in Balance Sheet and related analysis	2,292.90	2,412.77
Unfunded Status	(2,292.90)	(2,412.77)

iii. Changes in the Present Value of Defined Benefit Obligations: (Rs. in Lakhs)

	2020-21	2019-20
Present value of the obligation at the beginning of the year	2,412.77	2,466.94
Interest cost	157.79	185.76
Service cost	113.83	114.85
Benefits paid	(576.26)	(670.37)
Actuarial (gain)/loss from change in:		
-Demographic Assumption	-	0.27
-Financial Assumption	12.88	113.28
-Experience Assumption	171.88	202.04
Present value of the obligation at the end of the year	2,292.90	2,412.77

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

iv. Maturity Profile: (Rs. in Lakhs)

Year	As at March 31, 2021	As at March 31, 2020
0 to 1 year	412.27	319.65
1 to 2 year	846.10	331.58
2 to 3 year	283.18	235.26
3 to 4 year	199.59	268.42
4 to 5 year	132.37	294.88
5 to 6 year	99.44	256.54
6 year onwards	319.95	706.43

(Rs. in Lakhs)

v. Sensitivity Analysis of the defined benefit obligation:	2020-21	2019-20
a) Impact of the change in discount rate		
Present Value of Obligation at the end of the year	2,292.90	2,412.77
a) Impact due to increase of 0.50%	(54.31)	(72.61)
b) Impact due to decrease of 0.50%	57.04	75.97
b) Impact of the change in salary increase		
Present Value of Obligation at the end of the year	2,292.90	2,412.77
a) Impact due to increase of 0.50%	56.98	76.01
b) Impact due to decrease of 0.50%	(54.62)	(73.08)

Sensitivities due to mortality & withdrawals are not material. Hence, impact of change due to these have not been calculated.

vi. Bifurcation of PBO at the end of year in current and non current (Rs. in Lakhs)

	2020-21	2019-20
Current liability (Amount due within one year)	412.27	319.65
Non-Current liability (Amount due over one year)	1,880.63	2,093.12
Total PBO at the end of year	2,292.90	2,412.77

vii. The assumptions employed for the calculations are tabulated below:

	As at March 31, 2021	As at March 31, 2020
Discount rate	6.42% per annum	6.54% per annum
Salary Growth Rate	6.00% per annum	6.00% per annum
Mortality	IALM 2012-14	IALM 2012-14
Withdrawal rate (Per Annum)	2.00% per annum	2.00% per annum

viii. Leave encashment while in service for all employees is temporarily suspended till 30.09.2021.

35.15 RELATED PARTY DISCLOSURES

(a) INTEREST IN SUBSIDIARIES

Name of Companies	Principal Place of Operation	Principal Activities	Proportion Of Ownership Interest 31.03.2021	Proportion Of Ownership Interest 31.03.2020
Tamilnadu Trade Promotion Organisation (TNTPO)	India	Trade Promotion	51%	51%
Karnataka Trade Promotion Organisation (KTPO)	India	Trade Promotion	51%	51%
ITPO Services Limited (ISL)	India	Hospitality	100%	-

(b) INTEREST IN JOINT VENTURE & ASSOCIATE

Name of Company	Principal Place of Operation	Principal Activities	Proportion of Ownership Interest 31.03.2021	Proportion of Ownership Interest 31.03.2020
National Centre for Trade Information (NCTI)	India	Trade Information	50%	50%
Jammu & Kashmir Trade Promotion Organisation (JKTPO)	India	Trade Promotion	42.05%	42.05%

(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

(Rs. In lakhs)

(d)

TRANSACTIONS WITH RELATED PARTIES	2020-21	2019-20
Tamilnadu Trade Promotion Organisation		
Services received by the Company	-	173.25
Services rendered by the Company	-	2.78
Karnataka Trade Promotion Organisation		
Services rendered by the Company	-	2.52
ITPO Services Limited (ISL)		
Investment made by the company	5.00	-
Expenses borne by the company on behalf of ISL	62.04	-
ITPO Employees Contributory Provident Fund Trust		
Contribution by the Company (including employees' contribution)	2,074.07	1,977.53
ITPO Employees Group Gratuity Fund Trust		
Contribution by the Company	797.00	608.02
ITPO Employees Defined Contribution Superannuation Trust		
Contribution by the Company (including employees' contribution)	420.00	453.58

(e)	OUTSTANDING BALANCES WITH RELATED PARTIES		(Rs. In lakhs)
	Particulars	**As at March 31, 2021**	**As at March 31, 2020**
(i)	**Balances with Subsidiaries**		
	Tamilnadu Trade Promotion Organisation		
	Payable by company	22.92	22.95
	Karnataka Trade Promotion Organisation		
	Receivable by company	-	0.01
(ii)	**National Centre for Trade Information (NCTI- Joint Venture)**		
	Payable by company	14.20	14.20
	Receivable by the company	94.75	94.75
	Provision for Doubtful recoveries	94.75	94.75
(iii)	**Payable by Company**		
	ITPO Employees Contributory Provident Fund Trust	-	182.13
	ITPO Employees Group Gratuity Fund Trust	206.74	731.45
	ITPO Employees Defined Contribution Superannuation Trust	-	0.01
(iv)	**Receivable by Company**		
	ITPO Employees Contributory Provident Fund Trust	185.35	-

(f)	KEY MANAGEMENT PERSONNEL	
	Name	**Relationship**
	Sh. L C Goyal	Chairman & Managing Director
	Sh. Rajesh Agrawal (w.e.f. 28.08.2019 till 21.06.2021)	Executive Director
	Sh. Deepak Kumar (w.e.f. 25.05.2017 till 19.06.2019)	Executive Director
	Shri P. Harish	Nominee Director
	Smt. Nidhi Mani Tripathi	Nominee Director
	Sh. Shashank Priya	Nominee Director
	Smt. Alka Nangia Arora	Nominee Director
	Sh. Amitabh Kumar (w.e.f 17.11.2020)	Nominee Director
	Ms. V.G. Aravindanayagi	Independent Director
	Rear Admiral (Retd.) R K Shrawat	Independent Director
	Sh. D M Sharma (till 30.04.2021)	CFO
	Sh. S R Sahoo (CFO w.e.f 01.05.2021)	Company Secretary and CFO
	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**
					2020-21 (Rs. In lakhs)
1	Sh. L C Goyal	Chairman & Managing Director	23.43	22.55	45.98
2	Sh. Rajesh Agrawal	Executive Director	32.09	4.60	36.69
3	Ms. V. G. Aravindanayagi -Sitting Fees of Rs 1.40 lakhs (Refer Note 32)	Independent Director	-	-	-
4	Rear Admiral (Retd.) R K Shrawat - Sitting Fees of Rs 1.00 lakh (Refer Note 32)	Independent Director	-	-	-
5	Sh. D M Sharma	CFO	31.75	2.22	33.97
6	Sh. S R Sahoo	Company Secretary and CFO	23.39	1.19	24.58

					2019-20 (Rs. In lakhs)
1	Sh. L C Goyal	Chairman & Managing Director	24.04	22.54	46.58
2	Sh. Deepak Kumar	Executive Director	14.00	-	14.00
3	Sh. Rajesh Agrawal	Executive Director	15.55	-	15.55
4	Ms. V. G. Aravindanayagi -Sitting Fees of Rs 0.60 lakhs (Refer Note 32)	Independent Director	-	-	-
5	Rear Admiral (Retd.) R K Shrawat - Sitting Fees of Rs 0.40 lakh (Refer Note 32)	Independent Director	-	-	-
6	Sh. D M Sharma	CFO	23.06	1.35	24.41
7	Sh. S R Sahoo	Company Secretary	22.18	1.11	23.29

35.16 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. 197.46 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)

		Total Amount
- Gross amount lying pending for the earlier year as at 01.04.2020		**122.10**
- Refund received which was earlier shown as spent amount	4.83	
- Provsion for expenses booked against the refund	-4.83	-
- Restated Gross amount lying pending for the earlier year as at 01.04.2020		122.10
- Gross amount required to be spent during the year		197.46
- Amount spent during the year		**-**
- Gross amount lying pending (including for the earlier year) as at 31.3.2021		**319.56**

The Board of Directors, on the recommendation of CSR Committee, in its 216th meeting held on 16th Mar. 2021 decided not to make the payment of CSR amount due to requirement of funds for the implementation of IECC project. Hence, the amount of Rs. 319.56 lakhs lying unspent as at 31.03.2021 has neither been paid nor the provision thereagainst has been made in the accompanying financial statements. The said treatment is in line with the provision of section 135 of the Companies Act, 2013 read with various clarifications issued by the relevant authorities including the latest FAQ issued by the Ministry of Corporate Affairs (MCA) vide general circular no. 14/2021 dated 25.08.2021.

35.17 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 2021		As at 31 March 2020	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Non-current assets				
Investments	-	-	-	-
Loans	-	1,095.02	-	1,405.49
Current assets				
Investments	95.57	-	59.75	-
Trade receivables	-	470.19	-	1,451.81
Cash and cash equivalents	-	3,797.42	-	4,824.87
Bank balances other than cash and cash equivalents	-	25,699.42	-	20,311.49
Loans	-	447.48	-	345.83
Other Financial assets	-	847.29	-	10,210.08
	95.57	**32,356.82**	**59.75**	**38,549.57**
Financial Liabilities				
Non-current liabilities				
Borrowings	-	33,626.43	-	23,222.50
Lease liabilities	-	296.05	-	296.69
Current Liabilities				
Trade payables	-	1,251.51	-	2,088.76
Lease liabilities	-	0.64	-	0.58
Other financial liabilities	-	5,829.78	-	5,580.43
	-	**41,004.41**	**-**	**31,188.96**

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 as prescribed under the Ind AS. 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 2021			As at 31 March 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets measured at FVTPL						
Investments in Mutual Funds	95.57	-	-	59.75	-	-
Total Financial Assets	**95.57**	**-**	**-**	**59.75**	**-**	**-**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

(Rs. in Lakhs)

	As at 31 March 2021			As at 31 March 2020		
	Level 1	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Financial Assets						
Non-current assets						
Investments	-	-	-	-	-	-
Loans	-	-	1,095.02	-	-	1,405.49
Current assets						
a) Trade Receivables	-	-	470.19	-	-	1,451.81
b) Cash and Cash Equivalents	-	-	3,797.42	-	-	4,824.87
c) Bank Balances other than Cash and Cash Equivalents	-	-	25,699.42	-	-	20,311.49
d) Loans	-	-	447.48	-	-	345.83
e) Other Financial assets	-	-	847.29	-	-	10,210.08
	-	-	**32,356.82**	-	-	**38,549.57**
Financial Liabilities						
Non-current liabilities						
Borrowings	-	-	33,626.43	-	-	23,222.50
Lease liabilities	-	-	296.05	-	-	296.69
Current Liabilities						
Trade payables	-	-	1,251.51	-	-	2,088.76
Lease liabilities	-	-	0.64	-	-	0.58
Other financial liabilities	-	-	5,829.78	-	-	5,580.43
Total Financial Liabilities	-	-	**41,004.41**	-	-	**31,188.96**

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

C. Fair Value of financial assets and financial liabilities measured at amortised cost: (Rs. in Lakhs)

	As at 31 March 2021		As at 31 March 2020	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Non-current assets				
Investments	-	-	-	-
Loans	1,095.02	1,095.02	1,405.49	1,405.49
Current assets				
a) Trade Receivables	470.19	470.19	1,451.81	1,451.81
b) Cash and Cash Equivalents	3,797.42	3,797.42	4,824.87	4,824.87
c) Bank Balances other than Cash and Cash Equivalents	25,699.42	25,699.42	20,311.49	20,311.49
d) Loans	447.48	447.48	345.83	345.83
e) Other Financial assets	847.29	847.29	10,210.08	10,210.08
	32,356.82	**32,356.82**	**38,549.57**	**38,549.57**
Financial Liabilities				
Non-current liabilities				
Borrowings	33,626.43	33,626.43	23,222.50	23,222.50
Lease liabilities	296.05	296.05	296.69	296.69
Current Liabilities				
Trade Payables	1,251.51	1,251.51	2,088.76	2,088.76
Lease liabilities	0.64	0.64	0.58	0.58
Other Current Financial Liabilities	5,829.78	5,829.78	5,580.43	5,580.43
	41,004.41	**41,004.41**	**31,188.96**	**31,188.96**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances, other current financial assets and financial 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.

(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 (FC)	Note no.	Currency Symbol	As at 31st March, 2021		As at 31st March, 2020	
			FC	INR	FC	INR
Assets						
CASH & CASH EQUIVALENTS	12					
Balances with Banks- Current & Savings account						
Yen		¥	7.9215	5.34	7.9215	5.42
United States Dollar		$	0.0605	4.50	0.0605	4.53
Cash on hand (Refer Note 12.2)						
Euro		€	-	-	0.0076	0.60
Peruvian Soles		S/.	-	-	0.0015	0.03
United States Dollar		$	-	-	0.0176	1.27
Honkong Dollar*		HK$	-	-	0.0001	0.00
Canadian Dollar*		C$	-	-	0.0000	0.00
* Amount less than Rs. 1,000/-						
OTHER CURRENT FINANCIAL ASSETS	15					
Due From Indian Mission Abroad						
United States Dollar		$	0.1063	7.89	0.1304	9.74
Canadian Dollar		C$	-	-	0.0067	0.35
OTHER CURRENT ASSETS	17					
Advances to vendors						
Yen		¥	-	-	35.7991	24.49
Euro		€	0.8660	75.70	0.9083	74.30
United States Dollar		$	0.2413	17.91	0.2981	22.27
Canadian Dollar		C$	0.0192	1.14	0.0192	1.01
Liabilities						
TRADE PAYABLES	23					
Euro		€	-	-	0.0816	6.91
Yen		¥	-	-	4.3092	3.05
United States Dollar		$	-	-	0.0117	0.89
Net Assets (in INR)				**112.47**		**133.16**

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 company's 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.

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

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 2021

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	158.02	17.56	179.01	57.25	996.44	1,408.28
Expected Credit rate	-	-	1.31%	3.84%	93.69%	66.61%
Expected Credit losses (Less: Provision allowance)	-	-	(2.35)	(2.20)	(933.54)	(938.09)
Gross Carrying Amount of Trade Receivables	**158.02**	**17.56**	**176.66**	**55.05**	**62.90**	**470.19**

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	704.28	50.97%	(358.95)	345.33
		Dues in Respect of Deposit Work	70.15	100.00%	(70.15)	-
			774.43	**55.41%**	**(429.10)**	**345.33**

As at 31st March 2020

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	1,110.67	84.17	135.14	66.17	989.15	2,385.30
Expected Credit rate	0.76%	1.21%	1.60%	5.68%	92.82%	39.14%
Expected Credit losses (Less: Provision allowance)	(8.39)	(1.02)	(2.16)	(3.76)	(918.16)	(933.49)
Gross Carrying Amount of Trade Receivables	**1,102.28**	**83.15**	**132.98**	**62.41**	**70.99**	**1,451.81**

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	1,004.63	0.10%	(1.00)	1,003.63
		Dues in Respect of Deposit Work	70.15	100.00%	(70.15)	-
			1,074.78	**6.62%**	**(71.15)**	**1,003.63**

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (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 31st March, 2021		As at 31st March, 2020
i) Financial Assets				
a) Investments	95.57		59.75	
b) Trade Receivables	470.19		1,451.81	
c) Cash and Cash Equivalents	3,797.42		4,824.87	
d) Bank Balances other than Cash and Cash Equivalents	25,699.42		20,311.49	
e) Loans	447.48		345.83	
f) Other Financial assets	847.29	31,357.37	10,210.08	37,203.83
ii) Financial Liabilities				
Financial Liabilities				
a) Trade Payables	1,251.51		2,088.76	
b) Lease liabilities	0.64		0.58	
c) Other Financial Liabilities	5,829.78	7,081.93	5,580.43	7,669.77
Net Working Capital		**24,275.44**		**29,534.06**

35.18 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.

35.19 Segment reporting for the year ended 31st March 2021

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	267.45	19.32	2,863.93	3,150.70
	(16805.12)	(3614.35)	(5342.87)	(25762.34)
Inter-segment	-	-	-	-
Total Expenses	10,895.25	1,083.87	1,160.25	13,139.38
	(13377.59)	(2871.28)	(2517.58)	(18766.45)
Segment result	-10,627.80	-1,064.55	1,703.68	-9,988.68
	(3427.53)	(743.07)	(2825.29)	(6995.89)
Interest/Dividend income	-	-	1,851.91	1,851.91
	-	-	(2016.37)	(2016.37)
Surplus/ (deficit) before taxation	-	-	-	**-8,136.77**
	-	-	-	(9012.26)
Excess of income over expenditure/ (expenditure over income)	-	-	-	-8,136.77
	-	-	-	(9012.26)
Other information				
Investment in Joint Ventures & Associates	301.88	-	-	301.88
	(303.55)	-	-	(303.55)
Segment assets	210,520.17	469.33	40,056.48	251,045.98
	(191791.73)	(1207.23)	(58324.27)	(251323.23)
Segment liabilities	9,756.34	104.58	37,069.20	46,930.12
	(10789.54)	(232.61)	(28026.46)	(39048.61)
Capital expenditure	17,584.44	-	-	17,584.44
	(35021.42)	-	-	(35021.42)
Depreciation & Amortisation	151.94	-	-	151.94
	(203.84)	-	-	(203.84)

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 STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

35.20 Prior Period Adjustments

2020-21 **(Rs in Lakhs)**

Particulars		**Amount**
Opening Retained Earning as on 01.04.2019		**202,665.19**
Adjustments:		
Maintenance of Pragati Maidan- Electrical	19.99	
Leave Encashment	(3.40)	
Depreciation	(4.11)	
Entertainment	(0.23)	
		12.24
Restated Opening Retained Earning as on 01.04.2019		**202,677.43**
Restated Excess of Income over expenditure for the period from continuing operations for year ended 2019-20		9,012.26
Other Comprehensive Income during 2019-20		(478.17)
Restated Opening Retained Earnings as on 31.3.2020		**211,211.52**

Restated Excess of Income over expenditure for the year ended 31-03-2020 **(Rs in Lakhs)**

Particulars	**Nature of error**	**For Year ended 31st March 2020**	
Impact on statement in Income & Expenditure (increase/(decrease) in profit)			
Excess of Income over expenditure for the period from continuing operations			**8,721.41**
REVENUE FROM OPERATIONS			
Hoardings	omission		(133.09)
OTHER INCOME			
Penalties from customers	omission		(26.20)
DEPRECIATION AND AMORTISATION EXPENSE			
Depreciation on Property, Plant & Equipment	omission		4.00
OTHER EXPENSES			
Publicity	omission	23.88	
Travelling & Conveyance	omission	(0.98)	
Maintenance of Pragati Maidan- Electrical	error	(1.65)	
Security Expenses	omission	2.39	
Legal & Professional Charges	omission	0.39	
			24.03
Net Impact on Income & Expenditure			**(187.32)**
Restated Excess of Income over expenditure for the period from continuing operations			**8,534.09**

	Impact of Prior period errors on Equity and EPS		**(Rs in Lakhs)**
	Particulars	**As at March 31, 2020**	**As at March 31, 2019**
	Impact on Equity (increase/(decrease) in equity)		
	PROPERTY, PLANT & EQUITMENTS		
	Office Equipments	13.52	15.87
	CASH & CASH EQUIVALENTS		
	Cash on hand	(0.23)	(0.23)
	LOANS		
	Unsecured Loans to employees	(3.40)	(3.40)
	OTHER FINANCIAL LIABILITIES		
	Other Payables	184.97	-
	Net Impact on Equity	**(175.08)**	**12.24**
	Impact on basic and diluted earnings per share (EPS) (increase/(decrease) in EPS)		
			(Rs in Lakhs)
	Particulars	**For Year ended 31st March 2020**	
	Earnings per share for continuing operation		
	Basic, profit from continuing operations attributable to equity holders		(0.01)
	Diluted, profit from continuing operations attributable to equity holders		(0.01)
35.21	**PREVIOUS YEAR FIGURES**		
	Previous year's figures have been regrouped/ rearranged/ recast, wherever considered necessary, to correspond with the current year figures.		

