



## CHAIRMAN'S STATEMENT 39<sup>th</sup> Annual General Meeting

**Ladies & Gentlemen,**

It is my privilege to extend a very warm welcome to you all to the 39th Annual General Meeting of ITPO.

The Directors Report and the Audited Accounts and Consolidated Accounts for the financial year 2015-16, along with the observations of Statutory Auditors and the Comments of the Comptroller & Auditor General of India have already been circulated. I am extremely delighted to mention that Annual Accounts of ITPO for the year 2015-16 have received 'Nil' comments from C&AG of India. With your permission, I take them as read.



### **Challenges and opportunities ahead**

The exhibition industry is closely linked to sustained growth in economy and trade. The promotional events through exhibitions play a vital role in catalysing the trade and commerce. Exhibition industry has a vast potential in India, particularly due to growing stature of India as one of the most favoured destinations for FDI under the “**Make in India**”

initiative of the Government under the dynamic leadership of the Hon'ble Prime Minister, Shri Narendra Modi.

Since exhibitions are a sector that creates mass employment opportunities, the importance of the sector may be seen from the point of view of availability of employable manpower in India, as India is recognised as Young India with 65% of its population below the age of 35 years. The key challenges facing the sector in India comprise the need for the state-of-the-art exhibition infrastructure, simplification in processes and procedures and ease of doing business.

Your Company is poised to take up the challenges and opportunities and contribute to the growth of economy by showcasing India's potential through trade fairs/exhibitions in India and abroad. ITPO has taken up the theme "**Digital India**" during IITF, 2016 (14-27 November), where all States and Government Organisations and other stakeholders will display their capabilities.

### **FINANCIAL PERFORMANCE**

I would like to inform that in spite of some of the major events with an expected revenue of Rs. 25.00 crore (aprx.) shifted from Pragati Maidan and continuing global economic slowdown, your company during 2015-16 has generated a total income of Rs. 376.52 crore compared to Rs. 387.90 crore in the previous year. The long pending pension to the employees has also been considered. Apart from that, CSR spending amounting to Rs.4.07 crore has been incurred in the current year. With the result, the surplus in the current year has come down to Rs.165.28 crore, as compared to Rs.207.84 crore in the previous year.

### **MAJOR ACHIEVEMENTS OF ITPO**

#### **Performance rating under MoU**

ITPO has achieved MOU "**Excellent**" rating for four consecutive years i.e. 2011-12, 2012-13, 2013-14 and 2014-15. However, for the year 2015-16, MOU rating is "Very Good", as per self-evaluation which could have been "Excellent" but for the financial implications as mentioned above.

I must also inform that 2 events have been given International Branding as UFI approved Fairs – these being the IILF, Chennai and Aahar Delhi, 2016.

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

- **E-ENABLEMENT FOR EASE OF DOING BUSINESS:**
  - online booking of tickets is in progress
  - E-procurement /e-tendering introduced
  - E-payment/refund introduced
  - Tally software inducted for financial accounting
  - Wi fi facility in all AC halls to be introduced by IITF,2016.
  - Online space booking system introduced.
  - Mobile Apps introduced for Fairs.
  - Corporate website redesigned

- **CAPACITY BUILDING AND BRANDING:**
  - UFI accreditation for Chennai Leather Fair & Aahar Delhi Fair
  - Appointing young professionals for fresh talent
  - Succession Plan under implementation
  - Pension Scheme approved by the Board
  - Developing Standard Operating Procedures for Fairs, EMD, Security
  - MoUs under consideration with HKTDC, Egypt, Restec, etc.
  
- **INFRASTRUCTURE & FACILITIES REVAMP:**
  - Redevelopment Plan for Pragati Maidan at an advanced stage of approval/implementation.
  - Installation of Solar Panels
  - Toilet renovation in AC Halls
  - Revamp of F&B Policy
  - Emphasis on cleanliness, maintenance and Help Desk during fairs.
  - Rationalisation of expenditure towards CISF/ Electricity/ Horticulture/CPWD
  
- **CUSTOMER FRIENDLY MEASURES:**
  - Tariff rationalisation in three categories according to the seasons (Lean period/ semi peak/ peak seasons).
  - No increase in lease rent for the last three years.
  - 50 % discount in tariff for new and young entrepreneurs.
  - Annual event calendar finalization in consultation with key Ministries, EPCs, Associations, etc.
  - Regular interaction with participants/ organizers.
  - Free entry for School children in Delhi Book Fair /Stationery Fair
  - Free entry for Senior Citizens and handicapped persons in ITPO's events.
  - Entry of students on the normal entry fee during business days also in IITFs.
  - Placement of additional dustbins to keep the premises neat.

