



India Trade Promotion Organisation



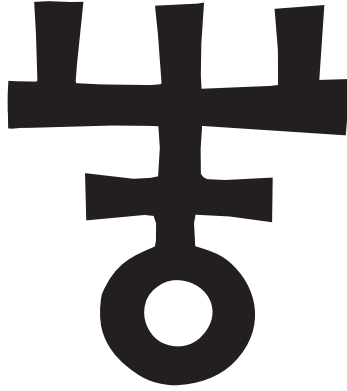
40th
Annual Report
2016-2017



40th Annual Report 2016-2017



Hon'ble President of India, Shri Pranab Mukherjee at inauguration of
India International Trade Fair, 2016



India Trade Promotion Organisation

Annual Report 2016-17

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

AUTHENTICATED



40th Annual General Meeting of ITPO in Progress

Auditors

M/s Grover, Lalla & Mehta
Chartered Accountants

Main Bankers

Central Bank of India
Canara Bank
Union Bank of India



India Trade Promotion Organisation



40th
Annual Report
2016-2017





ITPO Head Office at New Delhi



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*40th
Annual Report
2016-2017*

BOARD OF DIRECTORS



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



Shri J.K. Dadoo
Addl. Secretary & Financial Adviser
Ministry of Commerce and Industry
(w.e.f. 13-8-2015)



Shri Manoj Joshi
Joint Secretary
Ministry of Micro Small & Medium Enterprises
(Up to 16-8-2017)



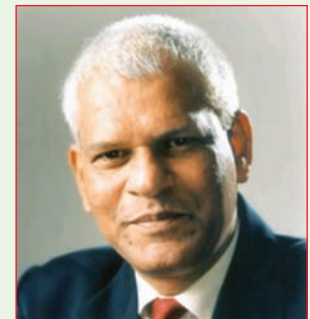
Smt. Alka Nangia Arora
Joint Secretary
Ministry of Micro Small & Medium Enterprises
(w.e.f. 17-8-2017)



Shri Sanjay Chadha
Joint Secretary
Ministry of Commerce and Industry
(w.e.f. 30-3-2016)



Shri K. Nagaraj Naidu
Joint Secretary (ED)
Ministry of External Affairs
(w.e.f. 7-7-2015)



Shri P.N. Vijay
Director
(w.e.f. 10-6-2016)



Smt. Shubhra Singh
Executive Director
(Up to 09-2-2017)



Shri Rajneesh
Executive Director
(Up to 24-5-2017)



Shri Deepak Kumar
Executive Director
(w.e.f. 25-5-2017)

KEY EXECUTIVES

(As on date of AGM on 26.09.2017)



Shri Jayanta Das
General Manager



Shri J Guna Sekaran
General Manager



Shri Ajay Kumar Vashist
General Manager



Shri D M Sharma
FA&CAO



Shri Vikas malhotra
General Manager



Shri S. R. Sahoo
Company Secretary & General Manager



Shri R P Dhusia
General Manager



Shri D.K. Jain
General Manager



India International Trade Fair 2016

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TIPO Offices in India



India International Trade Fair 2016

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



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Chairman's Statement

CHAIRMAN'S STATEMENT 40TH ANNUAL GENERAL MEETING



Ladies & Gentlemen,

It is my honour and privilege to extend a very warm welcome to you all to the 40th Annual General Meeting of ITPO.

The Directors' Report and the Audited Accounts and Consolidated Accounts for the financial year 2016-17, 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 2016-17 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.

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 “**Start up India: Stand up India**” during IITF, 2017 (14-27 November), where all States and Government Organisations and other stakeholders will put their best foot forward for realisation of the Hon'ble Prime Minister's vision of “Start-up India: Stand up India”.

Financial performance

I am happy to mention that the total income generated by the Company during the year is **Rs.388.97 crore** against **Rs. 375.56 crore** of the previous year. The outstanding performance by your company is reflected by **total Income i.e. Rs. 388.97 crore which is the highest ever total income generated by your company since its inception. Your company has earned a record Revenue from Operations of Rs. 263.14 crore which is the highest during the last five years.**

MAJOR ACHIEVEMENTS/ HIGHLIGHTS OF ACTIVITIES OF ITPO

Performance rating under MoU

Your Company achieved MOU “**Very Good**” rating for 2015-16 which would have been “excellent” but for the

pension scheme impact of Rs. 23 crore. For the year 2016-17, as per self-evaluation, the MOU rating is also likely to be “**Very Good**” which would have also been ‘excellent’ without the impact of pay revision, gratuity and leave encashment of Rs.22 Crore (approx.) due to Pay Revision guidelines of 3rd PRC w.e.f. 1.1.2017.

During the year, many significant initiatives have been undertaken for improving and augmenting the infrastructure capacity and service delivery of ITPO. Some of them are:

- Online booking of tickets implemented for IITF and New Delhi World Book Fair
- Online space booking system in domestic events
- E-procurement from GEMS/e-tendering introduced
- Mobile Apps introduced in ITPO’s domestic fairs.
- E-payment/E-refund functional
- Wi fi facility in all AC halls
- Use of social media – Facebook, Twitter and YouTube
- Seven new telecom towers installed for better network connectivity
- Comprehensive Mobile Apps of ITPO are at final stages.
- Implementation of ‘Help Desk’ during third party events.
- 50 % discount in ITPO events for start-ups.
- Regular interaction and debriefing with participants/organizers.
- Online space booking for third party events is under active consideration.

PARTICIPATION IN FAIRS HELD ABROAD

During the year 2016-17, ITPO organized India’s national level participation in 26 overseas events including exclusive India shows in various regions of

the world. Of these 26 events, 5 were held in Europe, 6 in Africa/WANA, 3 each in NAFTA, LAC, NEA and SAARC and one each in ASEAN, CIS and South Asia Region.

ITPO has been regularly participating in world major events like AAPEX – Las Vegas (Auto Parts), National Hardware Show – Las Vegas (Hardware), SIAL – Paris, Summer Fancy Food Show – New York, Foodex – Saudi (Food & Beverages), MEDICA – Dusseldorf (Pharmaceutical), Africa’s Big seven/ SAITEX, Africa Health (Johannesburg), AFL’ Artigiano in Fiera – International Handicrafts Fair in Milan (Italy).

With a view to promoting “Brand India” – six exclusive India Sourcing Fairs were organized, that is, two in LAC Region viz., Chile and Peru; three in SAARC Region viz., two in Bangladesh and one in Sri Lanka; and one in CIS Region viz., Russia. ITPO also organized its annual concurrent Shows at Osaka (Japan) i.e., India Garments Fair and India Home Furnishings Fair. ITPO has been organizing these twin shows for more than two decades that have established India’s Brand image and presence in the exclusive Japanese market. Your organisation is making its best efforts to increase the number of fairs abroad.

DOMESTIC FAIRS

- During 2016-17, 15 national and international trade fairs/ exhibitions were organized in India by your Company. Of these, 10 were organized in Delhi and 5 in other cities. The events organized in Pragati Maidan during the year included 2nd Edition of India International Leather Fair; 36th India International Trade Fair; 32nd edition of Aahar – The International Food & Hospitality Fair; 19th India International Security Expo; and Tex-Styles India.
- The 36th India International Trade Fair, (IITF, 2016) was held. The Theme of the Fair was “Digital India”. The fair was inaugurated by the Hon’ble President

of India, Shri Pranab Mukherjee. As many as 285 foreign companies from 24 foreign countries and over 7,000 domestic companies participated in the event. The Government's participation came from 47 departments apart from 27 States and 04 Union Territories, having exclusive pavilions. The fair was also visited by 64 foreign delegations comprising of 464 visitors. The fair attracted about 14 lakhs visitors during the 14 days of the event which makes it the largest of its kind in the world.

- The 32nd edition of Aahar – The International Food & Hospitality Fair was held depicting two concurrent exhibitions, namely, “Food India” and “Hospitality India”. The show was organized where a total of 1141 exhibitors including 51 overseas exhibitors participated from 17 countries.
- The 22nd edition of Delhi Book Fair was organised by ITPO at Pragati Maidan. The Theme Pavilion depicting Selfie-stations on MAKE IN INDIA, CLEAN INDIA – SWACHH BHARAT ABHIYAN, DIGITAL INDIA, SKILL INDIA, STANDUP INDIA, SMART CITIES, STARTUP INDIA AND UMANG (Unified Mobile App for New-age Governance) was set-up in Hall-8.
- 2nd edition of India International Footwear Fair (IIFF) was organized. It was co-sponsored by Confederation of Indian Footwear Industries (CIFI). It covered a net area of 6550 sq.mtr. There were 263 exhibitors including 103 from overseas (from Brazil, China, Iran, Italy and Taiwan etc.).
- The 18th edition of Tex-Styles India was organised at Pragati Maidan. The display profile of Tex-Styles India had the whole supply chain of the textile industry covering from yarns to finished products and textile machinery. The 2017 edition of Tex-Styles India was organized with around 70 participants from the entire gamut of the textile industry. The show was visited by around 1000 business visitors including 50 overseas buyers and

buying agents from Australia, New Zealand, China, Japan, Sri Lanka, Turkey, UK and USA.

- Your company during the year held some major fairs outside Pragati Maidan. One of them was 32nd edition of India International Leather Fair (IILF) which was organized in Chennai where 12,630 registered business visitors including 415 overseas visitors from 59 countries visited the fair.
- 22nd edition of India International Leather Goods Fair (IILGF) was organized at Kolkata. Almost 2000 domestic visitors from all over India visited the Fair too. Almost 63 leading companies including constituents from various sectors of the leather showcased their exhibits in the fair
- For the benefit and development of the North East Region, 8th East Himalayan Expo, 2016 was organized in Gangtok, Sikkim. The major participants in the expo were Ministry of DONER, Constituents of Ministry of Social Justice & Empowerment, KVIC, North Eastern Handicrafts and Handloom Development Corporation Ltd., Sikkim Tourism Development Corporation Ltd., National Jute Board, Ministry of AYUSH, Central Council for Research in Ayurvedic Science (Yoga and Naturopathy) and National institute of Homeopathy etc. Royal Embassy of Thailand had participated in the fair.