Sd/-
(R K Thakur)
Deputy General Manager (Finance)
M. No. 42105

Sd/-
(S. R. Sahoo)
Company Secretary & Chief Financial Officer
M. No. F5595

Sd/-
(Shashank Priya)
Director
DIN:8538400

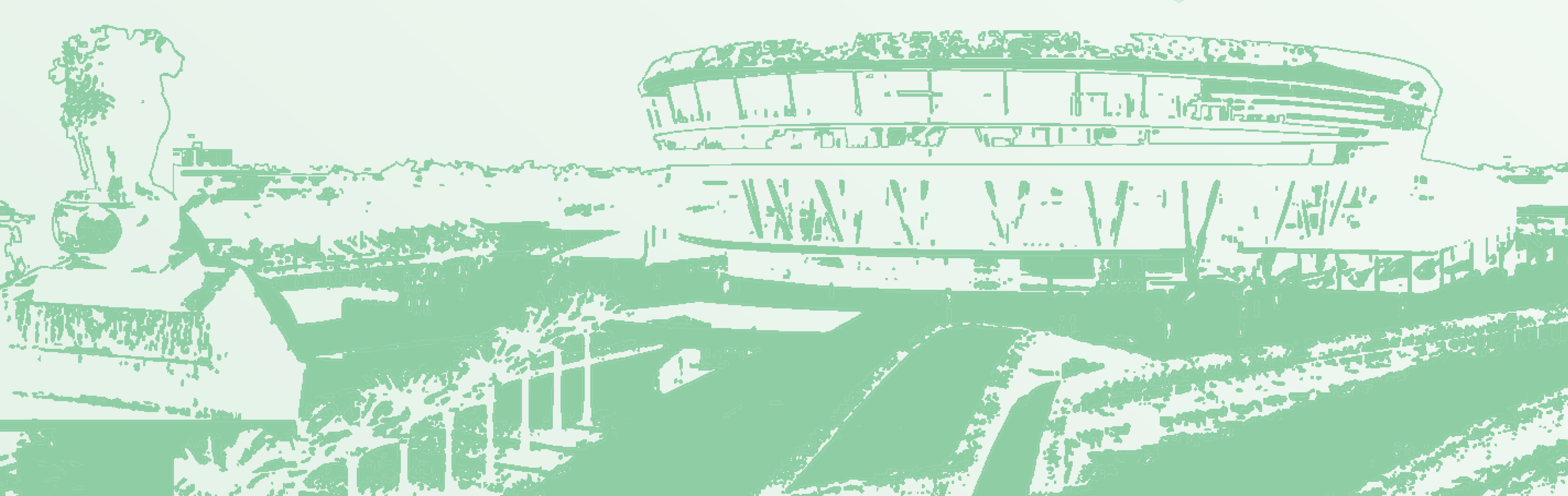
Sd/-
(L. C. Goyal)
Chairman & Managing Director
DIN: 02389348

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: 27.08.2021

Journey Of Completed Halls 2, 3, 4 & 5
Convention Centre - Work in Progress

Consolidated Accounts



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2021

(Rs. In Lakhs)

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	3	7,103.30	7,643.52
(b) Right of use Assets	3	1,193.26	1,286.47
(c) Capital work in progress	3	188,425.33	168,405.10
(d) Other Intangible Assets	4	25.08	9.41
(e) Investments in Joint Ventures & Associates	5	254.05	302.14
(f) Financial Assets			
(i) Investments	6	-	-
(ii) Loans	7	1,095.02	1,405.49
(iii) Other Financial Assets	8	796.00	-
(g) Non-current tax assets	9	11,250.31	24,071.53
(h) Other non-current assets	10	24,057.53	18,807.04
Current Assets			
(a) Financial Assets			
(i) Investments	11	95.57	59.75
(ii) Trade receivables	12	916.99	1,463.87
(iii) Cash and cash equivalents	13	5,274.70	5,143.67
(iv) Bank balances other than (iii) above	14	48,758.10	48,552.77
(v) Loans	15	456.13	354.72
(vi) Other Financial assets	16	1,537.16	10,928.11
(b) Current tax assets	17	8,553.32	8,704.41
(c) Other Current Assets	18	2,094.68	2,091.23
Total ASSETS		**301,886.53**	**299,229.23**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	19	25.00	25.00
(b) Other Equity	20	225,973.24	233,698.30
(c) Non- Controlling Interests	21	22,050.90	21,589.39
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	33,626.43	23,222.50
(ii) Lease Liabilities	23	1,184.57	1,244.71
(b) Non-current Provisions	24	1,946.55	2,154.92
(c) Other non-current liabilities	25	3,040.65	3,211.59
Current Liabilities			
(a) Financial liabilities			
(i) Trade payables	26		
- Total outstanding dues of Micro and Small Enterprises		19.30	31.28
- Total outstanding dues of Creditors other than Micro and Small Enterprises		1,652.51	2,184.53
(ii) Lease Liabilities	23	272.30	136.42
(iii) Other financial liabilities	27	6,430.01	5,891.57
(b) Current Provisions	28	852.42	1,221.45
(c) Other current liabilities	29	4,812.65	4,617.56
Total Equity and Liabilities		**301,886.53**	**299,229.23**

'Significant Accounting Policies' and 'Notes'- 1 to 37 form an integral part of the Financial Statements

Sd/-	Sd/-	Sd/-	Sd/-
(S. R. Sahoo)	**(R K Thakur)**	**(Vibhu Nayar)**	**(L. C. Goyal)**
Company Secretary	Deputy General Manager (Fin)	Executive Director	Chairman & Managing Director
M. No. F5595	(I/C Chief Financial Officer)	DIN:03590141	DIN: 02389348
	M. No. 42105		

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: 03.02.2022

CONSOLIDATED INCOME & EXPENDITURE AS AT 31ST MARCH, 2021

(Rs. In Lakhs)

Particulars	Note No.	Year ended 31st March 2021	Year ended 31st March 2020
Income			
Revenue from Operations	30	1,334.49	24,571.13
Other Income	31	6,306.61	5,731.37
Total Income		**7,641.10**	**30,302.50**
Expenditure			
Employee benefits expense	32	10,509.55	10,407.64
Depreciation and amortization expense	33	653.23	725.40
Finance Cost	34	110.62	118.15
Other expenses	35	3,561.76	9,022.27
Total Expenditure		**14,835.16**	**20,273.46**
Excess of Income over Expenditure/ (Expenditure over Income) before exceptional items and tax		(7,194.06)	10,029.04
Exceptional Items	36	-	3,264.00
Excess of Income over Expenditure/ (Expenditure over Income) before tax		(7,194.06)	13,293.04
Tax expense	37.17	-	411.25
Excess of Income over Expenditure/ (Expenditure over Income) before share of net income of investments accounted for using equity method and tax		(7,194.06)	12,881.78
Add: Share of net income of joint venture accounted for using equity method		(47.73)	(5.58)
Surplus/ (Deficit) for the year		**(7,241.79)**	**12,876.20**
Other Comprehensive Income			
(i) Items that will not be reclassified to Income & Expenditure:			
Remeasurement gain/ (loss) on defined benefit plans		(21.41)	(480.14)
Share of Other Comprehensive Income of Joint Venture accounted for using the equity method		(0.37)	(1.21)
Other comprehensive income/ (loss) for the year		**(21.78)**	**(481.35)**
Total comprehensive income/ (loss) for the year		**(7,263.57)**	**12,394.85**
Income attributable to			
Owners of Parent		(7,703.00)	10,978.88
Non-Controlling Interest		461.21	1,897.32
		(7241.79)	**12,876.20**
Other Comprehensive Income attributable to			
Owners of Parent		(22.06)	(480.39)
Non-Controlling Interest		0.28	(0.96)
		(21.78)	**(481.35)**
Total Comprehensive Income attributable to			
Owners of Parent		(7,725.06)	10,498.49
Non-Controlling Interest		461.49	1,896.36
		(7,263.57)	**12,394.85**
Earnings per equity share (Face Value of Rs.100/- each)	37.16		
(1) Basic		(0.31)	0.44
(2) Diluted		(0.31)	0.44

'Significant Accounting Policies' and 'Notes'- 1 to 37 form an integral part of the Financial Statements

Sd/-
(S. R. Sahoo)
Company Secretary
M. No. F5595

Sd/-
(R K Thakur)
Deputy General Manager (Fin)
(I/C Chief Financial Officer)
M. No. 42105

Sd/-
(Vibhu Nayar)
Executive Director
DIN:03590141

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: 03.02.2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

A. Equity Share Capital (Refer note. 19)

(Rs. In Lakhs)

Particulars	2020-21		2019-20	
	No. of shares	Amount	No. of shares	Amount
Opening Balance	25,000.00	25.00	25,000.00	25.00
Changes in equity share capital during the year	-	-	-	-
Closing Balance	**25,000.00**	**25.00**	**25,000.00**	**25.00**

B. Other Equity (Refer note 20)

For the year ended 31st March 2021 (Rs. In Lakhs)

Particulars	Retained Earnings	Capital Reserve		Total equity attributable to owners of the parent	Non-controlling Interests	Total
		Promoter's Contribution for KTPO	Others			
Balance as at 1st April 2020	232,660.20	1,020.00	18.10	233,698.30	21,589.39	255,287.69
Restated Balance as at 1st April 2020	**232,660.20**	**1,020.00**	**18.10**	**233,698.30**	**21,589.39**	**255,287.69**
Surplus/ (Deficit) for the year	(7,703.00)	-	-	(7,703.00)	461.21	(7,241.79)
Other Comprehensive Income/(Loss) for the year	(22.06)	-	-	(22.06)	0.28	(21.78)
Total Comprehensive Income	**(7,725.06)**	**-**	**-**	**(7,725.06)**	**461.49**	**(7,263.57)**
Balance as at 31st March 2021	**224,935.14**	**1,020.00**	**18.10**	**225,973.24**	**22,050.89**	**248,024.13**

For the year ended 31st March 2020 **(Rs. in Lakhs)**

Particulars	Retained Earnings	Capital Reserve		Total equity attributable to owners of the parent	Non-controlling Interests	Total
		Promoter's Contribution for KTPO	Others			
Balance as at 1st April 2019	222,149.47	1,020.00	18.10	223,187.57	19,693.03	242,880.60
Add: Prior period Adjustments (Net)	12.24	-	-	12.24	-	12.24
Restated Balance as at 1st April 2019	**222,161.71**	**1,020.00**	**18.10**	**223,199.81**	**19,693.03**	**242,892.84**
Surplus/ (Deficit) for the year	10,978.88	-	-	10,978.88	1,897.32	12,876.20
Other Comprehensive Income/(Loss) for the year	(479.18)	-	-	(479.18)	(0.96)	(480.14)
(Less): Share of OCI of joint venture accounted for using the equity method	(1.21)	-	-	(1.21)	-	(1.21)
Total Comprehensive Income	**10,498.49**	**-**	**-**	**10,498.49**	**1,896.36**	**12,394.85**
Balance as at 31st March 2020	**232,660.20**	**1,020.00**	**18.10**	**233,698.30**	**21,589.39**	**255,287.69**

'Significant Accounting Policies' and 'Notes'- 1 to 37 form an integral part of the Financial Statements

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DIN:03590141

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As per our Report of even date attached
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Firm Regn. No. 000346N
Sd/-
Ankur Goyal
Partner
Membership No. 099143

Place: New Delhi
Dated: 03.02.2022

CONSOLIDATED CASH FLOWS STATEMENTFOR THE YEAR ENDED 31ST MARCH, 2021

(Rs. In Lakhs)

	Particulars	Year ended 31st March 2021		Year ended 31st March 2020	
A)	**Cash flows from operating activities**				
	Excess of Income over Expenditure/ (Expenditure over Income) before tax		(7,241.79)		13,287.46
	Adjustments for:				
	Other Comprehensive Income	(21.78)		(481.35)	
	Interest & Dividend Income	(3,584.98)		(4,285.65)	
	Provisions/ Write off	466.22		92.21	
	Provisions/Liabilities no longer required, written back	(111.09)		(479.17)	
	Amortisation of Government grant	(81.76)		(81.76)	
	(Profit)/ loss on sale of PPE (net)	19.92		(6.84)	
	Fair value (gain)/ loss on Financial Investments	(32.64)		26.20	
	Interest on lease	99.84		104.32	
	Depreciation and amortization	653.23		725.40	
	Share of Net (profit)/ loss of Joint Venture & Associates	48.10		6.79	
	Foreign exchange (gain)/loss	(3.48)	(2,548.42)	(5.33)	(4,385.18)
	Operating Profit before working capital changes (a)		**(9,790.21)**		**8,902.28**
	Less: Net Increase/ (decrease) in Working Capital:				
	Increase (Decrease) in Non-Current Financial Loans	(310.47)		(88.32)	
	Increase (Decrease) in Non-Current Tax Assets	(12,821.22)		(7,134.91)	
	Increase (Decrease) in Other Non-Current Assets	2,100.54		375.52	
	Increase (Decrease) in Bank Balance	205.33		(19,524.38)	
	Increase (Decrease) in Trade Receivables	(546.88)		513.45	
	Increase (Decrease) in Current Financial Loans	101.41		(240.39)	
	Increase (Decrease) in Other Financial Assets	(9,390.95)		4,714.35	
	Increase (Decrease) in Current Tax Assets	(151.09)		8,704.41	
	Increase (Decrease) in Other Current Assets	3.45		461.28	
	(Increase) Decrease in Non-Current Provisions	208.37		(87.52)	
	(Increase) Decrease in Other Non-Current Liabilities	89.19		122.09	
	(Increase) Decrease in trade and other payables	544.00		(256.81)	
	(Increase) Decrease in Lease Liability	(75.74)		(80.23)	
	(Increase) Decrease in other financial liabilities	(538.44)		(1,990.24)	
	(Increase) Decrease in Current Provisions	369.03		3,270.92	
	(Increase) Decrease in other current liabilities	(195.09)		1,771.95	
	Provisions/ Write off	466.22		92.21	
	Provisions/Liabilities no longer required, written back	(111.09)		(479.17)	
	Net Increase/ (decrease) in Working Capital (b)		(20,053.43)		(9,855.80)
	Cash flow from/ (in) Operating Activities (a-b)		**10,263.22**		**18,758.08**
	Less: Income taxes paid		-		(411.25)
	Net cash flow from/ (in) Operating Activities [A]		**10,263.22**		**18,346.82**

B)	**Cash flows from investing activities**				
	Interest & Dividend Income		3,584.98		4,285.65
	Advance For IECC Project		(17,209.79)		(46,195.64)
	Acquisition of PPE/ Other Intangible assets		(64.63)		(180.39)
	Investment In CWIP		(3,658.30)		(1,616.50)
	Sale of PPE		9.22		7.35
	Foreign exchange gain/(loss)		3.48		5.33
	Investment in Long term deposits and Mutual Funds		(799.18)		(5.63)
	Net cash flow from/ (in) Investing Activities [B]		**(18,134.22)**		**(43,699.83)**
C)	**Cash flows from financing activities**				
	Proceeds from borrowings		10,403.93		23,222.50
	Grant received		-		58.30
	Interest earned on DSRA		18.02		5.48
	Interest cost		(2,320.08)		(744.61)
	Finance Cost on lease		(99.84)		(104.32)
	Net cash flow from Financing Activities [C]		**8,002.03**		**22,437.35**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)		**131.03**		**(2,915.66)**
	Cash and cash equivalents at the beginning of the year		5,143.67		8,059.33
	Cash and Cash Equivalents at the end of the year		**5,274.70**		**5,143.67**
	Components of Cash and Cash Equivalents at the end of the year				
	Cash in Hand and Cash equivalents (Refer note 1)		0.68		2.51
	Balance with Banks - in Current & Saving Accounts		5,274.02		5,141.16
			5,274.70		**5,143.67**

Note:-

1. Cash and Cash equivalents include Cash in hand, Drafts/Cheques in hand, Postage Imprest, Bank Balances, Deposits with Banks and Short term Investments with an original maturity of 3 months or less, if any.
2. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

'Significant Accounting Policies' and 'Notes'- 1 to 37 form an integral part of the Financial Statements

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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: 03.02.2022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (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 three subsidiary companies i.e.Tamilnadu Trade Promotion Organisation (TNTPO),Karnataka Trade Promotion Organisation (KTPO) and ITPO Services Limited (ISL), 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 three subsidiary companies (together referred as “The Group”), a Jointly Controlled entity and an Associate entity.

The financial statements for the year ended March 31, 2021 were approved by the Board of Directors on 3rd Feb. 2022.

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 Group’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'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 Group 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 the 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 THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (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 (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 Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group'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 Group is hopeful of recovery.

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 Group 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 Holding 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 income and expenditure.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd..)

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 income and expenditure.

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 income and expenditure 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 Group 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 Group 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.

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	60	40/20/10 (incase of ITPO) 30 (incase of TNTPO & KTPO)
Plant & Machinery	15	15/10
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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd..)

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 Group 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 Group 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 Group 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 Group'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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd..)