## **PARTICIPATION IN FAIRS HELD ABROAD**

During the year 2015-16, your company organized India's national level participation in 22 overseas trade fairs including two Mini India shows in Osaka (Japan), three India Sourcing Fairs in Santiago (Chile), Almaty (Kazakhstan) and Colombo (Sri Lanka).

Some of the major events included Africa's Big Seven/ SAITEX, Johannesburg (South Africa), Summer Fancy Food Show, New York(USA), Anuga, Cologne(Germany), India Garment Fair & India Home Furnishing Fair, Osaka(Japan), AAPEX, Las Vegas(USA), MEDICA, Dusseldorf (Germany) and AFL' Artigiano in Fiera –International Handicrafts Fair, Milan(Italy). Your organisation is making its best efforts to increase the number of fairs abroad.

## **DOMESTIC FAIRS**

- During 2015-16, 13 national and international trade fairs/ exhibitions were organized in India by your Company. Of these, 8 were organized in Delhi and 5 in other cities. The events organized in Pragati Maidan during the year included 5<sup>th</sup> Edition of India

International Leather Fair, August 7-9, 2015; 35<sup>th</sup> India International Trade Fair (IITF 2015 November 14-27, 2015; 31<sup>st</sup> edition of Aahar – The International Food & Hospitality Fair, March 15-19, 2016; 18<sup>th</sup> India International Security Expo, October 8-11, 2015, 11<sup>th</sup> Nakshatra, January 9-17, 2016 and Tex-Styles India, February 22-24, 2016.

- The 35<sup>th</sup> India International Trade Fair, 2015 (IITF, 2015) was held during November 14-27, 2015 in Pragati Maidan. The Theme of the Fair was “Make in India”. The fair was inaugurated by the Hon’ble President of India, Shri Pranab Mukherjee. As many as 7000 exhibitors participated in IITF, 2015. About 283 overseas exhibitors from 26 countries displayed their exhibits in the fair. More than 17 Lakh visitors including about 37,000 business visitors visited the fair during November 14-27, 2015. In addition, 401 foreign delegates from 47 countries including 52 business delegations visited the fair.
- Your company organized the 31<sup>st</sup> edition of Aahar – The International Food & Hospitality Fair depicting two concurrent exhibitions, namely, “Food India” and “Hospitality India” during March 15-19, 2016 in Pragati Maidan. The show was organized where a total of 1034 exhibitors including 74 overseas exhibitors participated from 23 countries.
- The 21<sup>st</sup> edition of Delhi Book Fair was organised by ITPO during August 29-September 06, 2015 at Pragati Maidan. ‘Skill Development – Entrepreneurship – Employment’ was chosen as the theme for the event.
- The 18<sup>th</sup> edition of India International Security Expo (IISE), organized by ITPO was held with the support of Ministry of Home Affairs, CISF, Security Promotion Group of India as co-organizers and other Govt. Agencies. The theme pavilion “Make in India”, that showcased completely indigenous products featured 12 Indian companies.
- The fifth edition of International Leather Fair (IILF) was organized at Pragati Maidan from August 07-09, 2015. There were 161 exhibitors including 26 from overseas mainly from Brazil, China, Iran, Mexico, Taiwan and Italy.
- The 17<sup>th</sup> edition of Tex-Styles India was organised at Pragati Maidan from February 22-24, 2016. The 2016 edition was revived after a gap of five years where 65 companies from the entire gamut of textiles participated. The show was visited by around 1600 business visitors including 300 overseas buyers and buying agents from 40 countries including Australia, UK, USA, Canada, UAE, Philippines, Russia, Malaysia, Nepal, Bangladesh, Japan, Korea, Hong Kong, Pakistan, Singapore, Ghana, etc.
- Your company during the year held some major fairs outside Pragati Maidan, one of them was 31<sup>st</sup> edition of India International Leather Fair (IILF) which was organized in Chennai where 12,556 registered business visitors including 637 overseas visitors from various countries visited the fair.
- 21<sup>st</sup> edition of India International Leather Goods Fair (IILGF) was organized at Milan Mela Complex, Kolkata. Total 2000 no. of visitors including 1000 general visitors had turned up for the event. In this edition, 65 no. of companies participated. Foreign

buyers from countries like Bangladesh, China, UK, Germany, Italy, Japan, Mauritius, USA, Portugal, Romania, Russia, Scotland, Spain, UAE and The Netherlands had visited the event.