EVENTS ORGANISED BY OTHERS AT ITPO

86 third party events were held in Pragati Maidan during 2016-17. Of these, there were 11 new exhibitions/ events, which were held for the first time in Pragati Maidan. The popular events organized during the year were PowerGen India, Ambiente/HeimtextillIndia, India Warehousing Show, India International Garment Fair, Smartcard Expo, Delhi Jewellery and Gems show, Franchise India, LED Expo, Paperex, IFSEC, SATTE, ET Acetech India etc. The 1st BRICS Trade Fair was organized at Pragati Maidan in New Delhi. The BRICS

Trade Fair was completely an interactive business engagement and was organized with an objective to promote trade and investment opportunities amongst the participating BRICS nations i.e. Brazil, Russia, India, China and South Africa. 397 companies participated at the BRICS Trade Fair to showcase the capability of each of the BRICS nations in the identified sectors. About 910 companies participated at various BRICS business engagements and nearly 1601 Business-to-Business (B2B) Meetings took place over three days. The BRICS Trade Fair, like the other business to business International Trade Fairs was a unique platform for showcasing technologies, goods and services, exploring opportunities for business and entering into dialogues and discussions for joint venture partnerships and collaborations.

OTHER TRADE PROMOTIONAL ACTIVITIES

Trade visitors visited various Trade Fairs organized by India Trade Promotion Organisation from April 2016 till March 2017 to explore the possibility of collaboration in trade promotion efforts. Major delegations from Sri Lanka that visited IITF showed interest in Handicrafts and Textiles, Delegation from Vietnam for Textile goods, handloom, handicrafts, jewellery etc., delegation from Suriname, keen on sourcing coconut, bamboo, sugar products and processing machinery, solar energy products, hydro pumps, wind energy and small baking machinery visited the Ministry of New and Renewable Energy, Kerala and Assam Pavilion and Delegation from Nairobi for multi-products. ITPO provides a package of services to exporters enrolled as members. Trade Information is being provided through Bulletin, Trade Portal, etc.

REDEVELOPMENT PLAN(IECC)

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 and place 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. This Complex will be a unique symbol of the Hon'ble prime Minister's vision of 'New India'.

The project proposal includes the development of 3,82,188 sqm of total built up area including 1,51,687 sq. mtr. of exhibition area in Phase-I.

The Convention Centre will be 32.4 meter tall a state of the art landmark structure on par with the best in the world and will have a 7000 pax seating facility in single format (with a plenary hall of 3000 pax capacity and functional hall of 4000 pax) alongwith various appurtenant facilities like meeting halls, lounges, services and underground parking space for about 4800 passenger car units (PCU). There will be six new modern Exhibition Halls with 1,00,388 sqm of covered exhibition space. Traffic decongestion interventions vital for better access to IECC and for the benefit of general public have also been proposed. Essentially, Mathura Road/ Purana Quila Road will be connected to Ring Road through an underground 6 lane divided tunnel cutting across Pragati Maidan and Mathura Road made signal free.

The GRIHA-3 rating for Exhibition Halls and GRIHA-4 rating for the Convention Centre have been planned.

The green cover of 5800 tress will be available at the Complex on completion of the project in Pragati Maidan. All environmental concerns have been addressed while executing the IECC Project.

The Cabinet Committee on Economic Affairs (CCEA) approved on January 24, 2017 the IECC project at



an estimated project cost of Rs.2,254 crore. ITPO will utilise Rs.1,200 crore out of its free reserves towards funding of the project and will raise the balance amount through institutional loan and /or land monetization for hotel in the Complex.

The National Buildings Construction Corporation Ltd. (NBCC) is working as a Project Management Consultant for the project. On the basis of Global bidding, Shapoorji Pallonji has been selected as the project executor for construction of the project. The project is to be completed within 24 months from September, 2017. All the necessary approvals/statutory clearances have been obtained and this happened in a record time of 6-7 months of the CCEA approval. The execution of the project has been planned in a manner that there would be no hindrance whatsoever to the exhibitions/events being scheduled to be held in the existing AC Halls 7 to 12A in Pragati Maidan.

TOWARDS ICT ENABLEMENT

Keeping in line with the “Digital India” campaign of the Government of India, e-governance initiatives in ITPO took a broader dimension in 2016-17 with emphasis on enhancing transparency and digitization of the exhibitor /visitor-centric services. On-going e-governance projects and some new projects were revamped/implemented with the key principle of transformation.

Online space booking system for domestic events being organized by ITPO in Pragati Maidan was revamped and provision for making online payments was introduced for the first time during India International Trade Fair (IITF), November, 2016 which has been subsequently adopted for other events as well.

Online system for booking of entry tickets was launched for the first time during IITF, November 2016. This provided an ease of booking tickets to the visitors to Pragati Maidan.

Major exhibition halls (of Pragati Maidan) and their surrounding areas were Wi-Fi enabled and facilities

of leased line services and Wi-Fi internet connectivity were provisioned.

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 2016-17, the Company organised 108 exhibitions in the Exhibition Halls of Chennai Trade Centre with 78 events taking place in the Convention Centre. TNTPO earned a total income of Rs. 47.49 crore as compared to Rs. 42.23 crore in the previous year. The net surplus is Rs. 31.53 crore as against Rs.21.56 crore in the previous year. The Board of TNTPO has approved the construction of a multi-purpose (Exhibition/Convention) hall with an area of 15,708 sq. mtrs. under expansion plan of TNTPO. After the expansion, there will be a total of 2 halls for convention and 4 halls for exhibition in the total area of 31,063 Sq. mtrs. The estimated project cost will be in the range of Rs. 289 crore.

Karnataka Trade Promotion Organisation (KTPO):

During 2016-17, 35 events were held in Trade Centre, Bangalore and the total income was Rs.8.00 crore as compared to Rs 7.99 crore in the previous year. However, the overall surplus for the year was Rs.53.16 crore mainly on account of compensation received for the part of the land given to Bangalore Metro Corporation.

HUMAN RESOURCE MANAGEMENT

Guidelines on reservation were complied 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 2016-17, ITPO continued its efforts towards promotion of sanitation by contributing Rs. One crore each towards “Swachh Bharat Kosh” and “Clean Ganga Fund” of the Govt. of India. In addition, the proposals amounting to Rs.0.92 crore in respect of activities such as Sponsorship of Two Ambulances, Sponsorship of five distribution vehicles to transport cooked meals to schools under Mid-Day Meal programme, Donation of Charkha to Khadi Artisans (200 nos.) and contribution towards Health Minister’s Cancer Patient Fund 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 2016-17. Risk management is also being undertaken to minimise various risks.

CODE OF CONDUCT

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

ACKNOWLEDGEMENTS

I take this opportunity to thank all the Members of Company for their continued and unstinted support as well as the confidence reposed in the Management. I wish to extend my sincere thanks to the Department of Commerce for the wholehearted and continued support. I am also thankful to other Ministries/Embassies and offices of Central and State Governments and particularly the Ministry of Housing and Urban Affairs, Ministry of External Affairs, including the Indian Missions, for their continued guidance and assistance. We are also grateful to the CPWD, PWD, MCD, Delhi Police, MTNL 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 for the company’s continued excellent performance. I am sure that with their support and trust, ITPO will achieve many more milestones and newer heights ahead in the future and together we can take ITPO to the next level.

Jai Hind.

Sd/-

(L.C. Goyal)

Chairman and Managing Director
India Trade Promotion Organisation

Place : New Delhi

Date : September 26, 2017





*Notice of
Annual General Meeting*



Stationery Fair 2016

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 40th ANNUAL GENERAL MEETING OF THE MEMBERS OF M/S INDIA TRADE PROMOTION ORGANISATION WILL BE HELD ON TUESDAY THE 26th DAY OF SEPTEMBER, 2017 AT 3.00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT PRAGATI BHAWAN, PRAGATI MAIDAN, NEW DELHI - 110001 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

To receive, consider, approve and adopt the Standalone Audited Annual Accounts and Consolidated Accounts as on 31st March, 2017 and the Statement of Income & Expenditure for the financial year ended on that date together with the report of Directors and the Auditors' Report thereon.

**BY ORDER OF THE BOARD OF DIRECTORS
INDIA TRADE PROMOTION ORGANISATION**

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

Place: New Delhi
Dated: 11-09-2017



India Trade
Promotion Organisation

NOTES

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

Proxy form is enclosed herewith.

**BY ORDER OF THE BOARD OF DIRECTORS
INDIA TRADE PROMOTION ORGANISATION**

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

Place: New Delhi
Dated: 11-09-2017

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 ofholding.....shares, hereby appoint

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

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

Resolution No:

To receive, consider, approve and adopt the Standalone Audited Annual Accounts and Consolidated Accounts as on 31st March, 2017 and the Statement of Income & Expenditure for the financial year ended on that date together with the report of Directors and the Auditors' Report thereon.

Signed this _____ day of _____ 2017

Signature of Shareholder

Signature of Proxy holder(s)



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.



India International Leather Fair, Chennai 2017

A decorative graphic consisting of several overlapping, wavy, horizontal bands of varying shades of green, ranging from a light, almost white-green to a medium olive green. The bands curve upwards from left to right, creating a sense of movement and depth.

Directors' Report

DIRECTORS' REPORT

To the Members,

The Board of Directors have pleasure in presenting the Company's 40th Annual Report and Audited Statement of Accounts for the financial year ended on 31st March, 2017.

1. FINANCIAL HIGHLIGHTS

During the year 2016-17, your Company has earned a **surplus of Rs.168.99 crore**, Net after considering 'Other comprehensive Income', compared to **Rs. 164.13 crore (Recast as per Ind-AS)** in the preceding year. The total income generated by the Company during the year is **Rs.388.97 crore** against **Rs. 375.56 crore (Recast as per Ind-AS)** of the previous year. The outstanding performance by your company is reflected by all time high **total income i.e. Rs. 388.97 crore which is the highest ever total income generated by your company since its inception. Your company has earned a record Revenue from Operations of Rs. 263.14 crore which is the highest during the last five years.**

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

Indian Accounting Standards

The Ministry of Corporate Affairs (MCA), vide its notification dated the February 16th, 2015, notified the Indian Accounting Standards (Ind AS), which is applicable on ITPO w.e.f. financial year 2016-17. The Ind AS has replaced the previous Indian GAAP Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014. Accordingly your Company has prepared the Ind AS compliant Financial Statements for the year.