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 Group 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 Group 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 Group 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 Group 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 Group is hopeful of recovery.

For recognition of impairment loss on other financial assets and risk exposure, the Group 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 Group reverts to recognizing impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Group 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 Group's Balance Sheet) when:

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

b. The Group 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 Group has transferred an asset, it evaluates whether it has substantially transferred all risks and rewards

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd..)

of ownership of the financial asset. In such cases, the financial asset is derecognized. When the Group has not transferred substantially all the risks and rewards of ownership of a financial asset, the financial asset is not derecognized.

Where the Group 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 Group has not retained control of the financial asset. When the Group 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 Group'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 Group 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 Group 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) Group 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.

(iii) Determine the transaction price: The transaction price is the amount of consideration to which the Group 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 Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

(v) Recognise revenue when or as the Group 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd..)

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 Group 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.

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 Group will comply with the conditions associated with the grant.

Grants that compensate the Group 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 oftime 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.

b) Post-Employment Benefits

i) Defined contribution plan:

The Group’s approved provident fund scheme and employees’ pension scheme are defined contribution plans. The Group 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 Group is also under obligation to make good the accumulated shortfall of the trusts, if any, and recognise such shortfall as its expense.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd..)

ii. Defined benefit plan

The employees' gratuity fund scheme (funded) and the employees leave encashment (unfunded) are the Group'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, in case of ITPO, is funded through a separate ITPO Employees Group Gratuity 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 Group 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 Group 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 Group. 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 Group. 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 Group's Management to allocate resources and assess their performance for decision making. The Board of Directors is collectively the Group's "chief operating decision maker" or "CODM" within the meaning of Ind AS 108.

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

2.19 LEASES

Effective April 1, 2019, the Group adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on April 1, 2019.

All lease contracts where the Group is lessee, with limited exceptions, are recognized in the financial statements by way of right-of-use assets and corresponding lease liabilities. Ind AS 116 defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

I) the contract involves use of an identified asset,

II) the Group has substantially all the economic benefits from the use of the asset during the period of the lease and

III the Group has the right to direct the use of the asset.

Group as a lessee

At the date of commencement of the lease, the Group recognises a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for lease with a term of twelve months or less (i.e. short term leases) and leases for which the underlying asset is of low value. For these short-termleases for which the underlying asset is of low value, the Group recognizes the lease payments on straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of the lease along with any initial direct costs, restoration obligations and lease incentives received.

Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation, accumulated

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd..)

impairment losses, if any and adjusted for any remeasurement of the lease liability. The Group applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss.

The lease liability is initially measured at present value of the lease payments that are not paid at that date.

The interest cost on lease liability is expensed in the Statement of Income and Expenditure.

Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

2.20 RECENT ACCOUNTING PRONOUNCEMENTS

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 01 April 2021. Key amendments relating to Division II which relate to Companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a Group has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of Group, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of Income & Expenditure:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the financial statements.

The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

3. PROPERTY, PLANT AND EQUIPMENT (AS AT 31ST MARCH, 2021)

	Description	Useful Life (years)	Gross Block			
			As at 1.04.2020	Additions during the year	Sales/ disposal/ adjustments during the year	As at 31.03.2021
A.	**PROPERTY, PLANT & EQUIPMENT**					
	Land					
	Freehold Land		966.96	-	-	966.96
	Buildings (on Leasehold Land)					
	A CLASS	40	1,210.43	-	-	1,210.43
	B CLASS	20	381.28	-	-	381.28
	C CLASS	10	145.21	-	-	145.21
	Exhibition Complex	30	1,949.93	-	-	1,949.93
	Building - I (RCC)	30	1,028.40	-	-	1,028.40
	Building - II (Exhi. Halls)	30	2,390.62	-	-	2,390.62
	Buildings- Freehold					
	Residential/ office flats- free hold	40	160.09	-	-	160.09
	Electric installations/ fittings	10	919.47	0.31	-	919.78
	Water supply & drainage	10	8.64	-	-	8.64
	Plant and Machinery					
	Solar installation	15	110.26	-	-	110.26
	Air conditioning plants	15	1,250.31	0.75	60.37	1,190.69
	Furniture & fittings					
	Furniture & fixture	10	123.48	1.52	0.32	124.67
	Fire hydrant & fire fighting systems	10	6.89	-	-	6.89
	Vehicles	5	47.22	-	0.03	47.19
	Office Equipments					
	Office equipments/ other miscellaneous assets	5	190.28	15.36	41.69	163.96
	Audio visual equipments	5	149.94	-	2.44	147.50
	Computers & Data Processors					
	Servers & networks	6	38.76	-	-	38.76
	Computers, etc.	3	148.47	20.16	4.99	163.64
	SUB TOTAL		**11,226.64**	**38.10**	**109.85**	**11,154.91**
B.	**Capital Work In Progress (As at 31st March, 2021)**					
	Building Under Construction (KTPO)		1,164.71	1,739.36	-	2,904.07
	International Exhibition Cum Convention Centre (Refer Note 37.10) (ITPO)		166,196.39	17,530.43	1,149.47	182,577.35
	Expansion Project: Chennai Trade Centre (TNTPO)		1,044.00	1,899.92	-	2,943.91
	SUB TOTAL		**168,405.10**	**21,169.71**	**1,149.47**	**188,425.33**
C.	**Right of Use Assets (As at 31st March, 2021)**					
	Land: Lease Hold		1,182.48	-	-	1,182.48
	Building: Leasehold		197.20	-	-	197.20
	SUB TOTAL		**1,379.68**	**-**	**-**	**1,379.68**

3.1 In case of ITPO, Depreciation includes Rs. 0.46 lakh (Previous Year Rs. 0.57 lakh) in respect of each asset costing up to Rs. 5,000/-, fully depreciated in the year of addition.

3.2 Based on a study carried out by a professional firm, no case of impairment of assets exists as at 31st March, 2021 under the provisions of Ind AS- 36 on impairment of assets.

3.3 In case of ITPO, Pending the appointment of external agency, the physical verification of assets except Office Equipments & Furniture & Fixtures has been carried out internally during the year in which no material discrepancies were observed. The physical verification by the external agency, as per practice will be carried in due course.

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

(Rs. in lakhs)

Depreciation				Net Block	
As at 1.04.2020	For the year	Sales/ disposal/ adjustments during the year	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020
-	-	-	-	966.96	966.96
322.89	47.95	-	370.84	839.59	887.54
42.53	18.45	-	60.98	320.30	338.75
35.14	14.60	-	49.75	95.46	110.06
727.80	72.33	-	800.15	1,149.78	1,222.13
205.63	72.51	-	278.14	750.26	822.77
656.06	151.81	-	807.88	1,582.74	1,734.56
30.67	6.14	-	36.83	123.26	129.42
645.89	28.79	-	674.67	245.11	273.58
3.50	0.78	-	4.28	4.36	5.14
27.15	6.98	-	34.14	76.12	83.11
425.19	83.54	49.03	459.69	731.00	825.12
56.35	9.99	0.28	66.06	58.61	67.13
1.28	0.05	-	1.33	5.56	5.67
33.44	5.59	-	39.03	8.16	13.78
99.89	21.22	27.63	93.50	70.46	90.39
130.24	-	2.02	128.22	19.26	19.64
26.89	0.90	-	27.78	10.97	11.87
112.58	7.52	1.76	118.32	45.32	35.89
3,583.12	**549.14**	**80.72**	**4,051.59**	**7,103.30**	**7,643.52**
-	-	-	-	2,904.07	1,164.71
-	**-**	**-**	**-**	182,577.35	166,196.39
-	-	-	-	2,943.91	1,044.00
-	**-**	**-**	**-**	**188,425.33**	**168,405.10**
88.82	88.82	-	177.64	1,004.84	1,093.66
4.39	4.39	-	8.78	188.42	192.81
93.21	**93.21**	**-**	**186.42**	**1,193.26**	**1,286.47**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd..)

Property, Plant and Equipment (As at 31st March, 2020)

	Description	Useful Life (years)	Gross Block			
			As at 1.04.2019	Additions during the year	Sales/ disposal/ adjustments during the year	As at 31.03.2020
A.	**PROPERTY, PLANT & EQUIPMENT**					
	Land					
	Leasehold (Ghazipur)		78.76	-	78.76	-
	Freehold Land		966.96	-	-	966.96
	Leasehold (Pragati Maidan) (Refer Note 3.1 & 37.14)		0.00	-	0.00	-
	Buildings (on Leasehold Land)					
	A CLASS	40	1,178.32	32.11	-	1,210.43
	B CLASS	20	381.28	-	-	381.28
	C CLASS	10	38.53	106.68	-	145.21
	Exhibition Complex	30	1,949.93	-	-	1,949.93
	Building - I (RCC)	30	1,028.40	-	-	1,028.40
	Building - II (Exhi. Halls)	30	2,390.62	-	-	2,390.62
	Buildings- Freehold					
	Residential/ office flats- free hold	40	160.09	-	-	160.09
	Electric installations/ fittings	10	918.92	0.55	-	919.47
	Water supply & drainage	10	8.64	-	-	8.64
	Plant and Machinery					
	Solar installation	15	110.26	-	-	110.26
	Air conditioning plants	15	1,222.41	27.90	-	1,250.31
	Furniture & fittings					
	Furniture & fixture	10	117.47	6.01	-	123.48
	Fire hydrant & fire fighting systems	10	6.89	-	-	6.89
	Vehicles	5	47.22	-	-	47.22
	Office Equipments					
	Office equipments/ other miscellaneous assets	5	172.95	18.10	0.77	190.28
	Audio visual equipments	5	149.94	-	-	149.94
	Computers & Data Processors					
	Servers & networks	6	35.80	2.96	-	38.76
	Computers, etc.	3	139.84	8.63	-	148.47
	SUB TOTAL(A)		**11,103.23**	**202.94**	**79.53**	**11,226.64**
B.	**CAPITAL WORK IN PROGRESS (As at 31st March, 2020)**					
	Staff Quarters(Ghazipur)		23.14	-	23.14	-
	Building Under Construction(KTPO)		-	1,164.71	-	1,164.71
	International Exhibition Cum Convention Centre (Refer Note 37.10) (ITPO)		132,294.54	34,859.81	957.96	166,196.39
	Expansion Project: Chennai Trade Centre (TNTPO)		812.62	231.38	-	1,044.00
	SUB TOTAL (B)		**133,130.30**	**36,255.90**	**981.10**	**168,405.10**
C.	Right of Use Assets (As at 31st March, 2020)					
	Land: Lease Hold		-	1,182.48	-	1,182.48
	Building: Leasehold		-	197.20	-	197.20
	SUB TOTAL (C)		**-**	**1,379.68**	**-**	**1,379.68**

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

3.2 In case of ITPO, Depreciation includes Rs. 0.57 lakh (Previous Year Rs. 0.11 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, 2020 under the provisions of Ind AS- 36 on impairment of assets.

3.4 In case of ITPO, the report of physical verification of Property, Plant & Equipment's is awaited from the external agency appointed for the purpose. However, the physical verification of Property, Plant & Equipment's (excluding Office Equipment's, 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 has been accounted as ROU asset under Ind AS 116 w.e.f. 01.04.2019 and the transfer has been shown as adjustments.

(Rs. in lakhs)

Depreciation				Net Block	
As at 1.04.2019	For the year	Sales/ disposal/ adjustments during the year	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
-	-	-	-	-	78.76
-	-	-	-	966.96	966.96
-	-	-	-	-	0.00
256.28	66.61	-	322.89	887.54	922.04
23.79	18.74	-	42.53	338.75	357.49
21.70	13.44	-	35.14	110.06	16.83
655.47	72.33	-	727.80	1,222.13	1,294.46
137.97	67.66	-	205.63	822.77	890.43
498.79	157.27	-	656.06	1,734.56	1,891.83
24.53	6.14	-	30.67	129.42	135.56
592.52	53.37	-	645.89	273.58	326.40
2.72	0.78	-	3.50	5.14	5.92
20.17	6.98	-	27.15	83.11	90.09
342.72	82.47	-	425.19	825.12	879.69
45.94	10.41	-	56.35	67.13	71.53
1.17	0.05	-	1.22	5.67	5.72
27.59	5.85	-	33.44	13.78	19.63
78.43	21.72	0.26	99.89	90.39	94.52
130.30	-	-	130.30	19.64	19.64
23.69	3.20	-	26.89	11.87	12.11
98.93	13.65	-	112.58	35.89	40.91
2,982.71	**600.67**	**0.26**	**3,583.12**	**7,643.52**	**8,120.52**
-	-	-	-	-	23.14
-	-	-	-	1,164.71	-
-	-	-	-	166,196.39	132,294.54
-	-	-	-	1,044.00	812.62
-	**-**	**-**	**-**	**168,405.10**	**133,130.30**
-	88.82	-	88.82	1,093.66	-
-	4.39	-	4.39	192.81	-
-	**93.21**	**-**	**93.21**	**1,286.47**	**-**

4. OTHER INTANGIBLE ASSETS (AS AT 31ST MARCH, 2021)

(Rs. in lakhs)

Description	Useful Life (years)	Gross Block				Amortisation				Net Block	
		As at 1.04.2020	Additions during the year	Sales/ disposal/ adjustments during the year	As at 31.03.2021	As at 1.04.2020	For the year	Sales/ disposal/ adjustments during the year	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020
Computer Softwares	3	90.79	26.49	-	117.28	81.53	10.78	-	92.30	24.98	9.28
Website	3	21.27	0.04	-	21.31	21.15	0.07	-	21.21	0.10	0.13
TOTAL		**112.06**	**26.53**	**-**	**138.59**	**102.66**	**10.86**	**-**	**113.51**	**25.08**	**9.41**

(As at 31st March, 2020) **(Rs. in lakhs)**

Description	Useful Life (years)	Gross Block				Amortisation				Net Block	
		As at 1.04.2019	Additions during the year	Sales/ disposal/ adjustments during the year	As at 31.03.2020	As at 1.04.2019	For the year	Sales/ disposal/ adjustments during the year	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
Computer Softwares	3	90.43	0.36	-	90.79	50.07	31.46	-	81.53	9.28	40.38
Website	3	21.07	0.20	-	21.27	21.07	0.08	-	21.15	0.13	-
TOTAL		**111.50**	**0.56**	**-**	**112.06**	**71.14**	**31.52**	**-**	**102.66**	**9.41**	**40.38**

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 otherwise stated)

(Rs. In Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
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	(118.12)	81.88	(116.45)	83.55
Associate				
2,20,000 (2,20,000) equity shares of Rs. 100/- each in Jammu & Kashmir Trade Promotion Organization (JKTPO)		172.17		218.59
Total		**254.05**		**302.14**

5.1 Information about Joint Venture & Associates:

Name of Company	Country of Incorporation	Principal Activities	Proportion (%) of Shareholding	
			31.03.2021	**31.03.2020**
National Centre for Trade Information	India	Trade Information	50%	50%
Jammu & Kashmir Trade Promotion Organization	India	Trade Promotion	42.05%	42.05%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd..)

6 INVESTMENTS

(Rs. In Lakhs)

	Particulars	As at March 31, 2021		As at March 31, 2020	
	In Equity Shares- Unquoted, fully paid up				
	(carried at fair value through Other Comprehensive Income)				
	5 (5) shares of Rs.50/- each, aggregating Rs. 250/- only, in Sea Glimpse Cooperative Housing Society, Mumbai		-		-
	Total	*	-	*	-
	(i) Aggregate amount of Unquoted Investments		-		-
	(ii) Aggregate amount of impairment in the value of investments		-		-
	* Amount less than Rs. 1,000/-				

7 LOANS

(Rs. In Lakhs)

	Particulars	As at March 31, 2021		As at March 31, 2020	
	Loan to Employees (including accrued interest) (Refer Note 7.1)				
	Considered Good				
	Secured		238.72		328.73
	Unsecured		856.30		1,076.76
	Total		**1,095.02**		**1,405.49**
7.1	Loan to Employees includes due from officers in the nature of loan of Rs. 11.88 Lakhs (Previous Year: Rs. 14.15 lakhs)				

8 OTHER NON CURRENT FINANCIAL ASSETS

(Rs. In Lakhs)

	Particulars	As at March 31, 2021		As at March 31, 2020	
	Term deposits with banks (with original maturity more than 12 months)		796.00		-
	Total		**796.00**		**-**

9 NON-CURRENT TAX ASSETS

(Rs. In Lakhs)

	Particulars	As at March 31, 2021		As at March 31, 2020	
	Income Tax / TDS Recoverable [refer note 37.5(i)(B) for ITPO]				
	Unsecured, considered good (refer note 9.1)		9,931.31		22,752.53
	Unsecured, considered doubtful	426.00		426.00	
	Less: Provision for doubtful TDS	(426.00)	-	(426.00)	-
	Deposit (under protest)		1,319.00		1,319.00
	Total		**11,250.31**		**24,071.53**
9.1	Includes Rs.9398.34 lakhs in respect of Holding Company (refer Note. 37.5(i)(B))				

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

10 OTHER NON-CURRENT ASSETS

(Rs. In Lakhs)

	Particulars	As at March 31, 2021		As at March 31, 2020	
	Capital Advances				
	Secured, considered good:				
	Against corporate guarantee by NBCC to ITPO [Refer Note 37.10(g)]	15,621.00		8,400.00	
	Against bank gaurantee to TNTPO	3,105.46		-	
	Unsecured, considered good	3,131.94	21,858.40	8,046.61	16,446.61
	Other recoverable (Unsecured, considered good)				
	Sundry Deposits		1,254.63		1,224.40
	Service Tax Recoverable (Note no. 37.8)		881.31		1,055.45
	Deferred Payroll expense		63.19		80.58
	Total		**24,057.53**		**18,807.04**

11 INVESTMENTS

(Rs. In Lakhs)

	Particulars	As at March 31, 2021		As at March 31, 2020	
	In Mutual Funds- Quoted (Carried at fair value through Income and Expenditure)				
	3,25,333.892 (3,13,430.311) units of Rs. 10/- each in UTI-Balanced Fund Dividend Reinvestment scheme		95.57		59.75
	Total		**95.57**		**59.75**
	(i) Aggregate amount of quoted investment & market value thereof		95.57		59.75
	(ii) Aggregate amount of impairment in the value of investments		-		-

12 TRADE RECEIVABLES

(Rs. In Lakhs)

	Particulars	As at March 31, 2021		As at March 31, 2020	
	Unsecured, considered good (Refer Note 12.1)		916.99		1,463.87
	Unsecured, considered doubtful (Refer Note 12.2)	946.09		941.49	
	(Less): Provision for doubtful trade receivables	(946.09)	-	(941.49)	-
	Total		**916.99**		**1,463.87**
12.1	Due to short-term nature of current receivables, their carrying amount is assumed to be same as their fair value.				
12.2	Trade receivables include amount of Rs. 54.48 lakhs (Previous year Rs. 54.48 lakhs) due from NCTI, JV Company.				