- For the benefit of the North East Region, 7<sup>th</sup> East Himalayan Expo, 2015 was organized in Siliguri, West Bengal. The major participants in the expo were Ministry of Social Justice & Empowerment, Coffee Board, National Safai Karamcharies Finance and Development Corporation, National Scheduled Caste Finance and Development Corporation, Directorate of Fisheries
- The National Arogya Fair was held at Auto Cluster Exhibition Complex, Pune from March 19-22, 2016 with a view to promoting the traditional Indian system of medicines and healthcare viz. ayurveda, yoga, unani, siddha and homoeopathy, etc. The National Arogya Fair was supported by the Ministry of AYUSH, Govt. of India and the Department of Health, Govt. of Maharashtra.

## **EVENTS ORGANISED BY OTHERS AT ITPO**

68 third party events were held in Pragati Maidan during 2015-16. Of these, there were 21 new exhibitions/ events, which were held for the first time in Pragati Maidan. The Ministry of Commerce, in association with CII and Service Export Promotion Council, organized a Global Exhibition on Services in Pragati Maidan for the first time. The event was inaugurated by Shri Narendra Modi, Hon'ble Prime Minister of India. The event was a grand success where almost all sectors of service industry in India participated. A good number of overseas visitors had visited the fair. The popular events organized during the year, were Auto Expo (Component), PowerGen India, Ambiente/Hiemtextil India, India Warehousing Show, India Machine Tools Show, India International Garment Fair, Smartcard Expo, Delhi Jewellery and Gems Show, Franchise India, LED Expo, Paperex, IFSEC, SATTE, ET Achetech India, etc.

## **OTHER TRADE PROMOTIONAL ACTIVITIES**

A total of 652 Trade visitors visited various other Trade Fairs organized by ITPO during 2015-16 to explore the possibility of collaboration in trade promotion efforts. ITPO has been actively participating in Asian Trade promotion Forum (ATPF), a gathering of Trade Promotion Organizations (TPOs) since the very beginning. Your company is actively considering to promote more joint ventures with State Governments such as Kerala and others to spread the activities of ITPO in setting up Exhibition Complexes in various parts of the country.

## **FUTURE EXPANSION /REDEVELOPMENT PLAN**

To firmly place ITPO in the global scenario of Exhibition Industry, Your company ITPO is in the process of establishing a world class iconic Integrated Exhibition-cum-Convention Centre (IECC) at Pragati Maidan, New Delhi. The proposed centre will have world class convention facilities befitting India's economic, political and strategic importance in the comity of nations. The proposed infrastructure is likely to fill gaps in requirements for MICE

(Meetings, Incentives, Conferences, Events) sector in NCR. It is expected to increase substantially foreign exchange earnings of the country and revenues of the services & business sector of Delhi, as many events in MICE Sector may shift to New Delhi from East Asian Countries and other countries of the world.

The project proposal includes the development of 3,26,065 sqm of built up area including 1,20,000 sq. mtr. of exhibition space in Phase-I (design year 2019) and further capacity addition of 86,255.00 sq. mtr. in Phase-II (design year 2030), and Convention Centre facility of 7000 pax seating facility in single format (with a plenary hall of 3000 pax capacity, functional hall of 4000 pax) and in addition various appurtenant facilities like meeting halls, lounges, services and basement parking space for about 4800 passenger car units (PCU).

The project requires a capital investment of Rs. 2254 crore. Out of the total requirement of funds of Rs. 2254 crore, ITPO's reserves would be utilised to the extent of Rs.1200 crore and the balance funds are proposed to be arranged by taking term loan with Govt. guarantee from the Banks/ financial institutions or through soft loan/external aid or through monetisation of a suitable piece of land for construction of a hotel. The completion period of the project in Phase-I, proposed is 24-30 months from the date of award of the project to the project executor including the time taken for getting all the statutory approvals from the Govt. /local bodies.