2. BOARD OF DIRECTORS

Shri L.C. Goyal, took over the charge of Chairman & Managing Director w.e.f. 2nd September, 2015. Smt. Shubhra Singh was Executive Director, ITPO from 14th December, 2015 till 9th February, 2017. Shri Rajneesh, Joint Secretary, Ministry of Commerce & Industry was Executive Director from 10th February, 2017 till 24th May, 2017. Shri Deepak Kumar took over the charge of Executive Director, ITPO w.e.f. 25th May, 2017. The other non-whole time Directors & Independent Director on the Board of the Company are enumerated below:

Sl. No.	Name of Director	From	To
	Shri J.K. Dadoo AS&FA, Department of Commerce Udyog Bhawan, New Delhi	13.8.2015	Continuing
	Shri Manoj Joshi Joint Secretary Ministry of Micro Small & Medium Enterprises(MSME), New Delhi	28.12.2015	16.8.2017
	Smt. Alka Nangia Arora Joint Secretary Ministry of Micro Small & Medium Enterprises(MSME), New Delhi	17.8.2017	Continuing
	Shri. Sanjay Chadha Joint Secretary, Ministry of Commerce & Industry, New Delhi	30.03.2016	Continuing
	Shri K. Nagaraj Naidu Joint Secretary (ED) Ministry of External Affairs, New Delhi	07.07.2015	Continuing
	Shri P.N. Vijay Corporate Finance Expert	10.06.2016	Continuing

There were 4 Meetings of the Board held during the year 2016-17. Directors are appointed by the administrative Ministry as per the Govt. of India Policies in this regard.

3. KEY MANAGERIAL PERSONNEL

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

- Shri L.C. Goyal, CMD, ITPO – continuing w.e.f. 02.09.2015
- Smt. Shubhra Singh, ED, ITPO – from 14.12.2015 to 09.02.2017
- Shri Rajneesh, ED, ITPO – from 10.02.2017 to 24.05.2017
- Shri Deepak Kumar, ED, ITPO – continuing w.e.f. 25.05.2017
- Shri D.M. Sharma, CFO – continuing w.e.f. 31.7.2015

- Shri S.R. Sahoo, Company Secretary – continuing w.e.f. 27.8.2013

4. MEMORANDUM OF UNDERSTANDING (MOUS)

The Company signs MoU with its Administrative Ministry namely, Ministry of Commerce & Industry, Government of India every financial year. Accordingly, the MoU for the year 2017-18, was signed on 7th July 2017.

Your Company has achieved MOU “**Very Good**” rating for 2015-16 which would have been “excellent” but for the pension scheme impact of Rs. 23 crore. For the year 2016-17, as per self-evaluation, the MOU rating is also likely to be “**Very Good**” which would have been ‘excellent’ without impact of pay revision, gratuity and leave encashment of Rs.22 Crore (approx.) due to Pay Revision guidelines of 3rd PRC w.e.f. 1.1.2017.

In the MoU 2017-18 “Excellent” Financial Target for Revenue from Operations has been fixed at Rs. 228.00



Smt. Rita Teatota, Commerce Secretary and Shri L.C. Goyal, CMD, ITPO & other Senior Officers on the occasion of signing of MOU 2017-18



Crore, for Operating profit/ surplus as a percentage of Revenue from operations (net) at 7% and PAT or Surplus / Average Net Worth at 5%. Some targets are difficult due to redevelopment work in progress, however your company will strive to achieve the “Excellent” rating.

5. FOREIGN FAIRS

During the year 2016-17, ITPO organized India's national level participation in 26 overseas events including exclusive India shows in various regions of the world. Of these 26 events, 5 were held in Europe, 6 in Africa/WANA, 3 each in NAFTA, LAC, NEA and SAARC and one each in ASEAN, CIS and South Asia Region.

ITPO has been regularly participating in world major events like, AAPEX – Las Vegas (Auto Parts), National Hardware Show – Las Vegas (Hardware), SIAL – Paris, Summer Fancy Food Show – New York, Foodex – Saudi (Food & Beverages), MEDICA – Dusseldorf (Pharmaceutical), Africa's Big seven/ SAITEX, Africa Health (Johannesburg), AFL' Artigiano in Fiera – International Handicrafts Fair in Milan (Italy).

With a view to promoting “Brand India” – six exclusive India Sourcing Fairs were organized, that is, two in LAC Region viz., Chile and Peru; three in SAARC Region viz., two in Bangladesh and one in Sri Lanka; and one in CIS Region viz., Russia. ITPO also organized its annual concurrent Shows at Osaka (Japan) i.e., India Garment Fair and India Home Furnishing Fair. ITPO has been organizing the twin shows for more than two decades that have established India's Brand image and presence in the exclusive Japanese market.

A total of 1073 Indian companies participated in all these events through ITPO during 2016-17.

6. FAIRS IN INDIA

During 2016-17, 15 national and international trade fairs/ exhibitions were organized in India by your Company. Of these, 10 were organized in Delhi and 5 in other cities. The events organized in Pragati Maidan during the year included 2nd Edition of India International Footwear Fair (IIFF), August 5-7, 2016; 36th India International Trade Fair (IITF 2016 November 14-27, 2016; 32nd edition of Aahar – The International



India Garment Fair and India Home Furnishing Fair, Osaka, Japan-2016



India International Trade Fair, 2016

Food & Hospitality Fair, March 07-11, 2017; 19th India International Security Expo, September 19-21, 2016, 12th Nakshatra, January 7-14, 2017 and Tex-Styles India, February 21-24, 2017. To promote exhibition in North East Sector, the 8th East Himalayan Expo was organized in Gangtok, Sikkim successfully.

I. MAJOR FAIRS HELD AT PRAGATI MAIDAN, NEW DELHI

India International Trade Fair, 2016

The 36th India International Trade Fair, 2016 (IITF, 2016) was held during November 14-27, 2016 in Pragati Maidan. The Theme of the Fair was “Digital India”. The Theme Pavilion was set up by Ministry of Electronics & IT, National e-Governance Division, New Delhi. The Theme was adopted by all States/Government Pavilions in their displays. The Department, during the currency of the exhibition, organized various seminars from November 14-18, 2016 indicated as exclusive

business days. The fair was inaugurated by the Hon'ble President of India, Shri Pranab Mukherjee.

South Korea was the **Partner country**, Belarus was Focus country. Jharkhand and Madhya Pradesh were the Partner States and Haryana was the **Focus State** in the event. As many as 285 foreign companies from 24 foreign countries and over 7,000 domestic companies participated in the event. The Government's participation came from 47 departments apart from 27 States and 04 Union Territories, having exclusive pavilions.

Significant group participation of SMEs were organized by CAPART, HUDCO, KVIC, MSME, CSIR, Ministry of Rural Development, Ministry of Social Justice, Ministry of Minority Affairs. Apart from this, SKILL INDIA was organized with separate pavilion and ITPO promoted SWACHH BHARAT in great way at Pragati Maidan and instituted an award in this category for the best State pavilion.

The mobile connectivity within Pragati Maidan during IITF was well monitored by ITPO. Daily briefing meeting was held with the telecom service providers such as, Airtel, Vodafone, Idea and Reliance Jio and the Additional Secretary, Department of Telecom. ITPO had installed 8 mobile towers for the usage and cellphone service providers had hired transponders in all these towers.

Free pick up and drop off service for senior citizens and disabled persons was also introduced during the event. In addition, two exclusive lounges were set up for senior citizens. The Hop On and Hop Off bus service linking the entry gates of Pragati Maidan along with all Metro Stations such as Pragati Maidan, Indraprastha, ITPO and Mandi House were increased. For the first time, general tickets were made available online. The services of ATMs and ATM Vans were also provided to the participants/visitors besides the services of mobile application, card swiping machines for the exhibitors. Several medical camps/First Aid facilities including Ambulances were made available during the event. LED screens, Flag poles, hoardings were made available for publicizing advertisements. The fair was also visited by 64 foreign delegations comprising of 464 visitors. The fair attracted about 14 lakhs visitors during the 14 days of the event which makes it the largest of its kind in the world.

The demonetisation of high currency notes by the Govt. just a week before the start of the fair posed serious challenge to the success of the fair. There was a significant drop in footfall and business conducted in the initial days of the fair. The ITPO management acted swiftly and revised the ticket fares to show solidarity with the exhibitors and improve the visitors' sentiment. Daily meetings were held with key bankers to augment ATM services and swipe/credit card cashless transactions. Organising Ministries/Agencies like MSME, Social Justice and Empowerment, NMFDC and CAPART were mobilised to avail facilities from SBI and Axis Bank,

Paytm, Freecharge etc. These service providers were given free office space in each Hall for running Help Desks.

As a result of these efforts, the footfall in IITF 2016 was reported at 1.4 million. Sale in tickets was only 20% less than the IITF 2015.

32nd Aahar – The International Food & Hospitality Fair, 2017, Delhi

AAHAR is one of the biggest B2B exhibitions of its kind in South Asia spread over 58,000 sq. meters. The 32nd Edition of the fair was organized from March 7 – 11, 2017 in the Pragati Maidan Complex. As in the past, the event was organized with the support of Ministry of Food Processing Industries (MOFPI), APEDA & other Industry Associates.

The Fair was inaugurated by Smt. Harsimrat Kaur Badal, Hon'ble Ministry of Food Processing Industries. The show was broadly divided into three categories: 1. Food Products & Beverages 2. F & B Equipment (Preparation/Processing/Packaging) 3. Hospitality & Décor Solutions. The Culinary competitions organized by the Indian Culinary Forum (ICF) were the centre of attraction at the fair.

The show had participation from 1141 exhibitors including 51 foreign exhibitors from 17 countries. A total of 67,472 domestic business visitors and 131 international buyers & delegates from 24 countries visited the fair during the 5 days.

The Fair was widely promoted on social media through the dedicated handle/accounts of AAHAR fair on Facebook, Twitter & YouTube. An updated Mobile App was also launched for better interaction with business visitors.

During the currency of the exhibition, 8 seminars were organized on wide ranging topics like "Working Together – The legal/policy challenges, opportunities & roadmap of Indian hospitality", "Impact of India's food history in today's dining", "Overall Scenario of Organic Foods and



AAHAR-The International Food & Hospitality Fair 2017.

Emerging Market Opportunities”, “Procurement of Hotel Industry and Related Issues” etc.