13 CASH & CASH EQUIVALENTS

(Rs. In Lakhs)

	Particulars	As at March 31, 2021		As at March 31, 2020	
	Balances with Banks:				
	Savings accounts		3,784.22		5,091.60
	Current accounts (Refer Note 13.1)		1,489.80		49.56
	Cash on Hand (Refer Note 13.2)		0.11		1.94
	Postage Imprest		0.57		0.57
	Total		**5,274.70**		**5,143.67**
13.1	Bank balance in current accounts includes amount of Rs. 9.84 lakhs (Previous year: Rs. 9.95 lakhs) held in bank accounts maintained in foreign countries.				
13.2	Amount held in Foreign currency- Nil (Previous year: Rs. 1.90 lakhs).				
13.3	There are no restriction with regard to cash and cash equivalents as at the end of the reporting period.				

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

14 BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

(Rs. In Lakhs)

	Particulars	As at March 31, 2021		As at March 31, 2020	
	Term deposits with banks (having original maturity of more than 3 months but less than 12 months)		48,758.10		48,552.77
	Total		**48,758.10**		**48,552.77**
14.1	Includes Rs. 631.42 lakhs (previous year: Rs. 153.49 lakhs) deposited into Debt Service Reserve Account (DSRA) for the Loan raised from SBI for financing the IECC project to cover the interest servicing for one quarter.				

15 LOANS

(Rs. In Lakhs)

	Particulars	As at March 31, 2021		As at March 31, 2020	
	Loan to Employees (including accrued interest) (Refer Note 15.1)				
	Secured, considered good		68.02		89.53
	Unsecured:				
	Considered good	202.76		265.19	
	Considered doubtful	90.70		66.55	
	(Less): Provision for doubtful recovery of Advances	(90.70)	202.76	(66.55)	265.19
	Advance to ITPO ECPF Trust (unsecured, considered good)		185.35		-
	Total		**456.13**		**354.72**
15.1	Loans to Employees includes dues from:				
	Directors / Ex-Directors		-		0.01
	Officers in the nature of loan		2.26		2.09

16 OTHER FINANCIAL ASSETS

(Unsecured, considered good unless stated otherwise)

(Rs. In Lakhs)

	Particulars	As at March 31, 2021		As at March 31, 2020	
	Grant recoverable from Government of India				
	Considered good	345.33		1,003.63	
	Considered doubtful	358.95		1.00	
	(Less): Provision for doubtful Grant	(358.95)	345.33	(1.00)	1,003.63
	Inter-corporate deposits (placed with NBFCs)		-		8,455.00
	Due from Indian Missions Abroad		7.89		10.10
	Interest accrued on saving bank accounts & term deposits		1,181.63		1,459.38
	Receivable from TIDCO		2.31		-
	Due from parties in respect of deposit works				
	Considered doubtful	70.15		70.15	
	(Less): Provision for doubtful dues	(70.15)	-	(70.15)	-
	Total		**1,537.16**		**10,928.11**

17 CURRENT TAX ASSETS
(Unsecured, considered good)

(Rs. In Lakhs)

	Particulars	As at March 31, 2021		As at March 31, 2020	
	Income Tax / TDS Recoverable (Refer Note. 37.5(II))		8,553.32		8,704.41
	Total		**8,553.32**		**8,704.41**

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

(Rs. In Lakhs)

	Particulars	As at March 31, 2021		As at March 31, 2020	
	Advances to vendors				
	Considered good	305.48		415.08	
	Considered doubtful (Refer note 18.1)	157.39		168.09	
	(Less): Provision for doubtful advances	(157.39)	305.48	(168.09)	415.08
	Sundry Deposits				
	Considered good	0.25		315.74	
	Considered doubtful	4.34		8.53	
	(Less): Provision for doubtful deposits	(4.34)	0.25	(8.53)	315.74
	Others				
	Deposit under protest with RPFC [Refer Note 37.1(a)]	100.00		100.00	
	GST Credit	1,205.75		930.47	
	Prepaid Expenses	380.94		247.38	
	Deferred Payroll expense	11.38		14.35	
	Other Advances	25.71		45.72	
	Group Gratuity Fund-LIC	27.67		22.49	
	Service Tax Recoverable (Refer Note 18.2)	37.50	1,788.95	-	1,360.41
	Total		**2,094.68**		**2,091.23**
18.1	Advances to vendors include amount of Rs. 40.27 lakhs (previous year Rs. 40.27 lakhs) due from NCTI- JV company.				
18.2	Amount pertains to Service tax paid on advances received (up to 30 June 2017) for events which are conducted in GST period (1st July 2017 onwards) in respect of which refund of Service tax is yet to be received/ settled.				

19 EQUITY SHARE CAPITAL

(Rs. In Lakhs)

	Particulars	As at March 31, 2021		As at March 31, 2020	
	Authorized				
	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
	Total		**25.00**		**25.00**
19.1	**Reconciliation of shares outstanding**				
	Particulars	**As at March 31, 2021**		**As at March 31, 2020**	
		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**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

19.2 **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.

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

Particulars	As at March 31, 2021		As at March 31, 2020	
	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)				

20 OTHER EQUITY

(Rs. In Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
Capital Reserves				
Promoter's Contribution for investment in KTPO		1,020.00		1,020.00
Other reserves (Refer Note 20.1)		18.10		18.10
Retained Earning				
As per the last account	232,660.20		222,149.47	
Prior period adjustments (net)	-		12.24	
Restated Balance at the commencement of the year	232,660.20		222,161.71	
Add: Surplus for the year	(7,703.00)		10,978.88	
Add: Remeasurement gain/(loss) of defined benefit plans	(21.69)		(479.18)	
Add/(Less): Share of OCI of joint venture accounted for using the equity method	(0.37)	224,935.14	(1.21)	232,660.20
Total		**225,973.24**		**233,698.30**

20.1 Represents excess of assets over liabilities of organizations merged with the Holding Company in earlier years.

21 NON-CONTROLLING INTEREST

(Rs. In Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
Tamilnadu Trade Promotion Organization (TNTPO)				
- Share Capital	0.49		0.49	
- Other Equity	15,036.33	15,036.82	14,725.95	14,726.44
Karnataka Trade Promotion Organization (KTPO)				
- Share Capital	980.00		980.00	
- Other Equity	6,034.08	7,014.08	5,882.95	6,862.95
Total		**22,050.90**		**21,589.39**

22 BORROWINGS

(Rs. In Lakhs)

	Particulars	As at March 31, 2021		As at March 31, 2020	
	Term Loan from SBI for IECC		33,626.43		23,222.50
	Total		**33,626.43**		**23,222.50**

22.1 Term loan of Rs. 1,50,000 lakhs was sanctioned by State Bank of India (SBI) to part finance the capital expenditure for redevelopment of ITPO complex into IECC at Pragati Maidan, New Delhi. The term loan carries the interest rate of 1-year MCLR, to be reset at annual interval, presently 7.40% (previous year: 8.50%) and is paid at monthly interval. The term loan is repayable in 56 quarterly installments after 30 months from the date of first disbursement, thus, repayment of principal shall begin from December 2021.

The term loan is secured by an irrevocable guarantee of Government of India (GoI) towards principal and interest, restricted to the maximum of 80% of the loan facility or Rs. 105400 lakhs, whichever is less and is effective from 15th March 2019. Further, the Company in accordance with sanction stipulations has also maintained a DSR account with SBI by way of fixed deposits to cover the interest servicing for one quarter for which fixed deposits of Rs. 631.42 lakhs (previous year: Rs. 153.49 lakhs) were held as at 31st March, 2021 and shown in Note no. 14.1.

Loan amount of Rs. 33,626.43 lakhs (previous year: Rs. 23,222.50 lakhs) have been drawdown by the Company till 31.3.2021. Pending capitalization of IECC, the cumulative interest on term loan of Rs. 2,830.69 lakhs (previous year: Rs. 744.61 lakhs), cumulated interest income of Rs. 23.51 lakhs (previous year: Rs. 5.48 lakhs) earned on DSRA and cumulated guarantee fees of Rs. 1,337.09 lakhs (previous year: Rs. 1,103.09 lakhs) to GOI towards its issue as on 31st March, 2021 have been included in Capital Work-in-progress in Note no. 3.

23 OTHER NON CURRENT FINANCIAL LIABILITIES

(Rs. In Lakhs)

	Particulars	As at March 31, 2021		As at March 31, 2020	
	Non Current Lease Liability		1,184.57		1,244.71
	Total		**1,184.57**		**1,244.71**
	Current Lease Liabilities		**272.30**		**136.42**

24 NON- CURRENT PROVISIONS

(Rs. In Lakhs)

	Particulars	As at March 31, 2021		As at March 31, 2020	
	Provision for employees' benefits				
	-Leave Encashment (Refer Note 37.15 (III))		1,914.32		2,125.52
	-Gratuity (Refer Note 37.15 (II))		32.23		29.40
	Total		**1,946.55**		**2,154.92**

25 OTHER NON-CURRENT LIABILITIES

(Rs. In Lakhs)

	Particulars	As at March 31, 2021		As at March 31, 2020	
	Advance received from customers		673.08		817.53
	Government Grant (Refer Note 25.2)		2,367.57		2,394.06
	Total		**3,040.65**		**3,211.59**

25.1 During the year, Government Grants have been reclassified by TNTPO from other equity to other non current liability.

25.2 The Group company, TNTPO, has been awarded four government grants. One of the grants, received in 2001, amounted to Rs. 12.06 crore and was conditional on the construction of Exhibition Hall No.1 & 2. The building has been in operation since early 2001. The second grant received in 2004, amounted to Rs.9.42 crore and was conditional on the construction of Convention Centre. Further, the third grant received in 2008, amounted to Rs.5 crore and was conditional on the construction of Exhibition Hall No.3. The above grants, recognised as deferred income, are being amortised over the useful life of the building. In accordance with the terms of the grant, the Company is prohibited from selling the building premises for a period of 30 years from the date of the grant.

TIES grant of Rs.2000 Lakhs has been sanctioned and first instalment of Rs. 1000 lakhs 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 second installment of TIES Grant of Rs.1000 lakhs is yet to be received from the Department of Commerce, Government of India.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

Movement of Government Grant: (Rs. In Lakhs)

	Particulars	As at March 31, 2021	As at March 31, 2020
a.	Total ASIDE Grant received	2,648.39	2,648.39
	(Less): Accumulated amortisation of ASIDE grant	(1,314.90)	(1,233.14)
	Opening balance ASIDE Grant	1,333.49	1,415.25
	(Less): Amortisation of ASIDE grant during the year	(81.76)	(81.76)
	Closing balance ASIDE Grant	1,251.73	1,333.49
b.	Total TIES Grant received	1,000.00	1,000.00
	Add: Accumulated Interest on TIES Grant	142.33	84.02
	Opening balance TIES Grant	1,142.33	1,084.02
	Add: Interest earned on TIES grant during the year	55.26	58.32
	Closing balance TIES Grant	1,197.60	1,142.33
	Total (a + b)	**2,449.32**	**2,475.82**
	Non- current liability (Refer Note 25)	2,367.57	2,394.06
	Current liability (Refer Note 29)	81.76	81.76

26 TRADE PAYABLES

(Rs. In Lakhs)

	Particulars	As at March 31, 2021	As at March 31, 2020
	Total outstanding dues of Micro and Small Enterprises (Refer Note 26.1)	19.30	31.28
	Total outstanding dues to creditors other than Micro and Small Enterprises	1,652.51	2,184.53
	Total	**1,671.81**	**2,215.81**

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

(Rs. In Lakhs)

	Particulars	As at March 31, 2021	As at March 31, 2020
a.	Amount remaining unpaid to any supplier at the end of the year:		
	Principal amount and Interest due thereon	19.30	31.28
b.	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	-	-
c.	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.	-	-
d.	Amount of interest accrued and remaining unpaid	-	-
e.	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.	-	-

27 OTHER FINANCIAL LIABILITIES

(Rs. In Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Bank Overdraft	-	1.50
Employees' Benefits payable	124.23	315.29
Security deposits	617.80	649.64
Payable to Related Party:		
- Payable to KIADB	71.93	66.92
- Payable to TIDCO	113.04	-
Refund due to customers	3,597.56	2,431.95
Interest accrued on borrowings	210.08	146.63
Grant Refundable to DOC	1,500.00	54.45
CSR Expenses payable	23.16	12.00
Other payables	172.21	2,213.20
Total	**6,430.01**	**5,891.57**

28 CURRENT PROVISIONS

(Rs. In Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for diminution in investment of PF trust	61.72	-
Provision for Employees' Benefits		
- Gratuity (Refer Note 37.15 (II))	207.01	731.68
- Leave Encashment (Refer Note 37.15 (III))	417.24	323.32
- Pension Fund	4.28	4.28
- Pay Revision	162.17	162.17
Total	**852.42**	**1,221.45**

28.1 **Movement of Provisions**

(Rs. In Lakhs)

Particulars	As at April 1, 2020	Amount utilized/ reversed during the year	Provision made during the year	As at March 31, 2021
Movement of Provisions (2020-21)				
Pension Fund	4.28	-	-	4.28
Pay revision	183.63	(21.47)	-	162.17
Diminution in investment of PF Trust	-	-	61.72	61.72
Movement of Provisions (2019-20)				
Performance Related Pay/ Ex-gratia (Refer note 37.3)	3,264.00	(3,264.00)	-	-
Pension Fund	10.89	(6.61)	-	4.28
Pay revision	173.68	-	9.95	183.63

29 OTHER CURRENT LIABILITIES

(Rs. In Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance received from customers	2,757.47	3,976.02
Payable towards expansion project of TNTPO	1,771.78	-
Government Grant (Refer Note 25.2)	81.76	81.76
Statutory Liabilities	201.64	559.78
Total	**4,812.65**	**4,617.56**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

30 REVENUE FROM OPERATIONS

(Rs. In Lakhs)

	Particulars	Year ended 31.03.2021		Year ended 31.03.2020	
	Sale of Services				
	Space Rent (Net)	1,226.83		21,644.23	
	Unbilled Revenue	50.31		-	
	Rent from Convention center	-		-	
	Government Grant- Revenue	-		776.33	
	Receipts towards electricity & water charges	63.39		907.41	
	Receipts towards other services	5.03		368.71	
	Hoardings	(4.69)		321.36	
	Branding/ Sponsorship	-	1,340.88	45.83	24,063.87
	Other Operating Revenue				
	Sale of Entry Tickets / Seasonal Passes	2.59		416.97	
	Subscriptions	2.80		9.96	
	Advertisement- Publications	(11.78)		78.61	
	Sale of Publications	-	(6.39)	1.72	507.26
	Total		**1,334.49**		**24,571.13**

31 OTHER INCOME

(Rs. In Lakhs)

	Particulars	Year ended 31.03.2021		Year ended 31.03.2020	
	Interest Income from				
	-Bank Deposits & Saving banks accounts	3,100.85		3,699.51	
	-Inter- corporate deposits	480.96		266.20	
	-Loan to employees	42.57		50.52	
	-Income tax	2,349.38		261.72	
	-Others	16.54	5,990.30	2.07	4,280.02
	Dividend from Mutual Funds		3.18		5.63
	Rent		64.09		413.16
	Difference in Exchange (net)		3.48		5.33
	Other non-operating income				
	Profit on Sale of Property, Plant & Equipments (net)	-		6.84	
	Ind AS fair value difference FVTPL	32.64		-	
	Liabilities/Provisions no longer required, written back	111.09		479.17	
	Penalties from customers (Refer Note 31.1)	7.19		404.60	
	Amortisation of Government grant	81.75		81.76	
	Miscellaneous Income	12.89	245.56	54.86	1,027.23
	Total		**6,306.61**		**5,731.37**
31.1	Penalty of Rs. 762.25 lakhs, cumulative up to 31.03.2021 (previous year: Rs. 784.07 lakhs), due to cancellation of events by the third party organizers 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.				