I am happy to inform that the Public Investment Board (PIB) has considered and recommended the proposal of IECC project in its meeting held on 27<sup>th</sup> May, 2016 under the Chairmanship of Secretary (Expenditure). The much talked about IECC project for the last thirteen years is now at an advanced stage of approval/implementation.

## **TOWARDS ICT ENABLEMENT**

Information and Communication Technology (ICT) plays a major role in any organisations operational excellence. In order to enhance transparency, in February' 2016, ITPO has successfully implemented e-procurement system for all its tenders of value exceeding Rs. 2 Lakhs.

A new corporate website compliant with 'Guidelines for Indian Government websites' (GIGW) and with the functionality of micro sites for different exhibitions organised/ participated by ITPO in India and abroad has been launched. The Mobile Apps were developed for different events organized by ITPO during 2015-16.

The coverage of webcasting for the inaugural functions, all State Day Functions/Celebrations and Cultural Programmes held at Hamsadhwani Theatre and Lal Chowk Theatre was continued and hosted on ITPO's Corporate website during IITF 2015. Archived events were also viewed through the ITPO's corporate & IITF 2015 websites.

## **HINDI RAJ BHASHA**

To ensure proper implementation of the Official Language Policy of the Govt. of India in ITPO, Hindi workshops are being organized every year to help create a proper atmosphere for executing the official work in Hindi.

## **SUBSIDIARY COMPANIES:**

**Tamilnadu Trade Promotion organisation(TNTPO)**

TNTPO continues to perform well, during 2015-16, the Company organised 110 exhibitions in the Exhibition Halls of Chennai Trade Centre with 68 events taking place in the Convention Centre. TNTPO earned a total income of Rs. 41.87 crore as compared to Rs. 43.55 crore in the previous year. The net surplus is Rs.21.17 crore as against Rs.23.43 crore in the previous year.

**Karnataka Trade Promotion Organisation (KTPO):**

During 2015-16, 43 events were held in Trade Centre, Bangalore and the total income was Rs.7.99 crore as compared to Rs 15.35crore in the previous year.

**HUMAN RESOURCE MANAGEMENT**

Guidelines on reservation were compiled with within ITPO. Liaison Officers have been nominated to look after the interests of SCs/STs & OBC. All the guidelines in respect of SC/ST and minority 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, on Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 have been complied with.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

As a committed socially responsible organisation, under the CSR Initiative for the year 2015-16, ITPO contributed Rs. One crore each towards “Swachh Bharat Kosh” and “Clean Ganga Fund” of the Govt. of India. In addition, the proposals amounting to Rs.2.07 crores (aprx.) in respect of activities such as welfare of blind, skill development training for handicapped, SC/ST, other weaker sections of the society, orphaned and street children, etc. have been approved and are under implementation.

## **CORPORATE GOVERNANCE**

Your company complies with the best Corporate Governance practices in true letter and spirit. The Company submitted Reports on Compliance on Corporate Governance to the Department of Commerce during 2015-16, within the specified timelines. Risk management is also being undertaken to minimise various risks.

## **CODE OF CONDUCT**

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

## **ACKNOWLEDGEMENTS**

I take this opportunity to thank all the Members of Company for their continued and unstinted support as well as the confidence reposed in the Management. I wish to extend my sincere thanks to the Department of Commerce for the wholehearted and continued support. I am also thankful to other Ministries/Embassies and offices of Central and State Governments and particularly the Ministry of Urban Development, Ministry of External Affairs, including the Indian Missions, for their continued guidance and assistance. We are also grateful to the CPWD, MCD, Delhi Police, MTNL and other agencies and individuals for co-operation extended to ITPO.

On behalf of ITPO, I seek support from all stakeholders and assure them to make ITPO a better service provider in terms of quality and delivery. My sincere thanks to all my colleagues on the Board, Auditors and to all the employees of ITPO for their discipline, devotion, dedication and hard work through which the company could continue excellent performance. I am sure that with this support and trust, ITPO will achieve many more milestones and newer heights ahead in the future and together we can take ITPO to the next level.

Jai Hind.

**New Delhi  
September 29, 2016**

**( L.C. Goyal )  
Chairman and Managing Director  
India Trade Promotion Organisation**