22nd Delhi Book Fair, 2016

India Trade Promotion Organisation organized the 22nd edition of Delhi Book Fair from August 27 to September 4, 2016 at Pragati Maidan, New Delhi. The fair was organized in association with Federation of Indian Publishers.

The Delhi Book Fair was inaugurated by Dr. Harsh Vardhan, Hon'ble Minister, Ministry of Science & Technology and Earth Sciences, on August 27, 2016. The theme pavilion depicting Selfie-stations on MAKE IN INDIA, CLEAN INDIA – SWACHH BHARAT ABHIYAN, DIGITAL INDIA, SKILL INDIA, STANDUP INDIA, SMART CITIES, STARTUP INDIA AND UMANG (Unified Mobile App for New-age Governance) was set-up in Hall-8.

About 40 Seminars/Workshops/Book Release Functions/ Author's Corner/ Children Programmes were organized during the currency of the 22nd Delhi Book Fair. Several new programmes including on-the-

spot painting competitions, story-telling, street plays etc. were organized and Government's policy on “Sarv Shiksha Abhiyan’ was promoted. Students with Identity Card were allowed free entry to the Fair.

18th Stationery/Office Automation and Corporate Gifts Fair, 2016

India Trade Promotion Organisation concurrently organized the 18th edition of Stationery/Office Automation and Corporate Gifts Fair concurrently with Delhi Book Fair' 2016 in Hall 12-A, Pragati Maidan, New Delhi from August 27 to September 4, 2016. Leading companies in stationery, gift items, office automation from all over India participated in the fair. The Fair proved to be a hub for sourcing stationery items, office equipment and corporate gifts items etc.

India International Security Expo' 2016

The 19th edition of the India International Security Expo 2016 (IISE)organized by ITPO was held during September 19-21, 2016 with support of Ministry of Home Affairs, CISF, Security Promotion Group of India



India International Security Expo-2016

(SPGI), Bureau of Police Research and Development (BPR&D) are co-organisers of the event. There were 70 companies, which displayed their products in the exhibition. The theme of the event was 'Make in India' campaign. With a view to encouraging new and young entrepreneurs, ITPO had offered stalls at a discount of 50 per cent of the prescribed rentals to them for this event. To make the event more meaningful, seminars on the subject of topical interest were also scheduled to be held during the currency of the exhibition. This year, ITPO had introduced exclusive 'Made in India' section in which would provide free of charges for displaying indigenous products.

Tex-Styles India, Delhi

The 18th Edition of Tex-Styles India was organized at Pragati Maidan from February 21-24, 2017. The display profile of Tex-Styles India had the whole supply chain of the textile industry covering from yarns to finished products and textile machinery.

The 2017 edition of Tex-Styles India was organized

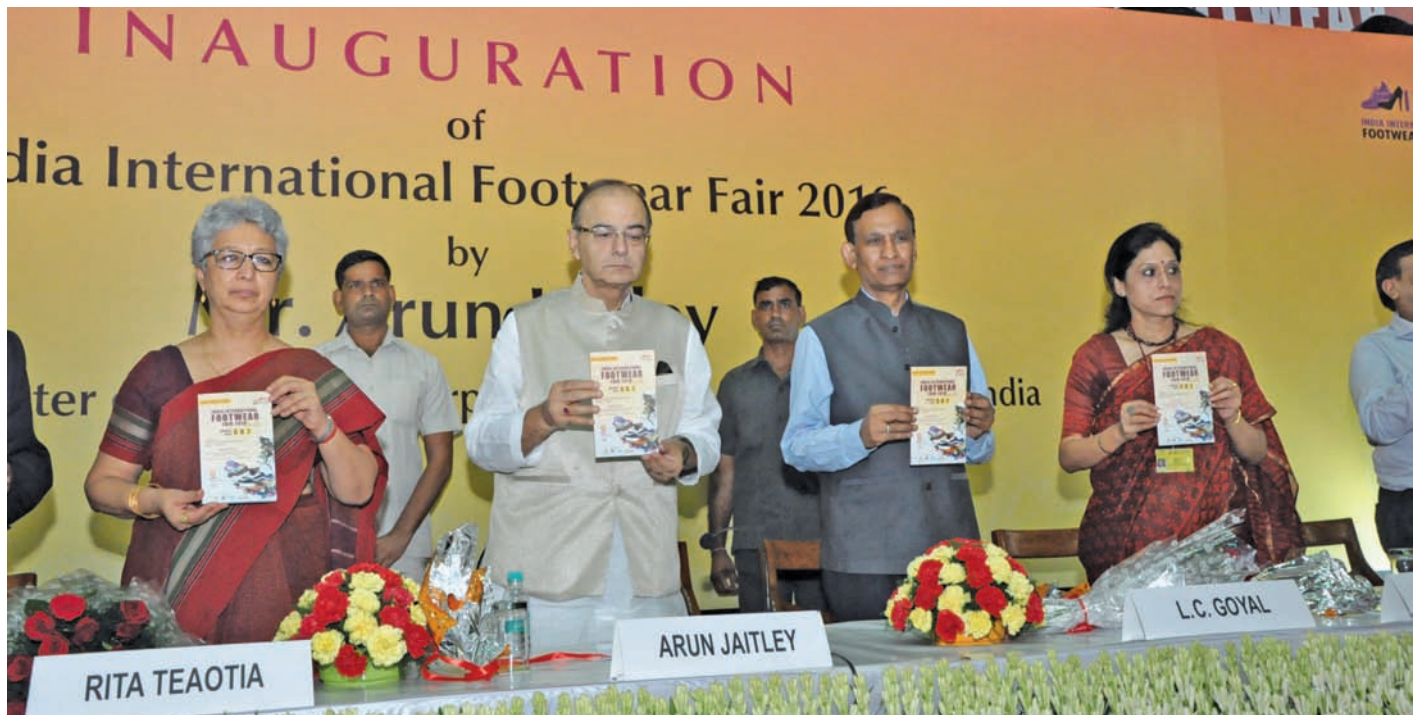
with around 70 participants from the entire gamut of the textile industry. The show was visited by around 1000 business visitors including 50 overseas buyers and buying agents from Australia, New Zealand, China, Japan, Sri Lanka, Turkey, UK and USA.

India International Footwear Fair, Delhi, 2016

India Trade Promotion Organisation (ITPO) organized the second edition of India International Footwear Fair (IIFF) in Halls 14 and 18, Pragati Maidan, New Delhi from August 05-07, 2016. It was co-sponsored by Confederation of Indian Footwear Industries (CIFI).

Shri Arun Jaitley, Hon'ble Finance Minister along with Smt. Rita Teotia, Commerce Secretary inaugurated the fair on August 05, 2016.

IIFF' Delhi 2016 covered a net area of 6550 sq.mtr. There were 263 exhibitors including 103 from overseas (from Brazil, China, Iran, Italy and Taiwan). IIFF maintained its lead position providing a vital platform for buyers and sellers alike in the footwear and related segments. A comprehensive range of products and



India International Footwear Fair, Delhi, 2016

services relating to the Footwear and allied sector— Synthetic Materials, Footwear Components, Machinery & Equipment, Chemicals and Software were on display at the Fair. 11592 business visitors visited the fair, out of which 72 were overseas business visitors from 18 countries. These visitors were from China, Dubai, Nepal, Thailand, Saudi Arabia, Bangladesh, Ireland, Tanzania, Hong Kong, Canada, Italy and Sri Lanka.

II. FAIRS HELD OUTSIDE DELHI

India International Leather Fair (IILF), 2017, Chennai

India Trade Promotion Organisation (ITPO) organized the 32nd edition of India International Leather Fair (IILF) in Chennai from February 1- 3, 2017. The fair was organized in close collaboration with Council for Leather Exports (CLE), Central Leather Research Institute (CLRI), Indian Shoe Federation (ISF), Indian Finished Leather Manufacturers and Exporters Association (IFLMEA), Footwear Design & Development Institute

(FDDI) and Indian Footwear Components Manufacturers Association (IFCOMA).

Shri K.C. Karuppanan , Hon'ble Minister for Environment, Tamil Nadu, inaugurated the Fair on 31st January, 2017. The fair was open to business visitors from February 1-3, 2017.

The 32nd edition of IILF Chennai covered a net area of 9581 sqm (Gross Area about 20,000 sqm). There were 436 exhibitors including 136 from 25 countries namely Andorra, Australia, Bangladesh, Brazil ,China ,France ,Germany , Italy, Kenya ,Lithuania ,New Zealand ,Portugal, Russian Federation ,Saudi Arabia ,Spain, Sri Lanka ,Switzerland ,Taiwan ,Tanzania, Thailand ,The Netherlands ,Turkey, Uganda ,United Arab Emirates ,United, Kingdom. Group participation from China, Brazil, Germany, Italy and International Trade Centre (United Nations) was also a major attraction. 12,630 registered business visitors including 415 overseas visitors from 59 countries visited the fair. The total



East Himalayan Expo, Gangtok, Sikkim 2016

number of visitors to IILF Chennai '2017 grew by 0.6% over the 2016 edition.

22nd India International Leather Goods Fair (IILGF), 2017, Kolkata

India International Leather Fair (IILF) is a B2B fair with the aim to promote export of leather goods and finished leather from India especially from West Bengal. The 22nd edition of India International Leather Fair was successfully organized in Milan Mela Complex in Kolkata from February 26 -28, 2017. IILF was actively supported by Indian Leather Products Association (ILPA), Council for Leather Exports (CLE) and the Govt. of West Bengal. The fair was inaugurated on 26th Feb. 2017 by Dr. Amit Mitra, the Hon'ble Minister of Finance, Large Industries and Enterprises, Govt. of West Bengal

A total number of around 35 overseas buyers visited IILF Kolkata 2017. Almost 2000 domestic visitors from all over India visited the Fair too. Almost 63 leading companies including constituents from various sectors

of the leather showcased their exhibits in the fair. The exhibition covered a net area of 930 sq. mts in Hall Nos. 1 and 2.

The exhibitors were an amalgamation of exporters, manufacturers and companies from the allied sector such as chemicals, machineries and components sections. Almost 95% exhibitors evinced interest for repeat participation in next edition.