32 EMPLOYEES' BENEFITS EXPENSE

(Rs. In Lakhs)

	Particulars	Year ended 31.03.2021		Year ended 31.03.2020	
	Salaries & Wages				
	Salaries, Wages & Allowances (Refer Note 32.1)	7,046.76		6,527.17	
	Other Perks & Allowances	1,260.46	8,307.22	1,376.85	7,904.02
	Contribution to Provident & Other Funds				
	Contribution to Provident Funds (Refer Note 37.15 (I))	570.79		628.77	
	Contribution to Pension Funds (Refer Note 37.15 (I))	324.45		354.08	
	Gratuity (Refer Note 37.15 (II))	252.24		254.94	
	Leave Encashment (Refer Note 37.15 (III))	459.89		641.34	
	ITPO Contribution to Benevolent Fund	6.01		-	
	ITPO Contribution to Welfare Fund Scheme	1.63		-	
	Contribution to other funds	-	1,615.01	8.41	1,887.54
	Staff Welfare Expenses				
	Medical Expenses	349.43		465.96	
	Compensation for deceased employees	160.91		41.56	
	Other staff welfare expenses	76.98	587.32	108.56	616.08
	Total		**10,509.55**		**10,407.64**
32.1	Includes Rs. 1,281.43 lakhs (Previous year Rs. 293.48 lakhs) on account of ex-gratia under the Voluntary Retirement Scheme in ITPO				

33 DEPRECIATION AND AMORTISATION EXPENSE

(Rs. In Lakhs)

	Particulars	Year ended 31.03.2021		Year ended 31.03.2020	
	Depreciation on Property, Plant & Equipment	549.16		600.67	
	Depreciation on Right-of-Use Assets	93.21		93.21	
	Amortization of Other Intangible Assets	10.86	653.23	31.52	725.40
	Total		**653.23**		**725.40**

34 FINANCE COST

(Rs. In Lakhs)

	Particulars	Year ended 31.03.2021		Year ended 31.03.2020	
	Interest on lease		99.84		104.32
	Bank Charges		0.61		3.24
	Other interest cost		10.17		10.59
	Total		**110.62**		**118.15**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

35 OTHER EXPENSES

(Rs. In Lakhs)

Particulars	Year ended 31.03.2021		Year ended 31.03.2020	
Expenses related to sale of services				
Participation charges		14.85		1,927.62
Construction & Interior Decoration		3.89		1,134.75
Publicity		1.29		464.71
Freight, Packing & Handling		-		1.66
Interpreter wages		-		14.51
Travelling & Conveyance		3.51		378.26
Foreign Delegation		-		16.63
Other Operating Expenses				
Entertainment		3.76		47.30
Commission		-		96.18
Electricity & Water charges		571.18		1,210.82
Maintenance of exhibition premises:				
-Civil	127.05		184.96	
-Electrical	347.25		482.33	
-Horticulture	11.71		33.98	
-Conservancy Arrangements	117.79	603.80	190.00	891.27
Operation and Maintenance		284.87		364.96
Other Administrative Expenses				
Repairs, Renewals & Maintenance		188.21		282.23
Security expenses		566.34		643.12
Insurance		11.31		13.36
Postage, Telegrams & Telephones		24.18		32.09
Legal & Professional charges (Refer Note No. 37.7)		161.35		81.42
Seminar & Training		1.17		14.50
Books & Periodicals		0.74		2.71
Printing & Stationery		26.97		59.86
Advertisement expenses		7.16		13.10
Corporate Social Responsibility Expenses (Refer Note 37.19)		23.16		433.97
Administration charges (Outsourcing)		100.60		105.84
Rent		-		7.32
Rates & Taxes	374.42		411.27	
(Less): Recoveries	(0.87)	373.55	(3.51)	407.76
Vehicle running & maintenance	18.34		21.18	
(Less): Recoveries	(0.07)	18.27	(0.08)	21.10
Fair value loss/ (gain) on Mutual Funds		-		26.20
Loss on sale of PPE (net) profit/loss on sale of assets (net) profit/loss on sale of assets (net)		19.92		-
Provisions/ Write offs		404.50		92.21
Other Miscellaneous expenses (Refer Note No. 37.7)		67.80		219.65
Discount		3.01		-
Provision for dimunition in investment of PF trust		61.72		-
Sitting Fees to Directors		2.40		1.00
Auditor's Remuneration				
-Audit Fee	10.75		12.58	
-Tax Audit Fee	1.50		1.50	
-Arrears	-		1.13	
-Reimbursement of expenses	-	12.25	0.95	16.16
Total		**3,561.76**		**9,022.27**

36 EXCEPTIONAL ITEMS

(Rs. In Lakhs)

Particulars	Year ended 31.03.2021		Year ended 31.03.2020	
Provision for PRP written back (Refer Note 37.3)		-		3,264.00
Total		**-**		**3,264.00**

37 OTHER NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

37.1	CONTINGENT LIABILITIES AND COMMITMENTS				(Rs. In Lakhs)
	Particulars	**As at March 31, 2021**		**As at March 31, 2020**	
a)	**Contingent Liabilities (Refer Note 37.1.1)**				
	Claims against the Group not acknowledged as debts - Disputed liability not adjusted as expenses in the accounts for various years being in appeal towards:				
	Income Tax (Refer Note 37.5)	825.77		823.37	
	Service Tax (Refer Note 37.8)	370.13		141.14	
	Employee Provident Fund (amount deposited Rs. 100.00 lakhs, previous year: Rs. 100 lakhs)	1,695.57	2,891.47	1,695.57	2,660.08
	Employee related matter (refer note 37.3)		3,335.18		3,335.02
	Others - for which the Group is contingently liable (37.10(c))		2,642.24		1,847.46
			8,868.89		**7,842.56**
37.1.1	The Group is contesting the above demands/ claims 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.				
b)	**Capital Commitments**				
	Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances - Refer Note 37.10		72,516.38		93,709.47
	Equity Contribution in Subsidiary/ Associate Company		1,000.00		1,005.00

37.1.2 **CPWD Vs. CCCL- 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 center – 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.63.76 Lakhs from the date of award to the date of actual payment in full and final settlement.

During the earlier 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. But the Executive Engineer CPWD has requested to release Rs. 126.97 Lakhs (Against the decretal amount of Rs.150.94 Lakhs, an amount of Rs.23.98 Lakhs have been adjusted against the deposit available with CPWD) towards arbitration award on the above issue as CPWD had already made paid to contractor from their suspense account to avoid embarrassing situation like contempt of court in its Secretary, Ministry of Commerce and Industry would also have been Respondent vide CPWD letter No. 23 (247)/CD-II/2019/946 dated 02.12.2019. The above issue was placed before the Board meeting held on 07.08.2020 and the Board of TNTPO negated the item as earlier decision taken by the Board on this subject stands good.

In the context of the above, the company is contingently liable for Rs.126.97 lakhs to CPWD.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

37.2 National Science Centre and National Handicrafts & Handlooms Museum (Crafts Museum)- ITPO

Land and Development Office (L&DO), Ministry of Urban Development has leased out 123.51 acres of land for Pragati Maidan Complex to the Holding Company on perpetual lease of 99 years w.e.f. 1976 on 7th March 2011, out of which the combined area of 7.2623 acres is under the occupation of two Government Departments i.e. National Science Centre and Crafts Museum, without a sublease agreement.

The expenditure incurred on the annual ground rent, paid to L&DO, including the area under possession of these government departments, is borne by the Holding Company as the lease deed for the entire area is in the name of the Holding Company. Further, the municipal taxes in respect of areas under their possession, as per past practice, are being paid by these departments directly to the Revenue authority. However, the annual rent of Rs. 646.58 lakhs [cumulative rent of Rs. 11922.31 lakhs (Previous year Rs. 11,275.73 lakhs)] is not being paid by both the departments and is being contested by them.

In respect of dues from National Science Centre, the Department of Commerce, the administrative ministry of the holding company has forwarded the matter for invocation of the Administrative Mechanism for Resolution of CPSE's Disputes (AMRCD) on 02.07.2021 for settlement of dispute. In respect of dues from the Crafts Museum, the holding company has taken up the matter at higher levels in the government for resolution of outstanding land charges as well as strip of land required by the Holding Company for IECC project. In view of uncertainty in the realization of dues as above, the rental income from both the departments is not recognized since earlier years.

37.3 Performance Related Pay (PRP)/ Ex-gratia

37.3.1 Holding company- ITPO

The provision of Rs. 3264 lakhs towards Performance Related Pay (PRP)/ Ex-gratia was made by the Holding Company during the period 01.04.2007 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. 1020.97 lakhs (Previous Year: Rs. 1222.19 lakhs), net of recoveries from the employees retired/ taken VRS, were released to the employees with the approval of the Board of Directors (BOD) of the Holding Company as 'Interest free advances' against the undertakings obtained from the employees to refund/ adjust the advance as per the decision of the competent authority.

The BOD in its 205th meeting held on 29.08.2018 had noted that though as per DPE guidelines, ITPO could grant PRP/ Ex-gratia but it is not mandatory for it to do so since the guidelines of DPE only provide the guidance but they do not create any obligation for the Holding Company and all financial decisions including PRP/ Ex-gratia have to be considered by the BOD and approved by the Administrative Ministry, wherever required. This was also clarified by the Department of Commerce (DoC) in Sep.'13 and reiterated in Oct.'17 that ITPO is ineligible for PRP as per recommendation of 2nd PRC.

However, in case of 3rd PRC, the decision on PRP/ Ex-gratia is dependent upon it's financial position and other factors. Therefore, due to huge financial outgo committed by the Holding Company for ongoing IECC project and inadequate surplus generated from core activities, the BOD during 2017-18 and 2018-19 decided not to provide for PRP/ Ex-gratia/ Interest free advance for both these years.

For the year 2019-20, the BOD in its 213th meeting held on 18th June 2020 decided not to make provision towards PRP/ ad-hoc advance, considering the extreme financial stress on the Holding Company due to ongoing IECC project, the adverse business outlook projected during next few years due to outbreak of Covid-19 pandemic and also to write back the provision of Rs. 3264 lakhs towards PRP/ Ex Gratia already made during the earlier years for 2nd pay revision period, which is not payable as per the clarification of DoC. The BoD in 214th meeting on 22nd September 2020 decided that the recoveries of ad-hoc advances from the employees be effected in monthly installments w.e.f. April '21 and be completed in three years or at the time of retirement/ VRS, whichever is earlier, to improve the availability of funds in the Holding company for the project.

The ITPO Employees Union has filed an application for stay of recoveries in the Central Administrative Tribunal, which is pending for disposal. However, as per legal advice, the recoveries in monthly installments from employees in service are yet to be initiated and the recoveries from retiring employees are being made at the time of their VRS/ retirements, as per earlier approvals.

37.3.2 Group Company- TNTPO

Note no. 15 includes interest free advance of Rs.8.65 lakhs paid to regular employees of TNTPO. In line of ITPO (Holding Company), TNTPO had released adhoc payment as advance for Rs.8.65 lakhs towards performance related pay / performance incentive scheme for the year 2011-12 to 2014-15. This has been shown as staff advance, which is interest free advance on undertaking from the staff that the amount released would be recovered are adjusted as per the decision of the subject. No such advances have been paid to staff from 2015-16.

37.4 In the opinion of the management, the value of assets other than Property, Plant and Equipment and Intangible assets, on realization in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

37.5 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 and onwards as per the amended proviso of section 2(15) of the Income Tax Act, 1961 effective from 1.4.2008.

The Holding Company had contested the withdrawal of exemption before the Hon'ble High Court of Delhi and got a favorable 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 Holding Company w.e.f. Assessment Year 2009-10.

The Income Tax Department 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. However, regular hearings in the matter are yet to commence.

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, no provision for income-tax, interest and penalties is considered necessary from Assessment year 2009-10 onwards.

B. Demands and Income Tax recoverable

During the intervening time period of withdrawal of exemption and legal proceedings, 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 the demand of Rs. 15,589.86 lakhs against which Rs. 1,319.00 lakhs was deposited under protest. Subsequent to the restoration of the exemption by the Hon'ble High Court, the year-wise position in respect of demands, refunds received and tax recoverable is as under:

(Rs. In Lakhs)

	Assessment Years	Deposit/ TDS recoverable as on 31.3.2020	TDS additions during 2020-21	Refund received during 2020-21	Deposit/ TDS recoverable as on 31.3.2021
a	Various Assessment years (doubtful for recovery)	426.00	-	-	426.00
b	2009-10 to 2011-12 (against demand of Rs. 15,589.86 lakhs)*:				
	- deposit under protest	1,319.00	-	-	1,319.00
	- adjusted from refunds for various AYs	6,464.64	-	-	6,464.64
c	2012-13 to 2013-14 (refund received in earlier years)	-	-	-	-
d	2014-15 to 2020-21 #	15,634.39	203.93	(13,137.59)	2,700.73
e	2021-22	-	232.98	-	232.98
	Total	**23,844.03**	**436.91**	**(13,137.59)**	**11,143.34**

* Demands, since nullified by the ITAT, Delhi.

TDS additions for AY 2020-21

The holding company is pursuing the matter with the income tax department for obtaining the refund of balance amount along with interest for the aforesaid years and is confident of realisation.

(ii) Tamilnadu Trade Promotion Organization (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 shortfall 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 (23) (C) (iv) of the Income Tax Act from the Assessment year 2009-10 onwards on the grounds that TNTPO 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. Currently, this case is pending with Supreme court of India.

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 to 2018-19, tax deposited under protest and the status of the case are tabulated below:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

(Rs. In Lakhs)

Assessment Year	Total Demand (including interest)	Total tax treated as paid under protest as per Accounts (Note 17)	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	3,206.82	CIT (Appeals)	-	74.73	74.73
2009-10	501.00		HC of Madras	24.13	422.25	446.38
2010-11	358.59		HC of Madras	2.32	361.63	363.95
2011-12	585.56		HC of Madras	2.54	585.56	588.10
2012-13	968.50		CIT (Appeals)	33.69	964.75	998.44
2013-14	1,360.67		CIT (Appeals)	163.65	180.06	343.71
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	1,328.40	800.55	CIT (Appeals)	296.24	500.00	796.24
2018-19	1,267.33	1,011.86	CIT (Appeals)	308.06	700.00	1,008.06
2019-20	-	966.56	As per Return of Income	345.79	615.00	960.79
2020-21	-	1,200.73	As per Accounts	412.73	788.00	1,200.73
2021-22	-	77.43	As per Accounts	77.43	-	77.43
Total	**8,472.48**	**8,553.31**	**-**	**2,378.13**	**6,789.33**	**9,167.46**

* Breakup of Income taxes treated as paid under protest as per Accounts

Income Tax Refund	2,054.40
Deposit - Income Tax Account	6,421.49
TDS Receivable - 2020-21	77.43
TOTAL	**8,553.32**

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 favorable 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 of Madras and the matter is subjudice. TNTPO is hopeful of getting a favorable 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, 2017-18 & 2018-19 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, TNTPO is contingently liable for the total demand of Rs. 8472.49 Lakhs as on 31st March 2021 which include the demand for withdrawal of exemption of Rs. 8323.02 Lakhs and demand for escapement of Income of Rs. 149.47 Lakhs. In this context, the Hon'ble High Court of Madras has ordered that "The petitioner shall continue to pay the amounts claimed by the respondents, subject to the outcome of the challenge to the judgment of the Delhi High Court in W.P.(C) No.1872 of 2013 (supra) pending before the Hon'ble Supreme Court in Civil Appeal No.9284 of 2017, arising out of Special Leave Petition Civil No.14674 of 2016."

TNTPO is also contingently liable for the AY 2015-16, 2018-19, 2019-20 & 2020-21 for which the Department is yet to take up the Assessment Proceedings and the amount of contingent liability is yet to be determined.

b) TDS Compliance Demand

i) Most of the organizers are yet to pay the tax and file the returns due to impact of COVID-19,thereby resulting a huge difference between the books of Accounts and 26AS, however the same has been reconciled.
ii) Demand relating to TDS Compliance as per department TRACES portal amounting to Rs.7.21 lakhs is considered as contingent liability.

(iii) Karnataka Trade Promotion Organization (KTPO)

In case of Group company 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 Bangalore, challenging the rejection orders of the Chief Commissioner of Income Tax . The Hon'ble High court of Bangalore 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 KTPO, 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 KTPO u/s 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, KTPO 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 KTPO 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 KTPO. 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 KTPO 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 31.03.2020, 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. KTPO had filed written submissions for reconsideration of its withdrawal proposal.

KTPO 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 31-03-2020 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
Total	**637.38**	**224.60**	**412.77**	

For AY 2018-19 there was a demand of Rs.1155.17 lakhs as per the Assesment order under section 143(3) read with section 143(3A) & 143(3B) of the Income Tax Act dtd. 17.2.2021. The company has filed an appeal before the Commissioner of Income Tax (Appeals) (NFAC) on 21.9.2021 against this erroneous demand.

37.6 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.

37.7 ITPO Services Limited

(a) ITPO Services Limited was incorporated on 24th May 2020 as a wholly owned subsidiary of the company (Refer note 37.10(d)).

(b) As per approved arrangements, the company appointed M/s MSTC, a PSU, as consultant for the preparation of RFP for selection of hotel developer, on behalf of ITPO Services Limited. The expenditure towards professional fee of Rs. 60 lakhs paid to M/s MSTC alongwith the preliminary expenses of Rs. 2.04 lakhs incurred on its formation have been borne by the company and are included in 'Other Expenses' in Note no. 35.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

37.8 SERVICE TAX MATTERS

(i) Holding Company

(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 the 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 the 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 by the company before CESTAT on 24.04.2015, and on the directions of CESTAT, the modified appeal was filed on 09.02.2017. The Holding 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 10. The Holding Company has received the favourable order from CESTAT on 13.09.2018 against which the Department had filed a civil appeal before the Hon'ble Supreme Court. The appeal of the Department has since been dismissed by the Hon'ble Supreme Court and the Holding company has filed the application with the Department on 07.07.2021 for obtaining the refund of Rs. 881.31 lakhs along with interest.

(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
Apr. 2014 to Jun. 2017	228.99
Total	**370.13**

The Holding Company, based on the expert opinion, considers that the above matters, on which demand-cum-show cause notices were served, does not fall within the ambit of service tax. Hence, the demands have been contested by the Holding Company with the respective authorities and accordingly no provision for demand of Rs. 370.13 lakhs has been considered necessary in the accounts as at 31.03.2021 and the said demand of Rs. 370.13 lakhs has been included in Contingent Liability in note 37.1.

(ii) Tamilnadu Trade Promotion Organization (TNTPO)

TNTPO has filed a refund claim for an amount of Rs.37.50 lakhs towards advance tax paid during the service tax regime before the Assistant Commissioner of GST & Central Excise, Chennai-40 vide this office letter No.TNTPO/Service Tax/Accts/2020 dated 27.01.2021. After receipt of refund claim, the Joint Commissioner (IN SITU) of GST and Central Excise, Porur Division has rejected the claim and issued an Order in Original No.01/2021 (FR-Legacy) dated 29.03.2021.

Further, TNTPO filed an appeal before the Commissioner of GST & Central Excise (Appeals-II), Chennai on 26.06.2021 by praying a) set aside the impugned Order-In-Original 01/2021 (RF-Legacy) dated 29.03.2021 passed by the Joint Commissioner (In Situ) of GST and Central Excise, Porur Division, Chennai and allow the refund claim, b) Grant a personal hearing; and c) Pass such other order or orders as may be deemed fit and proper in the facts and circumstances of the case. The case is still pending with the Commissioner of GST & Central Excise (Appeals-II) and TNTPO is hopeful and confident of getting the refund from the Department.

37.9 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, which in view of management will not be material.

37.10 INTERNATIONAL EXHIBITION CUM CONVENTION CENTRE (IECC) PROJECT- ITPO

(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, is to be funded from Holding Company's resources by 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 and also the 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. Pending monetisation of land, the BoD has decided to deploy additional Rs. 40,000 lakhs from its internal resources and accordingly the term loan from bank will stand reduced to that extent.

(c)	During the year 2018-19, Request for Proposal (RFP) for selection of Developer cum Operator of 5-star hotel at Pragati Maidan was floated for which 2 bidders were found technically qualified. However, due to non-participation of one bidder in further bidding process, the said bid process was cancelled due to lack of competition and the bid security of Rs. 1,694.92 lakhs (net of GST of Rs. 305.08 lakhs), received from the said bidder who did not participate, was forfeited as per terms and conditions of RFP, and was considered as "Exceptional Income" in the said year. The bidder filed a writ petition against forfeiture of his bid security in the Hon'ble Delhi High Court in Aug'2019 which is being contested by the Company. The same has been included in 'Contingent Liability' in Note no. 37.1.
(d)	The Cabinet in its meeting held on 4th December, 2019, approved the monetization of 3.70 acres of land at Pragati Maidan on a 99-year fixed lease basis in favour of a Special Purpose Vehicle (SPV) formed as a wholly owned subsidiary of ITPO, for the development and operation of a 5-star hotel at Pragati Maidan. A Request for Proposal (RFP) for selection of a suitable developer and operator to construct, run and manage the said hotel through a competitive bidding process, was issued on 28.02.2020 but due to situation arising out of Covid-19 pandemic, no bid was received by the extended due date of 31.08.2020. Thus, the RFP stands cancelled and the Holding Company will explore the options on this matter, as and when the situation improves.
(e)	Term loan of Rs. 1,50,000 lakhs was sanctioned by a nationalised bank on 28.05.2018. Guarantee for Rs. 1,05,400 lakhs has been issued by the Government of India against the said term loan on 15.03.2019 on which Guarantee fee of Rs. 1676.09 lakhs (previous year Rs. 1337.09 lakhs) has been paid.
(f)	NBCC, a Public Sector Undertaking, has been appointed as the Project Management Consultant (PMC) for the project for which an agreement has been entered into.
(g)	A special advance of Rs. 10,000 lakhs at an interest rate of 10.5% p.a. was approved to the contractor through NBCC in 215th BoD meeting held on 30th Dec. 2020 to mitigate the hardship to the contractor due to COVID-19 pandemic against the bank guarantee of Rs. 10,000 lakhs from the contractor to NBCC and Corporate Guarantee of equivalent amount given by NBCC to the Holding company. An amount of Rs. 6,050 lakhs has been released till 31st March 2021 and included in Note no. 10.
(h)	The work done for IECC project amounting to Rs. 1,82,577.35 lakhs up to 31.03.2021 (Rs. 1,66,196.39 lakhs up to 31.03.2020) has been shown as Capital Work-in-Progress in Note. 3 and advance of Rs. 17,869.90 lakhs (previous year: Rs. 15,398.09 lakhs) paid to various Departments/ agencies for the project has been shown as Capital Advances in Note. 10. Consequently, against the approved cost of Rs 2,69,851 lakhs, the balance amount of Rs. 68,370.91 lakhs is shown as Capital Commitments for the project in Note No. 37.1.
37.11	**EXPANSION PROJECT OF CHENNAI TRADE CENTRE (CTC)- TNTPO** The Board of Tamil Nadu Trade Promotion Organization (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.28900 lakhs. 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 1260 cars with ground floor and first floor of exhibition hall, Convention Centre, meeting rooms, business center with separate multi level car parking(MLCP) as suggested by Standing Finance Committee of DOC, Government of India TIES grant of Rs.2000 lakhs has been sanctioned and first instalment of Rs. 1000 lakhs 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 Non-current Liabilities' (Note No.25) as Govt Grant received from TIES for the expansion project of CTC. Financing pattern of TNTPO's expansion project as Rs.8500 lakhs from internal accruals, Rs.2000 lakhs from TIES Grant and Rs.18400 lakhs 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. 14000 lakhs from internal accruals, Rs. 2000 lakhs from TIES grant, Government of India and Rs.14900 lakhs term loan from Financial Institution, totaling Rs. 30900 lakhs. E-Tender was floated for expansion project on 23.01.2020. The technical evaluation was also completed and price bid was opened on 24.03.2020. Further, the work awarded to L1 Contractor M/s.NCC Ltd, Telangana to the contract value of Rs.308.75 crore. The construction work has been started on 25.09.2020 by M/s.NCC Ltd and the work is in progress. The percentage of the Physical Progress is 13% and Financial Progress of the project works out to 18.95%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

37.12 International Amusement Limited (IAL)– Appu Ghar- ITPO

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 were paid upfront on 1.5.2018 and balance amount of Rs 932.94 lakh was agreed to be paid in 4 equal quarterly installments of Rs 233.24 lakhs each.

IAL defaulted on the payments of quarterly installments, paid Rs 100 lakhs only on 1.11.2018. On default, the Estate Officer Pragati Maidan vide its order dated 19th February 2019 allowed ITPO to take legal recourse to recover its dues by invoking corporate guarantee and personal guarantee submitted by IAL at the time of agreement and also to make recovery from IAL under Public Premises Act, 1971. The Company approached the concerned Revenue authority for implementation of the said order which has issued the warrant for attachment of property of IAL under Land Reforms Act, 2013. IAL further deposited Rs. 142 lakhs with ITPO during 2019-20. The company is following up with the Revenue Authority for the recovery of the outstanding amount.

As per Ind AS 115, amount of Rs. 342 lakhs, recovered till date, has been adjusted against the dues of IAL and the Provision for Doubtful Debts has also been reversed by the same amount. The interest on delayed payments as stipulated in the agreement has not been accounted for, in accordance with Ind AS 115, as its realisation is considered uncertain.

37.13 COVID-19 Impact

Holding Company- ITPO & Group company- KTPO

Coronavirus Disease (COVID-19) pandemic has resulted in significant decrease in economic activities of the companies. Accordingly, the events scheduled during the year 2020-21 were cancelled/ postponed due to restrictions imposed by government authority, thus impacting the operations of the companies substantially whereby very few events were held. Further, the IECC project activities were also impacted resulting in delay in completion of work.

The management has assessed the recoverability of carrying amount of assets and liabilities based on the current indicators of the future economic condition considering the probable impact of COVID 19. It is estimated as at the date of approval of financial statements that the Companies will be able to recover the carrying amount of assets and settle its liabilities. However, the extent to which CoVID-19 pandemic will impact the Companies' activities and financial results in future will depend upon future developments which are highly uncertain. Hence, its impact may be different from that now estimated and the Companies will continue to closely monitor any material changes to future economic conditions and the same will be accounted for as and when crystallized in the period to which it relates.

Group Company: Tamil Nadu Trade Promotion Organization

The SARS-CoV-2 virus responsible for the outbreak of Coronavirus Disease (COVID-19) has been declared a Global pandemic by the World Health Organization (WHO) on March 11, 2020, which continues to spread across the globe, and has resulted in significant decrease in global and local economic activities. Consequent to this, most of the governments have announced the strict lockdowns across their respective countries as one of the strongest measures to contain the spread of the virus. Accordingly, the Government of India (GoI) has also announced the lockdown across India on March 24, 2020. The management has assessed the recoverability of carrying amount of assets and liabilities based on the current indicators of future economic condition considering the probable impact of COVID 19 and TNTPO will be able to recover the carrying amount of the assets and settle its liabilities and the financial statements have been prepared on Going Concern basis. The extent to which CoVID-19 pandemic will impact the TNTPO's activities and financial results in future will depend upon future developments which are highly uncertain, however, no impact thereof, is required, to be taken in these financial statements. The impact of the global health pandemic may be different from that estimated and the TNTPO will continue to closely monitor any material changes to future economic conditions.

Chennai Trade Centre premises had been converted into Covid Care Centre as requested by the Commissioner, Greater Chennai Corporation as Covid-19 was a pandemic under the National Disaster Management Act. The proposal for claiming of rental for the above said purpose was placed in its 63rd Board meeting of TNTPO held on 05.02.2021 and the Board agreed to the views of Principal Secretary, Industries Department, Government of Tamilnadu, that COVID Care Centre at CTC was established by the Greater Chennai Corporation as per the Disaster Management Act. Considering the above noble cause, the Board advised to collect the actual expenditure of Rs.4.35 crore incurred for the operation, repair and maintenance work of Chennai Trade Centre from the Greater Chennai Corporation through raising an invoice inclusive of GST @ 18% which may be treated as reimbursement of expenditure for the period from April-2020 to August-2020. Government of Tamilnadu have also requested the Commissioner, Greater Chennai Corporation to settle the outstanding amount of Rs.4.35 crore at the earliest vide their letter No.25473/P1/2021-3, dated 18.08.2021 and the company is hopeful of getting the claim from the Greater Chennai Corporation during this year.

Further, second wave of Covid-19 pandemic has hit India recently. Currently, the Government of Tamilnadu have implemented lockdown based on situation in individual states. Based on that, the Commissioner, Greater Chennai Corporation vide their letter No.W.D.C.No.0083-5/2021 dated 24.04.2021, had requested TNTPO to hand over the exhibition halls and convention center for converting as treatment-cum-Care Centre with oxygen facility for COVID positive patients. Accordingly, the Exhibition Halls and Convention Centre was handed over to the Greater Chennai Corporation w.e.f.,27.04.2021 and till date the same facilities is being maintained by the Greater Chennai Corporation as a COVID Care Centre.

For the usage of Exhibition halls and convention center by Greater Chennai Corporation as treatment-cum-care center with oxygen facility for COVID-19 positive patients for the period from 27.04.2021 to 04.07.2021, the actual maintenance charges works out to Rs.1.67 crore (approx.) if the earlier Board decision adopted by TNTPO for claiming the actual expenses incurred as reimbursement.

37.14 LEASES

On adoption of Ind AS 116, the Group recognised lease liabilities and right-of-use (ROU) assets in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17 "Leases", except for those identified as low-value or having a remaining lease term of less than 12 months from the date of initial application. On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets, the Group has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straight line basis over the remaining lease term.

The Group has taken immovable properties on lease which are generally long term in nature. Lease liabilities are measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as at initial recognition. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 April 2019 was 8.05%.

(Rs. In Lakhs)

Particulars	Category of ROU Asset		Total
	Land	Office Flats	
Reclassified on account of adoption of Ind AS 116	1,182.48	197.20	1,379.68
Addition	-	-	-
Deletion	-	-	-
Depreciation	88.82	4.39	93.21
Balance as at March 31, 2020	**1,093.66**	**192.81**	**1,286.47**
Addition	-	-	-
Deletion	-	-	-
Depreciation	88.82	4.39	93.21
Balance as at March 31, 2021	**1,004.84**	**188.42**	**1,193.26**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Income & Expenditure.

The break-up of current and non-current lease liabilities is as follows: **(Rs. in Lakhs)**

Particulars	As at March 31, 2021	As at March 31, 2020
Current Lease Liability	272.30	136.41
Non-current Lease Liability	1,184.57	1,244.72
Total	**1,456.87**	**1,381.13**

*The lease rents due since FY 2019-20, in case of group company- TNTPO, are pending for payment due to pending lease deed between TNTPO and District Collector, Chennai (refer Note 37.24).

The movement in lease liabilities during the year is as follows: **(Rs. in Lakhs)**

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Reclassified on account of adoption of Ind AS 116	1,381.13	1,300.92
Addition		
Finance cost accrued during the period	99.84	104.32
Deletion		
Payment of Lease liabilities	24.10	24.11
Balance as at 31st March 2021	**1,456.87**	**1,381.13**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows: **(Rs. in Lakhs)**

Particulars	As at March 31, 2021	As at March 31, 2020
Less than one year	160.11	159.94
One to five years	639.45	639.78
More than five years	1,930.92	2,090.41
Total	**2,730.48**	**2,890.13**

The above information is only in respect of ITPO & TNTPO. There are no leases which fall under Ind AS 116 in respect of KTPO and ISL .

37.15 Employee Benefits

General description of various defined employee benefit schemes are as under:-

I Defined Contribution Plans

Provident Fund

The Holding 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 Holding 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.

Pension Fund

The Holding 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 Holding 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)

Particulars	2020-21	2019-20
Employer's contribution towards Provident Fund	570.79	628.77
Employer's contribution towards Pension Fund	324.45	354.08
Total	**895.24**	**982.85**

II. Defined Benefits Plans

Gratuity

The Group has a defined benefit gratuity scheme which is funded. A separate ITPO Employees Gratuity Fund Trust manages the affairs of the trust for the Holding Company. The funds of the trust are managed by LIC. In case of Group company TNTPO, the funds are managed by the company itself through investment in LIC. It is recognized in the books of the Group 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

i. Expenses recognized in the statement of Income and Expenditure		**(Rs. In Lakhs)**
Particulars	**2020-21**	**2019-20**
Interest cost	48.17	46.04
Service cost	204.08	208.90
Expenses recognized in the statement of Income & Expenditure Account	**252.25**	**254.95**
Remeasurements:		
Opening unrecognized Actuarial Gain/ (loss)	(934.52)	(454.38)
Actuarial gain/ (loss) for the year on Asset	(2.76)	(61.97)
Actuarial gain/ (loss) for the year on PBO due to change in:		
-Demographic Assumption	-	(1.57)
-Financial Assumption	(25.64)	(240.95)
-Experience Assumption	6.99	(175.65)
OCI recognized for the year	**(21.41)**	**(480.14)**
Net actuarial gain/(loss) unrecognized in OCI at the end of the year	(955.93)	(934.52)

ii. The amount recognized in the Balance Sheet		**(Rs. In Lakhs)**
Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Present value of the obligation at end of the year	5,459.87	6,098.60
Fair value of plan assets at end of year	5,248.30	5,360.01
Net liability recognized in Balance Sheet and related analysis	**211.58**	**738.59**
Funded/ (unfunded) Status	(211.58)	(738.59)

iii. Changes in the Present Value of Obligations:		**(Rs. In Lakhs)**
Particulars	**2020-21**	**2019-20**
Present value of the obligation at the beginning of the year	6,098.61	6,092.48
Interest cost	398.75	458.70
Service cost	204.08	208.90
Benefits paid (if any)	(1,259.63)	(1,079.65)
Actuarial (gain)/loss	18.07	418.17
Present value of the obligation at the end of the year	**5,459.87**	**6,098.60**

iv. Sensitivity Analysis of the defined benefit obligation:		**(Rs. In Lakhs)**
Particulars	**2020-21**	**2019-20**
a) Impact of the change in discount rate		
Present Value of Obligation at the end of the year	5,459.87	6,098.60
a) Impact due to increase of 0.50 %	(137.00)	(152.95)
b) Impact due to decrease of 0.50 %	142.37	159.77
b) Impact of the change in salary increase		
Present Value of Obligation at the end of the year	5,459.87	6,098.60
a) Impact due to increase of 0.50 %	141.79	127.01
b) Impact due to decrease of 0.50 %	(138.37)	(129.08)
Sensitivities due to mortality & withdrawals are not material. Hence, impact of change, due to these, have not been calculated.		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

v. The assumptions employed for the calculations are tabulated below:

Particulars	As at March 31, 2021	As at March 31, 2020
Discount rate #1	6.42% per annum	6.54% per annum
Salary Growth Rate #2	6.00% per annum	6.00% per annum
Mortality #3	IALM 2012-14	IALM 2012-14
Withdrawal rate (Per Annum)	2.00% per annum	2.00% per annum

Note:

#1 The Discount rate taken by TNTPO is 5.92% and 6.22% for 31.03.2021 and 31.03.2020 respectively.

#2 The Salary Growth Rate taken by TNTPO is 8.00% for 31.03.2021 and 31.03.2020.

#3 The Mortality Rate taken by TNTPO is based on IALM 2006-08 Ultimate for 31.03.2021 and 31.03.2020.

vi. Major categories of plan assets (as percentage of total plan assets)

Particulars	As at March 31, 2021	As at March 31, 2020
Funds Managed by Insurer	100%	100%
Total	**100%**	**100%**

viii. Bifurcation of PBO at the end of year in current and non current **(Rs. in Lakhs)**

Particulars	2020-21	2019-20
Current liability (Amount due within one year)	207.01	731.68
Non-Current liability (Amount due over one year)	32.23	29.40
Total PBO at the end of year *	**239.24**	**761.08**

* includes funds invested in LIC referred in Note no. 18 in case of TNTPO

vii. Change in Fair Value of Plan Assets **(Rs. in Lakhs)**

Particulars	As at March 31, 2021	As at March 31, 2020
Fair value of plan assets at the beginning of the period	5,360.02	5,480.96
Difference in Opening Fund	-	0.06
Actual return on plan assets	356.28	359.52
Less- FMC Charges	(9.04)	(8.89)
Employer contribution	800.67	608.03
Benefits paid	(1,259.63)	(1,079.65)
Fair value of plan assets at the end of the period	5,248.30	5,360.03

III. Other Long Term Employee Benefits

Leave Encashment

In case of Holding company ITPO, the scheme of leave encashment is unfunded. It is recognized in the books of the Holding 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. The BoD in its 214th meeting held on 22.09.2020 have revised the EL encashment during service subject to a maximum of 50% of the earned leave at credit or 20 days whichever is less, once in a calendar year leaving minimum balance of 30 days. EL is 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 Holding company. An overall ceiling of encashment of EL and HPL for 300 days is prescribed at the time of superannuation / death / resignation, etc.

In case of Group company TNTPO, the scheme of leave encashment is unfunded. It is recognized in the books of TNTPO on the basis of actuarial valuation. The encashment of Earned Leave (EL) and Half-Pay Leave (HPL) benefits to the employees of TNTPO 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.

i. Expenses recognized in the Statement of Income and Expenditure **(Rs. In Lakhs)**

Particulars	2020-21	2019-20
Interest cost	159.97	186.57
Service cost	113.83	114.85
Net actuarial (gain)/loss recognized in the period	186.09	339.92
Expenses recognized in the Statement of Income and Expenditure	**459.89**	**641.34**

ii. The amount recognized in the Balance Sheet **(Rs. In Lakhs)**

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of the obligation at end of the year	2,331.56	2,448.84
Net liability recognized in Balance Sheet and related analysis	2,331.56	2,448.84
Unfunded Status	(2,331.56)	(2,448.84)

iii. Changes in the Present Value of Defined Benefit Obligations: **(Rs. In Lakhs)**

Particulars	2020-21	2019-20
Present value of the obligation at the beginning of the year	2,448.85	2,478.70
Interest cost	159.97	186.57
Service cost	113.83	114.85
Benefits paid	(577.17)	(671.20)
Actuarial (gain)/loss	186.09	339.92
Present value of the obligation at the end of the year	**2,331.56**	**2,448.84**

iv. The assumptions employed for the calculations are tabulated below:

Particulars	As at March 31, 2021	As at March 31, 2020
Discount rate #1	6.42% per annum	6.54% per annum
Salary Growth Rate #2	6.00% per annum	6.00% per annum
Mortality #3	IALM 2012-14	IALM 2012-14
Withdrawal rate (Per Annum)	2.00% per annum	2.00% per annum

#1 The Discount rate taken by TNTPO is 5.62% and 6.12% for 31.03.2021 and 31.03.2020 respectively.

#2 The salary Growth Rate taken by TNTPO is 8% per annum.