8th East Himalayan Expo, 2016, Gangtok, Sikkim

8th East Himalayan Expo, 2016 was organized in Gangtok, Sikkim from December 16 – 25, 2016. The fair was co-organised by Ministry of DONER and actively supported by Govt. of Sikkim. Shri Ugen T. Gyatso, Hon'ble Minister of Tourism, Civil Aviation and Commerce & Industries, Govt. of Sikkim inaugurated the Fair on 17th December 2016. The major participants in the expo were Ministry of DONER, Constituents of Ministry of Social Justice & Empowerment, National Safai Karamcharies Finance and Development

Corporation, National Schedule Caste Finance and Development Corporation, KVIC, North Eastern Handicrafts and Handloom Development Corporation Ltd., Sikkim Tourism Development Corporation Ltd., National Jute Board, Ministry of AYUSH, Central Council for Research in Ayurvedic Science (Yoga and Naturopathy) and National Institute of Homeopathy etc. In the perspective of 'Act East' Policy of Govt of India, ITPO had made this endeavour in Gangtok by organizing 8th East Himalayan Expo 2016. Royal Embassy of Thailand had participated in the fair.

Tex-Styles India, Kolkata

The maiden Textstyles India, Kolkata show was successfully organized in Milan Mela Complex in Kolkata from February 26 -28, 2017. Textstyles India was organized in association with Dept. of Textiles and MSME, Govt. of West Bengal. The aim was to provide a platform for business promotion and to attract domestic and foreign investment in the East and North- Eastern Region. The fair was inaugurated on 26th Feb. 2017 by Dr. Amit Mitra, the Hon'ble Minister of Finance, Large Industries and Enterprises, Govt. of West Bengal. Around 17 companies took part in the 1st Textstyles India show in Kolkata displaying textiles, pure silk and silk mixed and lacquered fabrics, handloom products, jute and jute products etc.

Aahar – The International Food & Hospitality Fair, 2016, Chennai

Aahar - The International Food & Hospitality Fair, Chennai was organized from 15th to 17th September, 2016 and had occupied an area of 4400 sq. mtrs. The fair had as many as 117 participants and was inaugurated by Mrs. Shubhra Singh, IAS, Executive Director, ITPO along with Mr. Pradeep Yadav, IAS, Principal Secretary, Department of Food, Civil Supplies, Consumer Protection, Govt. of Tamil Nadu.

The event was supported by Ministry of Food Processing Industries (MOFPI) and Agricultural and Processed

Food Products Export Development Authority (APEDA). The Associates for the show were Food & Hospitality Support Association of India (FHSAI), Association of Resource Companies for the Hospitality Industry of India (ARCHII), All India Food Processors Association (AIFPA), Hotel & Restaurant Equipment Manufacturers Association of India (HOTREMAI), South India Hotels & Restaurants Association (SIHRA). For the first time during Aahar Chennai, a report on Daily Happenings was brought out by M/s Forever News. The Online Media Partner for the event was M/s VivaHorecaTV that had covered the whole event and had published the event through Twitter, YouTube, FaceBook etc. VivaHorecaTV had conducted a very successful Social Media marketing initiative at AAHAR Chennai 2016.

III. FAIRS ORGANISED BY OTHERS AT PRAGATI MAIDAN, NEW DELHI

ITPO has been providing various halls and conference facilities to third party exhibitions/ event organizers on payment of license fee to organize specialized as well as general trade fairs/exhibitions in Pragati Maidan. There were as many as 86 exhibitions/ events during the year 2016-17 in Pragati Maidan organized by the third party fair organizers. Among these, there were 11 new exhibitions/events, which were held for the first time in Pragati Maidan.

The popular events organized during the year, were PowerGen India, Ambiente/HeimtextilIndia, India Warehousing Show, India International Garment Fair, Smartcard Expo, Delhi Jewellery and Gems show, Franchise India, LED Expo, Paperex, IFSEC, SATTE, ET Acetech India etc. The 1st BRICS Trade Fair was organized at Pragati Maidan in New Delhi from 12-14 October, 2016. The BRICS Trade Fair was completely an interactive business engagement and was organized with an objective to promote trade and investment opportunities amongst the participating BRICS nations i.e. Brazil, Russia, India, China and South Africa. 397

companies participated at the BRICS Trade Fair to showcase the capability of each of the BRICS nations in the identified sectors. About 910 companies participated at various BRICS business engagements and nearly 1601 Business-to-Business (B2B) Meetings took place over three days. The BRICS Trade Fair, like the other business to business International Trade Fairs was a unique platform for showcasing technologies, goods and services, exploring opportunities for business and entering into dialogues and discussions for joint venture partnerships and collaborations.

Some new events/ exhibitions held at Pragati Maidan during the year 2016-17 included BV Tech Expo, Pride of China, India Wedding Show, Health Tech, Tribal Carnival, India Mobile Phone Diwali, European Higher Education Fair, CSR conclave, Skill India Week, Tyre Expo, 6th Coal Summit, India Gaming Show.

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

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

□ E-Enablement for ease of doing business:

- Online booking of tickets implemented for IITF and New Delhi World Book Fair
- Online space booking system in domestic events
- E-procurement from GEMS/e-tendering introduced
- Mobile Apps introduced in ITPO's domestic fairs.
- E-payment/E-refund functional
- Wi-fi facility in all AC halls
- Use of social media – Facebook, Twitter and YouTube

- Seven new telecom towers installed for better network connectivity
- Comprehensive Mobile Apps of ITPO is at final stage.

□ Customer Friendly Measures

- Implementation of 'Help Desk' during third party events.
- 50 % discount in ITPO events for start-ups.
- Regular interaction with participants/organizers.
- Online space booking for third party events is under consideration.

8. IECC PROJECT

ITPO is in the process of establishing a world class iconic Integrated Exhibition-cum-Convention Complex (IECC) at Pragati Maidan, New Delhi. The proposed centre will have world class convention facilities befitting India's economic, political and strategic importance and place 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 substantially increase foreign exchange earnings of the country and revenues of the services & business sector of Delhi, as many events in MICE Sector may shift to New Delhi from East Asian Countries and other countries of the world.

The project proposal includes the development of 3,82,188 sqm of total built up area including 1,51,687 sq. mtr. of exhibition area in Phase-I.

The Convention Centre will be a state of the art landmark structure on par with the best in the world and will have a 7000 pax seating facility in single format (with a plenary hall of 3000 pax capacity and functional hall of 4000 pax) alongwith various appurtenant facilities like meeting halls, lounges, services and underground parking space for about 4800 passenger car units (PCU). Traffic decongestion interventions vital for better

access to IECC and for the benefit of general public have also been proposed. Essentially, Mathura Road/ Purana Quila Road will be connected to Ring Road through a 6 lane divided tunnel cutting across Pragati Maidan and Mathura Road made signal free.

The Cabinet Committee on Economic Affairs (CCEA) approved in January, 2017 the IECC project at an estimated project cost of Rs.2,254 crore. ITPO will utilise Rs.1,200 crore out of its free reserves towards funding of the project and will raise institutional loan / soft loan / external aid and /or land monetization for hotel for the balance amount of the project cost.

The National Buildings Construction Corporation Ltd. (NBCC) is working as a Project Management Consultant for the project. On the basis of Global bidding, Shapoorji Pallonji has been selected as the project executor for construction of the project.

9. TRADE DELEGATIONS

A total of 655 trade visitors visited various Trade Fairs organized by India Trade Promotion Organisation from April 2016 till March 2017 to explore the possibility of collaboration in trade promotion efforts. Major delegations including a 30-Member Delegation from Sri Lanka visited IITF and showed interest in Handicrafts and Textiles. 28-Member Delegation from Vietnam for Textile goods, handloom, handicrafts, jewellery etc., 12 member delegation from Suriname, keen on sourcing coconut, bamboo, sugar products and processing machinery, solar energy products, hydro pumps, wind energy and small baking machinery visited the Ministry of New and Renewable Energy, Kerala and Assam pavilion, 11-Member Delegation from Nairobi for multi-products.

10. 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 very beginning. All the activities of ATPF are coordinated by Japan External Trade Organisation (JETRO). ITPO also participates in the activities organized by the India Convention Promotion Bureau (ICPB).

ITPO has become the Member of UFI – The Global Association of the Exhibition Industry, France, an Organisation for promoting the Exhibition Industry.

ITPO has become the Member of International Association of Exhibitions and Events (IAEE), USA for the year 2017-18. 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.

11. TRADE INFORMATION RELATED ACTIVITIES

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, arranging meetings with visiting delegations during Trade Fairs and Exhibitions organized by ITPO. Trade information on countries and 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.

The facilities to ITPO members include access to Kompass data base containing details of manufacturers/importers/exporters/agents/ departmental stores/distributors /wholesalers / traders in respect of more than 66 countries. Kompass contains data base of more



Cultural event during IITF-2016

than 5 million companies searchable and classified by around 58,000 product and service categories.

12. CULTURAL ACTIVITIES

ITPO had been organizing various cultural activities during IITF every year. Cultural Division made extensive efforts to provide cultural dimension to the India International Trade Fair 2016 which regaled with ample bursts of culture, color and clamor. The State Days of Uttar Pradesh, Uttarakhand, Tamil Nadu, Madhya Pradesh, Manipur, Kerala, Chhattisgarh, Haryana, Telangana, Assam, Meghalaya, Himachal Pradesh, Puducherry, Andhra Pradesh, Jammu & Kashmir and Maharashtra were organized at Lal Chowk Theatre, while State days of Punjab, Delhi, Rajasthan, Bihar, Odisha, Jharkhand and West Bengal were held at Hamsadhwani Theatre.

Korean Cultural Show, theatre play on the life of 'Swami Vivekanand', Khadi Paridhan Utsav by KVIC, Hasya Kavi Sammelan by Delhi Exporters Association

in collaboration with ITPO at Hamsadhwani Theatre, were among most of the appreciated cultural programs. There was a fine mix of performances ranging from Kuchipudi dance to 'Pakhawaj' recital at Shakuntalam Convention Centre daily from November 19, 2016 onwards. These included: Kuchipudi Dance, Kathak Dance, Classical Vocal Music, Santoor Recital, Odissi Dance, Mohiniattam Dance, Classical Vocal Music, Bharatnatyam Dance and Pakhawaj recital.

The venue was packed with vibrant performances from the legendary as well as upcoming artists at Falaknuma Theatre. These included: Quwwali (Shahid Niyaz), Bhajan (Shakha Creations), Folk Song (Ruchi Anurag Tailong), Geet Ghazal (Nijami Khan), Braj Raasleela (Pratibha Sharma), Sufi Bhajan (Surinder Sagar) and Geet Ghazal (Padma Gidwani). The event also entertains with street plays highlighting social issues and concerns. There are individual and group performances at Itihasik Chowk daily. There were performances of

Nistha Sanskritik Manch, Himalaya Arts, Action Drama Creations, Rangkarmi Natya Manch, Dr. S.N. Subbarao Foundation, Jaagar Natya Manch, Ram Shyam Art Welfare, Nitin Kumar, Jadu Kala Trust, Living Theatre, Saaranga Arts and Deep Group, daily. ITPO had also arranged webcast of the cultural programmes taking place at Lal Chowk and Hamadhwani theaters which enhanced viewership of the cultural programmes.

13. CORPORATE COMMUNICATION

During the year 2016-17, Corporate Communication Services Division made extensive efforts to provide promotional back-up to ITPO events in India and abroad. Besides, the Division also strived to ensure maximum visibility, image building and goodwill expansion of the Organisation. Mainly, the publicity campaign was focused to enhance the participation bar and footfall in the exhibitions. Extensive publicity mileage was received through meaningful interface of print, electronic and social media.

14. TOWARDS ICT ENABLEMENT

Keeping in line with the "Digital India" campaign of the Government of India, e-governance initiatives in ITPO took a broader dimension in 2016-17 with emphasis on enhancing transparency and digitization of the exhibitor /visitor-centric services. On-going e-governance projects and some new projects were revamped/implemented with the key principle of transformation.

Online space booking system for the domestic events being organized by ITPO in Pragati Maidan was revamped and provision for making online payments was introduced for the first time during India International Trade Fair (IITF), November, 2016 which has been subsequently adopted for other events as well.

Online system for booking of entry tickets was launched for the first time during IITF, November 2016. This provided an ease of booking the tickets from their place of ease to the visitors to Pragati Maidan.

Major exhibition halls (of Pragati Maidan) and their surrounding areas were Wi-Fi enabled and facilities of leased line services and Wi-Fi internet connectivity were provisioned. These services are available round the year to the exhibition organizers. This project was implemented on revenue sharing model with no capital expenditure from ITPO and is also a revenue generation source for ITPO.

Development of Mobile Apps and websites specific to various domestic events was continued during 2016-17.

15. ADMINISTRATION & HRD

During the year 2016-17, nine recruitments were made. 154 officials were promoted and 58 officials were granted personal up-gradation under Incentivized Assured Career Progression Scheme (IACPS). Twelve Young Professionals were engaged for a period of one year.

Guidelines on reservation policy were complied with within ITPO. Liaison Officers have been nominated to look after the interest of SCs/STs & OBC. In every Departmental Promotion/ Selection Committee meetings an officer of appropriate level belonging to SC/ST and minority category had been associated to look after the interest of the candidates belonging to these categories. The provisions contained in Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act 1995 regarding reservation in posts/services for disabled person were also complied with. At the welfare level, a special interest free advance equivalent to 25% of one month basic pay + DA as on 31.03.2016 was paid to all eligible employees.

There has been no complaint under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act. VRS Scheme 2016-17 was discontinued on 31.12.2016.

In accordance with DPE guidelines on superannuation benefits, pension scheme for employees of ITPO has

been approved by the DOC. The proposed Scheme shall be implemented with effect from 01.01.2007 and contribution from ITPO shall be @ 7% of Basic Pay + DA. Implementation of Pension Scheme is under process.

Reservation Policy of Government of India :

Government of India guidelines, issued from time to time, were followed on reservation in appointment/promotion in respect of SC/ST/OBC.

During the financial year 2016-17, total 09 appointments/deputation made as per following details :

	SC	ST	OBC	UR	Total
Group 'A'	-	-	-	05	05
Group 'C'	01	-	01	02	04

During the year, there were 154 officials promoted. Out of which, there were 27 from SC, 06 from ST and 09 from OBC categories. Reserved points were carried forward in cases, wherever eligible officials of reserved category were not available. Recruitment of 5 SC posts of Junior Assistant and 04 OBC posts of Assistant (Accounts) are under process.

Floral tributes were offered on the occasion of the Birthday of Dr. B.R. Ambedkar.

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

During the year, Engineering Division provides one stop solution to all Infrastructure/ facilities required to hold the Exhibitions/ Fairs/ Conferences at Pragati Maidan and at other Fairs outside Delhi by ITPO and provides all venue basis services to the fairs organized by Organisations other than ITPO. Engineering Division has full-fledged self-sufficient team of Engineers (Civil and Electrical) and Architects to provide maintenance

for all services except horticulture and some part of electrical in which ITPO is assisted by CPWD.

Architectural wing of Engineering Division provided following services:

- Architecture Division prepares layout plans for all exhibitions of ITPO organized in Delhi and other Regional Centres. Layout Plans/drawings are also prepared for ITPO's overseas events. Layout plans of all Third Party Exhibitions are reviewed and amendments made, if needed for ease of visitors and general safety. Inspections are carried out to ensure compliance of architectural guidelines.

Additions/modifications in the existing infrastructure at Pragati Maidan

- Redevelopment of Pragati Maidan into an Integrated Exhibition cum-Convention Centre (IECC).
- Setting up of 100 KWP Solar PV Power Project on Roofs of Hall No. 7 at Pragati Maidan, New Delhi
- Replacement of existing lighting of permanent building with energy efficient lighting at Pragati Maidan, New Delhi
- Resolving of arrears of 13.80 crores with the Revenue Department of Delhi Jal Board.

17. TRADE PROMOTION CENTRES

CHENNAI TRADE CENTRE

Set up over an area of 25.8 acres in Nandambakkam at a prime location in Chennai, the centre comprises of 3 air-conditioned halls without pillars or columns encompassing area of 4400 sq. mtrs commissioned in January 2001. The Convention Centre can accommodate 2000 participants with a provision for dividing the hall into two equal parts. Chennai Trade Centre (CTC) is managed by Tamil Nadu Trade Promotion Organisation (TNTPO), a Joint Venture of ITPO and Tamil Nadu Industrial Development Corporation Ltd (TIDCO).

During 2016-17, there were 108 exhibitions in the Exhibition Halls of Chennai Trade Centre and 78 events took place in the Convention Centre. TNTPO earned a total income of Rs 47.49 crore as compared to Rs 42.23 crore in the previous year. The net surplus is Rs. 31.53 crore net after considering 'Other comprehensive Income', as against Rs.21.56 crore (Recast as per Ind-AS) in the previous year.

The Board of TNTPO has approved the construction of a multi-purpose (Exhibition/Convention) hall with an area of 15,708 sq. mtrs. under expansion plan of TNTPO. After the expansion, there will be a total of 2 halls for convention and 4 halls for exhibition in the total area of 31,063 Sq. mtrs (34.61 acres). The estimated project cost can be up to Rs. 289 crore.

TRADE CENTRE, BANGALORE

Located at a prime area in Whitefield, Bangalore, it covers an area of 50 acres. It has an air-conditioned exhibition hall of 5371 sq. mtrs. 07 open exhibition area has been constructed all around the exhibition hall for display of heavy equipments, machineries and 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 2016-17, 35 events were held in Trade Centre, Bangalore. KTPO earned a total income of Rs 8 crore as compared to Rs 7.99 crore in the previous year. The net surplus is Rs. 53.16 crore including profit on sale of land to Bangalore Metro Rs. 50.76 crore net after considering 'Other comprehensive Income', as against Rs.7.76 crore (Recast as per Ind-AS) in the previous year.

The Board has approved the construction of a multi-purpose (convention/exhibition) hall with an area of 5000 sq. mtrs. under expansion plan of KTPO. After the expansion, there will be a total of 2 halls for convention

and for exhibition with a total area of 11,871 Sq. Mtrs. The estimated project cost can be upto Rs.40 crore.

18. PROGRESSIVE USE OF THE OFFICIAL LANGUAGE (HINDI)

To ensure proper implementation of Official Language Policy of Govt. of India in ITPO, an Official Language Committee has been constituted under the Chairmanship of CMD and its meetings are organized regularly. Instructions received from Parliamentary Committee on OL, Department of OL, Kendriya Sachivalaya Hindi Parishad and Hindi Section of Department of Commerce are properly followed in ITPO.

Hindi workshops are being organized every year to create helping atmosphere for executing the official work in Hindi. Apart from its own OL implementation Committee, ITPO represented in the meetings of TOLIC (Delhi) and DOC. The Corporate website of ITPO www.indiatradefair.com has been prepared in bilingual form and is being updated regularly.

To encourage the use of Official Language in day-to-day official work, Hindi Noting-drafting, Hindi translation, Hindi Virtani Shodhan and Hindi essay competitions were organized in which Certificates and Cash Prizes were awarded to the winners. In addition, book (Hindi novel) written by Shri Kamleswer was given as incentive to each participant. Likewise, Translation and Noting-drafting Competition was organized in all regional offices of ITPO. To encourage Hindi in routine file work of ITPO, an Incentive Scheme has already been introduced.

ITPO continued to publish its Regular Hindi monthly journal "Udyog Vyapar Patrika", Besides, Business Visitors Guides, Backgrounder of IITF'2016. Mobilization folders of different exhibitions organized at Pragati Maidan, Calendar of events, Annual Report 2015-16, the Memorandum of Understanding between ITPO and the Department of Commerce were brought out in Hindi.



19. SECURITY

The Security Division had made necessary security arrangements, fire fighting arrangements and parking arrangements during various ITPO fairs including IITF 2016 and other events organized by ITPO during Financial Year 2016-17. The Security Division had also monitored the various security arrangements made by the third party fair organizers during 2016-17. Security Division had started 'on the job training programme' of the security personnel started from the Month of July 2016. Twice a week, officers from Security Division imparted training on various subjects related to safety and security of Men and material, Soft Skills, Fire Safety Management etc. to security staff.