#3 The Mortality Rate taken by TNTPO is based on IALM 2006-08 Ultimate for 31.03.2021 and 31.03.2020.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

	v. Sensitivity Analysis of the defined benefit obligation:	2020-21	2019-20
	a) Impact of the change in discount rate		
	Present Value of Obligation at the end of the year	2,331.56	2,448.84
	a) Impact due to increase of 0.50%	(92.25)	(107.90)
	b) Impact due to decrease of 0.50%	96.44	112.95
	b) Impact of the change in salary increase		
	Present Value of Obligation at the end of the year	2,331.56	2,448.84
	a) Impact due to increase of 0.50%	96.36	112.98
	b) Impact due to decrease of 0.50%	(92.57)	(108.37)
	Sensitivities due to mortality & withdrawals are not material. Hence, impact of change due to these have not been calculated.		

vi. Bifurcation of PBO at the end of year in current and non current (Rs. In Lakhs)

Particulars	2020-21	2019-20
Current liability (Amount due within one year)	417.24	323.32
Non-Current liability (Amount due over one year)	1,914.32	2,125.52
Total PBO at the end of year	**2,331.56**	**2,448.84**

vii. In case of holding company ITPO, Leave encashment while in service for all employees is temporarily suspended till 30.09.2021.

viii. In case of KTPO, the Provident Fund Act and Gratuity Act is not applicable to the said company as the number of employees is less than the minimum prescribed number and the employees are on deputation from Government of Karnataka, leave salary and pension contribution are provided and charged to the Statement of Income & Expenditure Account on accrual basis as intimated by Government of Karnataka, thus, there is no need of actuarial valuation for the said company. Hence, applicable disclosure requirement under Ind AS 19 are not applicable.
In case of ISL, there are no employees on rolls of the said company.

37.16 EARNINGS PER SHARE (Rs. In Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Surplus/ Deficit for the year (Rs. in lakhs)	(7,703.00)	10,978.88
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)	(0.31)	0.44

37.17 INCOME TAX (Rs. In Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Adjustment of tax for earlier years	-	411.25
Total	**-**	**411.25**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

37.18	**RELATED PARTY DISCLOSURES**			
(a)	**LIST OF 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	
	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)
(b)	**TRANSACTIONS WITH RELATED PARTIES**		**2020-21**	**2019-20**
	ITPO Employees Contributory Provident Fund Trust			
	Contribution by ITPO (including employees' contribution)		2074.07	1,977.53
	ITPO Employees Group Gratuity Fund Trust			
	Contribution by ITPO		797.00	608.02
	ITPO Employees Defined Contribution Superannuation Trust			
	Contribution by ITPO (including employees' contribution)		420.00	453.58
	Karnataka Industrial Area Development Board (KIADB)			
	Due for services		5.00	5.00
(c)	**OUTSTANDING BALANCES WITH RELATED PARTIES**			**(Rs. In Lakhs)**
	Particulars		**31.03.2021**	**31.03.2020**
(i)	**Payable by Group**			
	ITPO Employees Contributory Provident Fund Trust		-	182.13
	ITPO Employees Group Gratuity Fund Trust		206.74	731.45
	ITPO Employees Defined Contribution Superannuation Trust		-	0.01
	Karnataka Industrial Area Development Board-Co-Promoter		71.93	66.93
	Tamilnadu Industrial Development Corporation - TIDCO		379.94	245.93
	Dr. Arunkumar H R (Managing Director)		0.91	-
(ii)	**Receivable by Group**			
	ITPO Employees Contributory Provident Fund Trust		185.35	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

(d)	KEY MANAGEMENT PERSONNEL	
	Name	**Relationship**
	Holding Company- India Trade Promotion Organization	
	Sh. L C Goyal	Chairman & Managing Director
	Sh. Vibhu Nayar (w.e.f. 17.09.2021)	Executive Director
	Sh. Rajesh Agrawal (w.e.f. 28.08.2019 till 21.06.2021)	Executive Director
	Sh. Deepak Kumar (w.e.f. 25.05.2017 till 19.06.2019)	Executive Director
	Shri P. Harish	Nominee Director
	Smt. Nidhi Mani Tripathi	Nominee Director
	Sh. Shashank Priya	Nominee Director
	Smt. Alka Nangia Arora	Nominee Director
	Sh. Amitabh Kumar (w.e.f 17.11.2020)	Nominee Director
	Ms. V.G. Aravindanayagi	Independent Director
	Rear Admiral (Retd.) R K Shrawat	Independent Director
	Sh. D M Sharma (till 30.04.2021)	CFO
	Sh. S R Sahoo (I/c CFO w.e.f 01.05.2021 till 05.10.2021)	Company Secretary and I/c CFO
	Sh. R K Thakur (I/c CFO w.e.f. 06.10.2021)	Dy. Gen. Mgr. (Fin.) and I/c CFO
	Group Company- Tamilnadu Trade Promotion Organization	
	Smt. V R Subbulaxmi (w.e.f. 12.04.2018 till 15.02.2021)	Managing Director
	Sh. R Rampradeepan (w.e.f. 15.02.2021 till 10.08.2021)	Managing Director
	Smt R.Lilly (w.e.f 25.08.2021 till 10.10.2021)	Managing Director
	Smt R. Rajendran (w.e.f. 11.10.2021)	Managing Director
	Group Company- Karnataka Trade Promotion Organization	
	1) Dr. Veeranna S.H. (w.e.f. 10.08.2017 till 25.09.2020)	Managing Director
	2) Shri. V T Venkatesh (w.e.f. 25.09.2020 till 24.12.2020)	Managing Director
	3) Dr. Arun Kumar H R (w.e.f. 24.12.2020)	Managing Director
	Group Company- ITPO Service Limited	
	Sh. Vibhu Nayar (w.e.f. 17.09.2021)	Chairman & Managing Director
	Sh. Rajesh Agrawal (w.e.f. 24.05.2020 till 21.06.2021)	Chairman & Managing Director
	Smt. Nidhi Mani Tripathi (w.e.f. 24.05.2020 till 10.11.2020)	Nominee Director
	Smt. Rupa Dutta (w.e.f. 01.06.2020 till 10.11.2020)	Nominee Director
	Sh. Amitabh Kumar (w.e.f. 10.11.2020)	Nominee Director
	Sh. Ajay Srivastava (w.e.f. 10.11.2020 till 11.02.2021)	Nominee Director
	Sh. Praveen Mahto (w.e.f. 11.02.2021)	Nominee Director
	Col. Pushpam Kumar	COO
	Note: Related Parties and their relationship is as identified by the Group.	

(e)	**COMPENSATION FOR KEY MANAGEMENT PERSONNEL**				**(Rs. In Lakhs)**
	Name of Person	**Designation**	**Salary & Allowances**	**Perks**	**Total Renumeration**
	Holding Company- India Trade Promotion Organization (2020-21)				
1	Sh. L C Goyal	Chairman & Managing Director	23.43	22.55	45.98
2	Sh. Rajesh Agrawal	Executive Director	32.09	4.60	36.69
3	Ms. V. G. Aravindanayagi -Sitting Fees of Rs 1.40 lakhs (Refer Note 35)	Independent Director	-	-	-
4	Rear Admiral (Retd.) R K Shrawat - Sitting Fees of Rs 1.00 lakh (Refer Note 35)	Independent Director	-	-	-
5	Sh. D M Sharma	CFO	31.75	2.22	33.97
6	Sh. S R Sahoo	Company Secretary	23.39	1.19	24.58
7	Sh. R K Thakur	Dy. Gen. Mgr. (Fin.)	21.70	2.75	24.45
	Group Company- Tamilnadu Trade Promotion Organization				
1	Smt. V R Subbulaxmi	Managing Director	15.58	0.10	15.68
2	Sh. R Rampradeepan	Managing Director	1.75	-	1.75
	Group Company- Karnataka Trade Promotion Organization				
1	Dr. Veeranna S.H	Managing Director	9.45	-	9.45
2	Dr. Arunkumar H R	Managing Director	5.06	-	5.06
3	Shri V T Venkatesh	Managing Director	0.21	-	0.21
	Holding Company- India Trade Promotion Organization (2019-20)				
1	Sh. L C Goyal	Chairman & Managing Director	24.04	22.54	46.58
2	Sh. Deepak Kumar	Executive Director	14.00	-	14.00
3	Sh. Rajesh Agrawal	Executive Director	15.55	-	15.55
4	Ms. V. G. Aravindanayagi	Independent Director	-	-	-
	-Sitting Fees of Rs 0.60 lakh (Refer Note 35)				
5	Rear Admiral (Retd.) R K Shrawat	Independent Director	-	-	-
	- Sitting Fees of Rs 0.40 lakh (Refer Note 35)				
6	Sh. D M Sharma	CFO	23.06	1.35	24.41
7	Sh. S R Sahoo	Company Secretary	22.18	1.11	23.29
	Group Company- Tamilnadu Trade Promotion Organization				
1	V.R.Subbulaxmi	Managing Director	18.04	0.25	18.29
	Group Company- Karnataka Trade Promotion Organization				
1	Dr. Veeranna S.H	Managing Director	20.14	-	20.14

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

37.19 CORPORATE SOCIAL RESPONSIBILITY

(i) Holding Company- ITPO

As per section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been constituted by the Holding Company. The amount of Rs. 197.46 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)

Particulars	Amount	Amount
- Gross amount lying pending for the earlier year as at 01.04.2020		**122.10**
- Refund received which was earlier shown as spent amount	4.83	
- Provision for expenses booked against the refund	(4.83)	-
- Restated Gross amount lying pending for the earlier year as at 01.04.2020		122.10
- Gross amount required to be spent during the year		197.46
- Amount spent during the year		**-**
- Gross amount lying pending (including for the earlier year) as at 31.3.2021		**319.56**

The Board of Directors, on the recommendation of CSR Committee, in its 216th meeting held on 16th Mar. 2021 decided not to make the payment of CSR amount due to requirement of funds for the implementation of IECC project. Hence, the amount of Rs. 319.56 lakhs lying unspent as at 31.03.2021 has neither been paid nor the provision thereagainst has been made in the accompanying financial statements. The said treatment is in line with the provision of section 135 of the Companies Act, 2013 read with various clarifications issued by the relevant authorities including the latest FAQ issued by the Ministry of Corporate Affairs (MCA) vide general circular no. 14/2021 dated 25.08.2021.

(ii) Tamil Nadu Trade Promotion Organization (TNTPO):

Section 135 of the Companies Act, 2013 and Rules made thereunder prescribe that every company having a net worth of Rs. 50000 lakhs or more, or turnover of Rs. 1,00,000 Lakhs or more or a net profit of Rs. 500 lakhs 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 Tamilnadu Trade Promotion Organization, a Section 8 Company and Central Public sector Enterprise. The financial details as sought by the Companies Act,2013 are as follows:

(Rs. In Lakhs)

Particulars	Amount
Average net profit of the Company for last three financial years	3,420.00
Prescribed CSR expenditure (2% of the average net profit as computed above)	68.40
Details of CSR expenditure during the financial year:	
Total Amount to be spent for the financial year (As per the Board approval)*	-
Amount Spent for the year 2020-21	-
Amount Unspent for 2020-21	68.40
Amount Unspent for 2019-20	4.62
Amount Unspent for 2018-19	0.05

*The Board in its 63rd meeting held on 05.02.2021 advised to postpone the CSR expenditure for the year 2020-21 due to the occurrence of revenue loss in the pandemic situation considering the Revised Estimate for the year 2020-21.

(iii) Karnataka Trade Promotion Organization (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.5,00,00,000/- or more the immediately preceding 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 Organization, a Section 8 Company and Central Public sector Enterprise. The financial details as sought by the Companies Act,2013 are as follows:

(Rs. In Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Average net profit of the Company for last three financial years	687.02	540.73
Prescribed CSR expenditure (2% of the average net profit as computed above)	13.74	10.81
Details of CSR expenditure during the financial year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	12.00
Break-up of the amount spent on CSR		
Health and Sanitation expenses/ PM Care Fund	-	12.00
Amount unspent for 2017-18	6.94	6.94
Amount unspent for 2016-17	8.52	8.52
Amount unspent for 2015-16	8.82	8.82
Amount unspent for 2014-15	6.81	6.81
Summary:		
Amount unspent as per FS upto 31.03.2018 (provision is not made in books)		31.09
Presribed CSR provision from 01.04.2018 to 31.03.2021		34.07
Total upto 31st March 2021		65.16
Total Amount spent upto 31st March 2021		42.00
Total Unspent amount as on 31st March 2021		**23.16**

(iv) CSR was not applicable to the Group company ISL due to loss during the year 2020-21.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

37.20 Financial Instruments - Fair Values Measurement and Financial Risk Management

I Fair Value Measurements

A. Financial Instruments by Category

(Rs. In Lakhs)

Particulars	As at 31 March 2021		As at 31 March 2020	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Non-current assets				
Investments	-	-	-	-
Loans	-	1,095.02	-	1,405.49
Other Financial Assets	-	796.00	-	-
Current assets				
Investments	95.57	-	59.75	-
Trade receivables	-	916.99	-	1,463.87
Cash and Cash Equivalents	-	5,274.70	-	5,143.67
Bank Balances other than Cash and Cash Equivalents	-	48,758.10	-	48,552.77
Loans	-	456.13	-	354.72
Other Financial assets	-	1,537.16	-	10,928.11
Total	**95.57**	**58,834.10**	**59.75**	**67,848.63**
Financial Liabilities				
Non-current Liabilities				
Borrowings	-	33,626.43	-	23,222.50
Lease Liabilities	-	1,184.57	-	1,244.71
Current Liabilities				
Trade Payables	-	1,671.81	-	2,215.81
Lease Liabilities	-	272.30	-	136.42
Other Financial Liabilities	-	6,430.01	-	5,891.57
Total	**-**	**43,185.12**	**-**	**32,711.02**

B. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:
(a) recognized and measured at fair value and
(b) measured at amortized cost and for which fair values are disclosed in the financial statements.

The Group 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 maximize 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 Group has classified its financial instruments into the three levels as prescribed under the Ind AS. 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)

Particulars	As at 31 March 2021			As at 31 March 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets measured at FVTPL						
Investments: Mutual Funds	95.57	-	-	59.75	-	-
Total Financial Assets	**95.57**	**-**	**-**	**59.75**	**-**	**-**

Assets and liabilities which are measured at amortized cost for which fair values are disclosed

(Rs. In Lakhs)

Particulars	As at 31 March 2021			As at 31 March 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Non-current assets						
Investments	-	-	-	-	-	-
Loans	-	-	1,095.02	-	-	1,405.49
Other Financial Assets	-	-	796.00	-	-	-
Current assets						
a) Trade Receivables	-	-	916.99	-	-	1,463.87
b) Cash and Cash Equivalents	-	-	5,274.70	-	-	5,143.67
c) Bank Balances other than Cash and Cash Equivalents	-	-	48,758.10	-	-	48,552.77
d) Loans	-	-	456.13	-	-	354.72
e) Other Financial assets	-	-	1,537.16	-	-	10,928.11
Total Financial Assets			**58,834.10**	**-**	**-**	**67,848.63**
Financial Liabilities						
Non-current Liabilities						
Borrowings	-	-	33,626.43	-	-	23,222.50
Lease liabilities	-	-	1,184.57	-	-	1,244.71
Current Liabilities						
Trade Payables	-	-	1,671.81	-	-	2,215.81
Lease liabilities	-	-	272.30	-	-	136.42
Other Financial Liabilities	-	-	6,430.01	-	-	5,891.57
Total Financial Liabilities	**-**	**-**	**43,185.12**	-	-	**32,711.02**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

C. Fair Value of financial assets and liabilities measured at amortized cost:

(Rs. In Lakhs)

Particulars	As at 31 March 2021		As at 31 March 2020	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Non-current assets				
Investments	-	-	-	-
Loans	1,095.02	1,095.02	1,405.49	1,405.49
Other Financial Assets	796.00	796.00	-	-
Current assets				
a) Trade Receivables	916.99	916.99	1,463.87	1,463.87
b) Cash and Cash Equivalents	5,274.70	5,274.70	5,143.67	5,143.67
c) Bank Balances other than Cash and Cash Equivalents	48,758.10	48,758.10	48,552.77	48,552.77
d) Loans	456.13	456.13	354.72	354.72
e) Other Financial assets	1,537.16	1,537.16	10,928.11	10,928.11
Total	**58,834.10**	**58,834.10**	**67,848.63**	**67,848.63**
Financial Liabilities				
Non-current Liabilities				
Borrowings	33,626.43	33,626.43	23,222.50	23,222.50
Lease liabilities	1,184.57	1,184.57	1,244.71	1,244.71
Current Liabilities				
Trade Payables	1,671.81	1,671.81	2,215.81	2,215.81
Lease liabilities	272.30	272.30	136.42	136.42
Other Current Financial Liabilities	6,430.01	6,430.01	5,891.57	5,891.57
Total	**43,185.12**	**43,185.12**	**32,711.02**	**32,711.02**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances, other current financial assets and financial 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 Group's principal financial liabilities comprise trade and other payables. The Group's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Group also holds investment in mutual funds. The Group'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 group operated internationally and is exposed to insignificant foreign currency risk arising from foreign currency transactions, group does not hedge any foreign currency risk for foreign currency transactions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

Foreign currency exposures that are not hedged by derivative instruments are given below:

(Rs. In Lakhs)

Foreign Currency (FC)	Note no.	Currency Symbol	As at 31st March, 2021		As at 31st March, 2020	
			FC	INR	FC	INR
Assets						
CASH & CASH EQUIVALENTS	13					
Balances with Banks- Current & Savings account						
Yen		¥	7.9215	5.34	7.9215	5.42
United States Dollar		$	0.0605	4.50	0.0605	4.53
Cash on Hand						
Euro		€	-	-	0.0076	0.60
Peruvian Soles		S/.	-	-	0.0015	0.03
United States Dollar		$	-	-	0.0176	1.27
Honkong Dollar*		HK$	-	-	0.0001	0.00
Canadian Dollar*		C$	-	-	0.0000	0.00
*Amount less than Rs. 1000/-						
OTHER CURRENT FINANCIAL ASSETS	16					
Due From Indian Mission Abroad						
United States Dollar		$	0.1063	7.89	0.1304	9.74
Canadian Dollar		C$	-	-	0.0067	0.35
OTHER CURRENT ASSETS	18					
Advances to vendors (Unsecured)						
Yen		¥	-	-	35.7991	24.49
Euro		€	0.8660	75.70	0.9083	74.30
United States Dollar		$	0.2413	17.91	0.2981	22.27
Canadian Dollar		C$	0.0192	1.14	0.0192	1.01
Liabilities						
TRADE PAYABLES	26					
Euro		€	-	-	0.0816	6.91
Yen		¥	-	-	4.3092	3.05
United States Dollar		$	-	-	0.0117	0.89
Net Assets (in INR)				**112.47**		**133.16**

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 Group manages its interest risk in accordance with the group's 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group'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 group 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 2021 (In respect of Holding Company:)

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	158.02	17.56	179.01	57.25	996.44	1,408.28
Expected Credit rate	-	-	1.31%	3.84%	93.69%	66.61%
Expected Credit losses (Less: Provision allowance)	-	-	(2.35)	(2.20)	(933.54)	(938.09)
Gross Carrying Amount of Trade Receivables	**158.02**	**17.56**	**176.66**	**55.05**	**62.90**	**470.19**

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 assets for which credit risk has increased and not credit impaired	Grant Recoverable from Government of India	704.28	50.97%	(358.95)	345.33
		Dues in Respect of Deposit Work	70.15	100.00%	(70.15)	-
Total			**774.43**	**55.41%**	**(429.10)**	**345.33**

As at 31st March 2020 (In respect of Holding Company:)

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	1,110.67	84.17	135.14	66.17	989.16	2,385.30
Expected Credit rate	0.76%	1.21%	1.60%	5.68%	92.82%	39.14%
Expected Credit losses (Less: provision Allowance)	(8.39)	(1.02)	(2.16)	(3.76)	(918.16)	(933.49)
Gross Carrying Amount of Trade Receivables	**1,102.28**	**83.15**	**132.98**	**62.41**	**70.99**	**1,451.81**

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 assets for which credit risk has increased and not credit impaired	Grant Recoverable from Government of India	1,004.63	0.10%	(1.00)	1,003.63
		Due in Respect of Deposit Work	70.15	100.00%	(70.15)	-
Total			**1,074.78**	**6.62%**	**(71.15)**	**1,003.63**

c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to settle or meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Group'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 group is given below: **(Rs. In Lakhs)**

Particulars	As at 31-03-2021		As at 31-03-2020	
i) Financial Assets				
a) Investments	95.57		59.75	
b) Trade Receivables	916.99		1,463.87	
c) Cash and Cash Equivalents	5,274.70		5,143.67	
d) Bank Balances other than Cash and Cash Equivalents	48,758.10		48,552.77	
e) Loans	456.13		354.72	
f) Other Financial assets	1,537.16	**57,038.66**	10,928.11	**66,502.90**
ii) Financial Liabilities				
a) Trade Payables	1,671.81		2,215.81	
b) Lease liabilities	272.30		136.42	
c) Other Financial Liabilities	6,430.01	**8,374.12**	5,891.57	**8,243.81**
Net Working Capital		**48,664.54**		**58,259.09**

37.21 **Capital Management**

For the purpose of the Group's capital management, capital includes issued equity capital, capital grant from Government of India in the nature of promoter's contribution and Retained Earnings treated as other equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

37.22 **Segment reporting for the year ended 31st March 2021**

The operating segments are identified on the basis of internal reports used by the Group's Management to allocate resources and assess their performance for decision making. The Board of Directors is collectively the Group's "Chief Operating Decision Maker" (CODM) within the meaning of Ind AS 108.