Security Division conducted the "Basic of fire and warden training" on 7th October 2016 for ITPO employees. In this, 81 nos. of ITPO employees were trained. To provide user friendly and hassle-free facilities, security meetings were arranged with all the third party organizers. A detailed SOP (Standard Operating Procedure) was prepared by Security Division incorporating the suggestions and concerns of all Divisions of ITPO as well as all stakeholders to provide clear and explicit guidelines /rules to be followed for entry of men, material and vehicle inside Pragati Maidan and for operation of various gates during third party fairs and other major events of ITPO.

Security Division has prepared empanelment of Private Security Agencies & Fire Agencies for providing good services during the ITPO and 3rd party fair through E-Tender process.

20. VIGILANCE

Vigilance Department assists in maintaining transparency and integrity in general administration and functioning of various departments of ITPO. Besides investigating complaints and conduct of disciplinary proceedings under ITPO Employees (CDA) Rules, Vigilance Department performs inspection of ITPO's regional offices and conducts surprise visits in exhibition

complex and office spaces. Further, in addition to giving vigilance clearance to officials in respect of promotions, foreign deputations, superannuation etc., and scrutinizing annual property return, Vigilance Department also files monthly, quarterly and annual returns/reports to Department of Commerce, CVC & CBI. Vigilance Awareness Week is organized annually in ITPO and its regional offices, in order to spread awareness on the values of practicing ethical and transparent business transactions in day-to-day official works and public interface.

21. SUBSIDIARY & ASSOCIATE COMPANIES

The Company holds 51% equity in each of its two Subsidiary Companies viz. Tamil Nadu Trade Promotion Organisation and Karnataka Trade Promotion Organisation. Further, National Centre for Trade Information (NCTI), has been set up jointly by ITPO and National Informatics Centre (NIC), Government of India at Pragati Maidan which is a 50:50 joint venture.

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

22. 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)

23. 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.

24. RELATED PARTIES TRANSACTIONS

There is no related party transaction which is to be reported.

25. AUDITORS

M/s. Grover Lalla & Mehta, Chartered Accountants, New Delhi were appointed as Statutory Auditors of

the Company for the Financial Year 2016-17 by the Comptroller and Auditor General (C&AG), Government of India.

26. STATUTORY AUDITORS' REPORT

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

The comments of CAG on the annual accounts of the Company for the year ended 31st March, 2017 which forms part of this report. (Annexure-IV & V)

27. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

28. 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 Audit Committee have been meeting at regular intervals.

The Company submitted annual report in Compliance with DPE's Guidelines on Corporate Governance to the Department of Commerce during 2016-17, within the specified timelines and reported an Annual Average Pro-rata Score of 97.85% to qualify for an 'Excellent' Grade. A detailed report is set out and appended which forms part of this report (Annexure- VI &VII)

29. 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.

30. RIGHT TO INFORMATION (RTI)

The RTI Cell operating under the Admin. Division of ITPO is extremely active and ensures that all Applications/ Appeals received under RTI are disposed off. RTI Cell received 123 Applications and followed by 08 Appeals during the period April, 2016 to March, 2017.

31. 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)

32. CORPORATE SOCIAL RESPONSIBILITY

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

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

33. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

34. 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 conditions, etc.

B. Technology Absorption:

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

C. Foreign Exchange Earnings And Outgo

	Current Year (2016-17) (Rs. In crores)	Previous Year (2015-16) (Rs. In crores)
Earnings	11.44	13.55
Outgo	22.06	20.09

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

36. ACKNOWLEDGEMENTS

We are thankful to the Central Government Ministries and Departments, particularly the Ministry of Commerce and Industry, Ministry of Urban Development, Ministry of External Affairs, including the Indian Missions for their continued guidance and assistance. The Directors are also grateful to the Delhi Development Authority, State Governments, Public Sector Enterprises, Central Public Works Department, Municipal Corporation of Delhi, 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: 29.08.2017

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 31.3.2017	Tamilnadu Trade Promotion Organisation	Karnataka Trade Promotion Organisation
2.	The date since when subsidiary was acquired	17.11.2000	06.12.2000
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	N.A.
5.	Share capital	Rs.1,00,000/-	Rs.20,00,00,000/-
6.	Reserves & surplus	Rs.2,14,59,11,281/-	Rs.1,04,81,85,810/-
7.	Total assets	Rs.2,25,63,61,578/-	Rs.1,27,65,37,740/-
8.	Total Liabilities	Rs.11,03,50,297/-	Rs.2,83,51,930/-
9.	Investments	-	-
10.	Turnover	Rs.37,18,36,662/-	Rs.3,66,25,786/-
11.	Profit before taxation	Rs.31,53,35,091/-	Rs.53,16,34,879/-
12.	Provision for taxation	NIL	NIL
13.	Profit after taxation	Rs.31,53,35,091/-	Rs.53,16,34,879/-
14.	Proposed Dividend	N.A.(Prohibited to declare dividend as incorporated U/s 8 of the Companies Act,2013	N.A.(Prohibited to declare dividend as incorporated U/s 8 of the Companies Act,2013
15.	Extent of shareholding (%)	51%	51%

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

- Names of subsidiaries which are yet to commence operations
- 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

Name of associates/Joint Ventures	Name 1	Name2	Name3
Latest audited Balance Sheet Date:31 March,2016	National Centre for Trade Information		
Date on which the Associate or Joint Venture was associated or acquired	31.03.1995		
Shares of Associate/Joint Ventures held by the company on the year end			
No.	2,00,000		
Amount of Investment in Associates/Joint Venture	Rs.2,00,00,000/-		
Extend of Holding%	50%		
Description of how there is significant influence	There is significant influence due to 50% share capital held by ITPO		
Reason why the associate/joint venture is not consolidated	Ind AS-28		
Net worth attributable to shareholding as per latest audited Balance Sheet	Rs.1,66,11,043/-		
Profit/Loss for the year			
Considered in Consolidation	Rs.1,46,057/-		
Not Considered in Consolidation	Rs.1,46,057/-		

- Names of associates or joint ventures which are yet to commence operations.
- 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.

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

Sd/-
(D.M. Sharma)
Chief Financial Officer

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

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017

Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	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 Bhawan, Pragati Maidan, New Delhi-110001 Tel. : 91-11-23371540 (EPABX) Fax : 91-11-23371492, 23371493 email : info@itpo.gov.in
vi)	Whether listed company	Yes / No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	N/A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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



III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S.NO	NAME AND ADDRESS OF THE COMPANY	CIN/GIN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Tamilnadu Trade Promotion Organisation CTC Complex Nandambakkam Chennai 600089	U91120TN2000NPL046140	SUBSIDIARY	51%	Sec.25 now Sec.8
2	Karnataka Trade Promotion Organisation Plot No.121,Road No.5,EPIP,2nd Phase, Whitefield Industrial Area, Bengaluru - 560066	U92490KA2000NPL028238	SUBSIDIARY	51%	Sec.25 now Sec.8
3	National Centre For Trade Information Hall # 19, Pragati Maidan, New Delhi - 110001	U74899DL1995NPL067008	ASSOCIATE	50%	Sec.25 now Sec.8

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

(d) Banks / FI	-	-	-
(e) Any Other....	-	-	-
Sub-total (A) (2):-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	25000/-	25000/-	0%
B. Public Shareholding	-	-	-
1. Institutions	-	-	-
(a) Mutual Funds	-	-	-
(b) Banks/FI	-	-	-
(c) Central Govt	-	-	-
(d) State Govt(s)	-	-	-
(e) Venture Capital Funds	-	-	-
(f) Venture Capital Funds	-	-	-
(g) Insurance Companies	-	-	-
(h) FII's	-	-	-
(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			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	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	-	-	-	-
	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
	For Each of the Top 10 Shareholders				
	At the beginning of the year	NA	-	NA	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat	-	-	-	-
	At the End of the year (or on the date of separation, if separated during 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	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Directors and KMP				
	At the beginning of the year	CMD,ITPO (1)	.01%	CMD,ITPO (1)	.01%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NIL	-	NIL	-
	At the End of the year	CMD,ITPO (1)	.01%	CMD, ITPO (1)	.01%



V. INDEBTEDNESS

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		CMD	ED	-	-	
1.						
	Gross salary	Rs 2595608/-	Rs 2548879/-			Rs 5144487/-
	(a) Salary as per provisions contained in section 17(1) of the Income- tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Rs 428683/-	Rs 302373/-	-	-	Rs 731056/-

	(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)	Rs 3024291/-	Rs 2851252/-			Rs 5875543/-
	Ceiling as per the Act					

B. Remuneration to other directors:

SI. No.	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Directors Fee for attending board committee meetings	Shri P.N. Vijay Rs.10,000/20000/- per meeting	Rs. 1,10,000/-
	Commission	-	-
	Others, please specify	-	-
	Total (1)	Rs. 1,10,000/-	Rs. 1,10,000/-
2.	Other Non-Executive Directors Fee for attending board committee meetings	NIL	NIL
	Commission	-	-
	Others, please specify	-	-
	Total (2)	NIL	NIL
	Total (B)=(1+2)	Rs. 1,10,000/-	Rs. 1,10,000/-
	Total Managerial Remuneration		
	Overall Ceiling as per the Act.		



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

Sl. No.	Particulars of remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	NA	Rs 1581861/-	Rs 1798401/-	Rs 3380262/-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	Rs 12341/-	Rs 18736/-	Rs 31077/-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	Rs 1594202/-	Rs 1817137/-	Rs 3411339/-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

INDEPENDENT AUDITOR'S REPORT

MANAGEMENT REPLIES

TO THE MEMBERS OF "INDIA TRADE PROMOTION ORGANISATION", NEW DELHI

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of **India Trade Promotion Organisation** ("the company"), which comprises the Balance Sheet as at 31st March, 2017, the Statement of Income and Expenditure (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Ind AS Financial Statements").

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), excess of income over expenditure (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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



AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the standalone Ind AS financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements subject to following qualification.