(Rs. In Lakhs)

Particulars	Trade promotion activities in India	Trade promotion activities Abroad	Unallocated	Total
Revenue-External	1,136.64	19.32	2,863.93	4,019.89
	(21289.93)	*(3614.35)*	*(5342.87)*	*(30247.15)*
Inter-segment	-	-	-	-
Total Expenses	12,624.31	1,083.87	1,160.25	14,868.43
	(16023.530)	*(2871.28)*	*(2517.58)*	*(21412.39)*
Segment result	(11,487.67)	(1,064.55)	1,703.68	-10,848.55
	(5266.4)	*(743.07)*	*(2825.29)*	*(8834.76)*
Interest/Dividend income	-	-	3,584.99	3,584.99
	-	-	*(3971.34)*	*(3971.34)*
Surplus/ (deficit) before taxation	-	-	-	-7,263.56
	-	-	-	*(12806.1)*
Tax expense	-	-	-	-
	(-411.25)			*(-411.25)*
Excess of income over expenditure/ (expenditure over income)	-	-	-	-7,263.56
	-	-	-	*(12394.85)*
Other information				
Investment in Joint Ventures & Associates	254.05	-	-	254.05
	302.14	-	-	*302.14*
Segment assets	261,360.72	469.33	40,056.48	301,886.53
	(239697.73)	*(1207.23)*	*(58324.27)*	*(299229.23)*
Segment liabilities	16,663.61	104.58	37,069.20	53,837.39
	(15657.47)	*(232.61)*	*(28026.46)*	*(43916.54)*
Capital expenditure	21,234.34	-	-	21,234.34
	(36459.40)	-	-	*(36459.40)*
Depreciation & Amortization	653.23	-	-	653.23
	(725.40)	-	-	*(725.40)*

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.

(d) TNTPO, KTPO and ISL are engaged in only one segment i.e. hiring out premises for exhibitions in India. Thus, their activities have been included in 'Trade promotion activities in India'.

Information about major customers (from external customers)

The Group does not derive any revenue from external customers which amounts to 10 percent or more of the group's revenues.

37.23 **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 comprehensive 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 Organization								
31st March 2021	82.30%	204,137.18	112.34%	(8,135.09)	100.97%	(21.99)	112.30%	(8,157.08)
31st March 2020	83.15%	212,294.49	69.97%	9,009.71	99.34%	(478.18)	68.83%	8,531.52
Subsidiary- Indian								
Tamilnadu Trade Promotion Organization								
31st March 2021	6.31%	15,650.06	-4.46%	322.76	-1.37%	0.30	-4.45%	323.06
31st March 2020	6.00%	15,327.00	14.28%	1,838.09	0.21%	(1.00)	14.82%	1,837.09
Karnataka Trade Promotion Organization								
31st March 2021	2.53%	6,280.36	-2.17%	157.29	0.00%	-	-2.17%	157.29
31st March 2020	2.40%	6,123.07	1.06%	136.66	0.00%	-	1.10%	136.66
ITPO Services Limited								
31st March 2021	0.00%	(0.23)	0.00%	(0.23)	0.00%	-	0.00%	(0.23)
31st March 2020	-	-	-	-	-	-	-	-
Non -controlling Interest in all Subsidiaries								
31st March 2021	8.89%	22,050.90	-6.37%	461.21	-1.29%	0.28	-6.35%	461.49
31st March 2020	8.46%	21,589.39	14.74%	1,897.32	0.20%	(0.96)	15.30%	1,896.36
Joint Venture- Indian								
National Centre for Trade Information								
31st March 2021	-0.05%	(118.12)	0.02%	(1.31)	1.69%	(0.37)	0.02%	(1.67)
31st March 2020	-0.05%	(116.45)	0.01%	1.51	0.25%	(1.21)	0.00%	0.29
Associate-Indian								
Jammu & Kashmir Trade promotion Organization								
31st March 2021	0.02%	48.77	0.64%	(46.42)	0.00%	-	0.64%	(46.42)
31st March 2020	0.04%	95.19	-0.06%	(7.09)	0.00%	-	-0.06%	(7.09)
Total								
31st March 2021	**100.00%**	**248,049.14**	**100.00%**	**(7,241.79)**	**100.00%**	**(21.78)**	**100.00%**	**(7,263.57)**
31st March 2020	**100.00%**	**255,312.69**	**100.00%**	**12,876.20**	**100.00%**	**(481.35)**	**100.00%**	**12,394.85**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

37.24 **Leases- TNTPO**

As per the MOU signed between India Trade Promotion Organization (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, TNTPO has paid lease rent to the Government of Tamilnadu through TIDCO up to the financial year 2018-19. Further, Nandambakkam has been attached to Aladur Taluk under the District of Greater Chennai Corporation vide Tamilnadu Government Gazette dated 04.01.2018 and henceforth the lease rent has to be made to the District Collector, Chennai. Accordingly, the lease deed remains to be executed between TNTPO and The District Collector, Chennai.

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. However, the lease rent for the additional land 9.13 acre has been provisionally fixed in proportionate to the lease amount of the existing land of 25.48 acres which works out to Rs.35.83 Lakhs. Necessary provision has been given in the books of Accounts by debiting Capital work in progress for the period 24.03.2016 to 31.03.2019.

37.25 **Customs and DGFT imposing penalty in connection with EPCG license:** TNTPO had imported mobile acoustic partition for the convention center project during the year 2004 for a value of Rs. 47.23 lakhs by availing customs duty relief under the EPCG scheme. The total duty saved value is Rs. 22.98 lakhs with an obligation to earn free foreign exchange to the tune of 8 times of the duty saved value in a period of 8 years and submit a report on fulfilment of export obligation. In this connection, TNTPO received an order in original dated 14.11.2019 issued by Deputy Director General of Foreign Trade, Chennai, wherein it was inter-alia ordered that TNTPO had not fulfilled the export obligation in respect of an EPCG license No. 0430002037 dated 18.10.2004 involving duty saved of Rs.22.98 lakhs with export obligation of 8 times the duty saved, pegged at Rs.183.88 lakhs and imposed penalty of Rs.5 lakhs in addition to the full duty saved along with interest u/s 11(2) of Foreign Trade (Development and Regulation) Act 1992.

As it pertains to EPCG License issued in the year 2004, and that due to efflux of time, that none of the present officer/staff are privy to the issue at all and the relevant documents are not readily traceable. TNTPO's inability to furnish the Export obligation Discharge certificate earlier was neither intentional nor wanton but due to non-continuity of staff and due to passage of time.

In the above issue department has issued a notice to pay a fiscal penalty of Rs.5 lakhs, in addition to custom duty of Rs. 22.98 lakhs and interest thereon which works out to Rs.2.09 lakhs totaling Rs. 25.08 lakhs for which necessary provision has been given in other payables under other current liabilities. (refer Note No.29). The penalty of Rs. 5 lakhs has been contested before the Hon'ble of High Court Madras for which the Company is contingently liable.

Further, TNTPO has received a demand of customs duty of Rs.22.63 lakhs along with penalty amount of Rs.2 lakhs from the Joint Commissioner (EODC-EPCG), Office of the Commissioner of Customs, Chennai-IV, Customs House, No.60, Rajaji Salai, Chennai-600001 vide OIO No.OInO/79674/2021 dated 25.02.2021. In this regard, TNTPO has filed an appeal before the Commissioner (Appeals) u/s 128 of the Customs Act,1962 to set aside the impugned order in original No.OInO/79674/2021 dated 25.02.2021 by submitting the available foreign exchange receipts during that period to fulfil the DGFT obligation on the import of foldable partition and also paid Rs.1.70 lakhs towards 7.5% of the duty amount as pre-deposit on 20.04.2021. Hence, the case is pending with Commissioner (Appeals), Customs, Chennai.

37.26 **Property Tax :-** The Revision of Property Tax was implemented w.e.f.01.04.2018 onwards. Accordingly, the Greater Chennai Corporation payment of Property Tax for the year 2018-19 (I and II) half year of Rs.50.11 lakhs. TNTPO has paid the amount under protest. Subsequently, for the year 2019-20 (Ist Half) the Greater Chennai Corporation G.O.Ms.No.150 of Municipal Administration and Water Supply (MA-IV) Department, Dated 19.11.2019 to examine the revision of property tax and withhold the general revision of property tax order dated 19.07.2018 and 26.07.2018. TNTPO has represented the GCC for revised demand notice for the payment of property tax so as to adjust if any. At this juncture, TNTPO is not able to quantify the exact liability towards the property for the year 2018-19, 2019-20 & 2020-21 and awaiting the revised order from the Greater Chennai Corporation, the company is contingently liable if there is any short payment to that extent and also contingently asset if there is any excess payment.

37.27 **Disclosure as per Ind AS 112 'Disclosure of Interest in Other Entities'**

a) Subsidiaries

The group's subsidiaries as at 31.3.2021 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
		31-03-21	31-03-20	31-03-21	31-03-20	
Karnataka Trade Promotion Organization	India	51%	51%	49%	49%	Trade Promotion
Tamilnadu Trade Promotion Organization	India	51%	51%	49%	49%	Trade Promotion
ITPO Service Limited	India	100%	100%	-	-	Trade Promotion

b) Summarized 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.

Summarized Balance Sheet **(Rs. In Lakhs)**

Particulars	Karnataka Trade Promotion Organization		Tamilnadu Trade Promotion Organization		ITPO Service Limited	
	31-03-21	31-03-20	31-03-21	31-03-20	31-03-21	31-03-20
Current Assets	7,473.08	8,827.75	26,991.77	29,183.59	4.96	-
Current Liabilities	439.23	160.64	3,168.77	1,326.43	0.19	-
Net Current Assets	7,033.85	8,667.11	23,823.00	27,857.16	4.77	-
Non Current Assets	7,280.60	5,338.91	10,186.39	5,600.70	-	-
Non Current Liabilities	-	-	3,322.00	3,403.90	-	-
Net Non Current Assets	7,280.60	5,338.91	6,864.40	2,196.80	-	-
Net Assets	**14,314.45**	**14,006.02**	**30,687.39**	**30,053.96**	**4.77**	**-**
Attributable to Non Controlling Interest	7,014.08	6,862.95	15,036.82	14,726.44	-	-

Summarized Statement of Income & Expenditure **(Rs. In Lakhs)**

Particulars	Karnataka Trade Promotion Organization		Tamilnadu Trade Promotion Organization		ITPO Service Limited	
	31-03-21	31-03-20	31-03-21	31-03-20	31-03-21	31-03-20
Revenue	585.58	1,032.61	2,016.69	5,412.19	62.04	-
Profit for the year	308.43	267.97	632.86	3,604.10	(0.23)	-
Other Comprehensive Income		-	0.58	(1.97)	-	-
Total Comprehensive Income	**308.43**	**267.97**	**633.44**	**3,602.13**	**(0.23)**	**-**
Attributable to Non Controlling Interest	151.13	131.30	310.39	1,765.04	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

Summarized Cash Flow **(Rs. In Lakhs)**

Particulars	Karnataka Trade Promotion Organization		Tamilnadu Trade Promotion Organization		ITPO Service Limited	
	31-03-21	31-03-20	31-03-21	31-03-20	31-03-21	31-03-20
Cash flow from Operating Activities	(229.49)	(178.21)	1,298.29	1,437.03	(0.04)	-
Cash flow from Investing Activities	(1,181.79)	(510.92)	(3,834.01)	112.58	-	-
Cash flow from Financing Activities	(1.50)	(10.97)	(80.57)	1,142.18	5.00	-
Net increase/(decrease) in cash and cash equivalents	**(1,412.78)**	**(700.10)**	**(2,616.29)**	**2,691.79**	**4.96**	**-**

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	
		31-03-21	31-03-20		31-03-21	31-03-20
National Centre For Trade Information	India	50%	50%	Equity Method	81.88	83.55
Jammu and Kashmir Trade Promotion Organization	India	42.05%	42.05%	Equity Method	172.17	218.59

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:

Particulars	31-03-21	31-03-20
Aggregate carrying amount of individually immaterial joint venture	81.88	83.55
Aggregate amount of Group's share of:		
Profit for the year	(1.31)	(1.50)
Other comprehensive Income	(0.37)	(1.21)
Total Comprehensive Income	(1.68)	(2.72)

The winding up proceedings of NCTI have been initiated with the approval of the Cabinet and the liquidator has been apppointed in the AGM dated 26th Nov. 2021.

e) Associates **(Rs. In Lakhs)**

Particulars	31-03-21	31-03-20
Aggregate carrying amount of investments in Associates	172.17	218.59
Aggregate amount of Group's share of: Profit for the year	(46.42)	(7.09)
Other comprehensive Income		-
Total Comprehensive Income	(46.42)	(7.09)

37.28 Prior Period Adjustments

2020-21 **(Rs. In Lakhs)**

Particulars	Amount	
Opening Retained Earning as on 01.04.2019		**222,149.47**
Adjustments:		
Maintenance of Pragati Maidan- Electrical	19.99	
Leave Encashment	(3.40)	
Depreciation	(4.11)	
Entertainment	(0.23)	
		12.24
Restated Opening Retained Earning as on 01.04.2019		**222,161.71**
Restated Excess of Income over expenditure for the period from continuing operations for year ended 2019-20		10,978.88
Other Comprehensive Income during 2019-20		(480.39)
Restated Opening Retained Earnings as on 31.3.2020		**232,660.20**

Restated Excess of Income over expenditure for the year ended 31-03-2020 **(Rs. In Lakhs)**

Particulars	**Nature of error**	**Year ended 31st March 2020**	
Impact on statement in Income & Expenditure (increase/(decrease) in profit)			
Excess of Income over expenditure for the period from continuing operations			**12,582.17**
REVENUE FROM OPERATIONS			
Hoardings	omission		(133.09)
OTHER INCOME			
Penalties from customers	omission		(26.20)
DEPRECIATION AND AMORTISATION EXPENSE			
Depreciation on Property, Plant & Equipment	omission		4.00
OTHER EXPENSES			
Publicity	omission	23.88	
Travelling & Conveyance	omission	(0.98)	
Maintenance of Pragati Maidan- Electrical	error	(1.65)	
Security Expenses	omission	2.39	
Legal & Professional Charges	omission	0.39	
			24.03
Net Impact on Income & Expenditure			**(187.32)**
Restated Excess of Income over expenditure for the period from continuing operations			**12,394.85**

	Impact of Prior period errors on Equity and EPS		**(Rs. In Lakhs)**
	Particulars	**As at March 31, 2020**	**As at March 31, 2019**
	Impact on Equity (increase/(decrease) in equity)		
	PROPERTY, PLANT & EQUITMENTS		
	Office Equipment's	13.52	15.87
	CASH & CASH EQUIVALENTS		
	Cash on hand	(0.23)	(0.23)
	LOANS		
	Unsecured Loans to employees	(3.40)	(3.40)
	OTHER FINANCIAL LIABILITIES		
	Other Payables	184.97	-
	Net Impact on Equity	**(175.08)**	**12.24**
	Impact on basic and diluted earnings per share (EPS) (increase/(decrease) in EPS)		
			(Rs. In Lakhs)
	Particulars		**For Year ended 31st March 2020**
	Earnings per share for continuing operation		
	Basic, profit from continuing operations attributable to equity holders		(0.01)
	Diluted, profit from continuing operations attributable to equity holders		(0.01)
37.29	**PREVIOUS YEAR FIGURES**		
	Previous year's figures have been regrouped/ rearranged/ recast, wherever considered necessary, to correspond with the current year figures. Further, the previous year figures do not include the amounts pertaining to ISL, the subsidiary company, since it was incorporated on 24th May 2020.		

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
(S.R.Sahoo)	**(R K Thakur)**	**(Vibhu Nayar)**	**(L.C.Goyal)**
Company Secretary	Dy. Gen. Manager (Fin.)	Executive Director	Chairman & Managing Director
M. No. F5595	I/c Chief Financial Officer	DIN:03590141	DIN: 02389348
	M. No. 42105		

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: 03. 02. 2022

NOTES