BASIS FOR QUALIFIED OPINION

- i. Company has made a provision of Rs. 184.00 Lakhs during the year (cumulative upto 31.03.2017 – Rs. 3264.00 Lakhs) for Performance Related Pay (PRP) and released payments of Rs. 1569.92 Lakhs to employees included in loans under the head current assets upto 31st March, 2017 without approval of the scheme by the competent authority as explained in Note 22. Accordingly, the excess of income over expenditure during the year has been understated by Rs. 184.00 Lakhs and other equity have been understated by Rs. 3264.00 Lakhs and provisions under the head current liabilities have been overstated by Rs. 3264.00 Lakhs.
- ii. Contingent liabilities includes a service tax demand cum show cause notice of Rs. 1022.45 Lakhs out of which Rs. 881.31 Lakhs has been paid in the year 2014-15 against the order passed by Commissioner of Customs and Central Excise and the balance amount of Rs. 141.14 Lakhs is payable, as explained in Note No 35. In our opinion, provision of Rs. 881.31 Lakhs has not been made as per Ind AS 37 “Provisions, Contingent Liabilities and Contingent Assets”. Accordingly, the excess of income over Expenditure is overstated and the other equity has been overstated by this amount and provisions under current liabilities have been understated by the same amount.

Factual Statement. Note No. 22 of the Financial Statements refers.

In order to avail the waiver of penalty by 75% and levy of interest as per the Order of the Commissioner of Custom & Central Excise, the company paid the demand of Rs. 881.31 lakh under protest by the due date in the year 2014-15. Simultaneously, the company has contested the demand and filed an appeal against the Order with CESTAT. As the demand has not been accepted by the company, the contingent liability, in accordance with the normal and accepted accounting principles, has been included in the figure disclosed at Note No. 33(a).

The position in this regard has also been suitably explained in Note No 35 of the Financial Statements.

The net impact of qualifications mentioned at Para (i) to (ii) above, is overstatement of excess of income over expenditure by Rs. 697.31 Lakhs for the year, overstatement of current liabilities by Rs. 2382.69 Lakhs and understatement of other equity by Rs. 2382.69 Lakhs on 31st March 2017 to the extent quantified as stated above in basis for qualified opinion.



QUALIFIED OPINION

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matter described in the Basis for Qualified opinion paragraph, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2017, and of the Excess of Income over Expenditure (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. The Companies (Auditor's Report) Order, 2016 ("the order"), issued by the Central Government in terms of sub-section (11) of section 143 of the Act, is not applicable to India Trade Promotion Organisation, as it is registered under Section 8 of the Companies Act, 2013.
2. The Comptroller & Auditor General of India has issued directions indicating the areas to be examined in terms of sub-section (5) of section 143 of the Act, the compliance of which is set out in "Annexure – A".
3. As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations except for the points mentioned in the basis of qualified opinion which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the Balance Sheet, the Statement of Income & Expenditure, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder except Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets" as mentioned in Para (ii) of basis for qualified opinion;

- (e) the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
- (f) in terms of Notification No. G.S.R. 463(E) dated 05th June 2015 issued by the Ministry of Corporate Affairs, the provisions of section 164(2) of the Act regarding disqualification of directors, are not applicable to the Company;
- (g) with respect to the adequacy of internal financial controls over financial reporting of the Company and 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 read with Companies (Audit & Auditors) Amendment Rules, 2017, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) the Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – as explained in Notes No. 33 to the standalone Ind AS financial statements;
 - (ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) provision regarding Investor Education and Protection Fund does not apply to Company; and
 - (iv) the Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 in Note 10 to the standalone Ind AS financial statements. Based on audit procedures and relying on the management representation, we report that disclosures are in accordance with books of account maintained by the Company.

For Grover, Lalla & Mehta
Chartered Accountants, FRN 002830N

Sd/-
Alok Goyal
(Partner)
M. No. 501529
Place: New Delhi
Date: 29th August, 2017



ANNEXURE – A REFERRED TO IN PARAGRAPH 2 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE

REPORT ON THE DIRECTIONS ISSUED BY THE COMPTROLLER & AUDITOR GENERAL OF INDIA UNDER SECTION 143(5) OF THE COMPANIES ACT, 2013

Sl. No.	Directions	Reply
1	Whether the company has clear title/ lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.	All freehold properties and leasehold lands have clear title/lease deeds.
2	Whether there are any cases of waiver/ write off of debts/loans/interest etc., if yes, the reasons thereof and amount involved.	Debts of Rs. 0.25 Lakhs written off in respect of Two parties with the approval of Competent Authority. Debts of Rs. 17.86 Lakhs written off in respect of Four parties with the approval of Competent Authority against Provision for doubtful recovery of Debts. Misc. write off of Rs. 0.02 Lakhs in respect of petty Debits / Credits.
3	Whether proper records are maintained for inventories lying with third parties and assets received as gift/grant(s) from the Government or other authorities.	The Company has no inventory lying with third parties. Further, in our opinion, the company is maintaining proper records for assets received as gift/grant(s) from the Government or other authorities.

For Grover, Lalla & Mehta
Chartered Accountants
FRN 002830N

Sd/-
Alok Goyal
(Partner)
M. No. 501529

Place: New Delhi
Date: 29th August, 2017

ANNEXURE – B REFERRED TO IN PARAGRAPH 3(G) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER SECTION 143(3)(I) OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the internal financial controls over financial reporting of India Trade Promotion Organisation, (“the Company”) as of March 31, 2017, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR’S RESPONSIBILITY

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

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

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



MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles including the Indian Accounting Standards (Ind AS). A company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Grover, Lalla & Mehta
Chartered Accountants
FRN 002830N

Sd/-
Alok Goyal
(Partner)
M. No. 501529
Place: New Delhi
Date: 29th August, 2017

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF "INDIA TRADE PROMOTION ORGANISATION" (ITPO), NEW DELHI

REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

We have audited the accompanying consolidated Ind AS financial statements of **India Trade Promotion Organisation** (hereinafter referred to as "the Holding Company"), its Subsidiaries "**Karnataka Trade Promotion Organisation**" and "**Tamil Nadu Trade Promotion Organisation**" (the Holding Company and its subsidiaries together referred to as "the Group") and its Jointly Controlled Entity "**National Centre For Trade Information**", comprising the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Income and Expenditure (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements")

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group and jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the Companies included in the Group and its Jointly Controlled Entity are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its Jointly Controlled Entity and for preventing and detecting frauds and other irregularities; the 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 Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in term of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements subject to following qualification.

Basis for Qualified Opinion

- (i) The Holding Company (ITPO), has made a provision of Rs 184.00 Lakhs during the year (cumulative upto 31.03.2017 – Rs 3264.00 Lakhs) for Performance Related Pay (PRP) and released payments of Rs 1569.92 Lakhs to employees included in loans under the head current assets upto 31st March, 2017 without approval of the scheme by the competent authority as explained in Note 26. Accordingly, the excess of income over expenditure during the year has been understated by Rs 184.00 Lakhs and other equity have been understated by Rs 3264.00 Lakhs and provisions under the head current liabilities have been overstated by Rs 3264.00 Lakhs.
- (ii) Holding Company (ITPO), Contingent liabilities includes a service tax demand cum show cause notice of Rs 1022.45 Lakhs out of which Rs 881.31 Lakhs has been paid in the year 2014-15 against the order passed by Commissioner of Custom and Central Excise and the balance amount of Rs 141.14 Lakhs is payable, as explained in Note No 39(i). In our opinion, provision of Rs 881.31 Lakhs has not been made as per Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets". Accordingly, the excess of income over Expenditure is overstated and the other equity has been overstated by this amount and provisions under current liabilities have been understated by the same amount.

The net impact of qualifications mentioned at Para (i) to (ii) above, is overstatement of excess of income over expenditure by Rs 697.31 Lakhs for the year overstatement of current liabilities by Rs 2382.69 Lakhs and understatement of other equity by Rs 2382.69 Lakhs as on 31st March, 2017 to the extent quantified as stated above in basis for qualified opinion.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matter described in the Basis for Qualified opinion paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated state of affairs (financial position) of the Group and Jointly Controlled Entity as at 31st March, 2017, and their consolidated Excess of Income over Expenditure (financial performance including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters:-

- (i) Pending decision on withdrawal of exemption under section 11 or section 10(23C)(iv) of the Income Tax Act, 1961 no provision for Income Tax and Deferred Tax have been made by the Group Company, Tamil Nadu Trade Promotion Organisation (TNTPO) (Refer Note No 38 (ii)).
- (ii) Pending decision on withdrawal of exemption under section 11 or section 10(23C)(iv) of the Income Tax Act, 1961 no provision for Income Tax and Deferred Tax have been made by the Group Company, Karnataka Trade Promotion Organisation (KTPO) (Refer Note No 38 (iii)).
- (iii) The Group company, Karnataka Trade Promotion Organisation (KTPO) has capitalized Rs 585.00 Lakhs against the development of external infrastructure as per the requirement of the projects carried out by KIADB on the basis of advice from KIADB, pending receipt of certified copies of final bill submitted by the contractors and expenditure statement duly certified by independent auditors (Refer Note No. 50).
- (iv) Jointly Controlled Entity, National Centre for Trade Information (NCTI) has decided in its Board Meeting that winding up formalities of NCTI may be initiated soon thereby impacting the going concern assumption (Refer Note No. 55(c)).
- (v) Jointly Controlled Entity, National Centre for Trade Information (NCTI) has share application money pending for allotment amounting to Rs 57.86 Lakhs out of which Rs 34.00 Lakhs is pending for allotment to India Trade Promotional Organisation (ITPO) and Rs 23.86 Lakhs is pending for allotment to National Informatics Centre since the financial year 1996-97. The company (NCTI) has contravened the provisions of the Companies (Acceptance of Deposit) Rules 2014.

Our opinion is not modified in respect of these matters.

Other Matters

We did not audit the Ind AS financial statements / financial information of two subsidiaries and one jointly controlled entity, whose Ind AS financial statement / financial information reflect the details given below of total assets as at 31st March 2017, total revenue and net cash flows for the year ended on that date to the extent which they are reflected in consolidated Ind AS financial statements:

(Rs. in Lakhs)

Name of the Companies	Total Assets	Total Revenue	Net Cash Flows
Subsidiaries:			
Karnataka Trade Promotion Organisation	12765.38	799.94	2.66
Tamil Nadu Trade Promotion Organisation	22563.62	4749.50	677.05
Joint Venture:			
National Center for Trade Information *	--	--	--
Total	35329.00	5549.44	679.71

* Investment in National Centre for Trade Information is accounted for using the equity method.

These Ind AS financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity, and our report in terms of subsection (3) and (11) of Section 143 of the Act, in so far as it relates to aforesaid subsidiaries and jointly controlled entity, is based solely on the reports of the other auditors.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of other auditors on separate Ind AS financial statements and the other financial information of the subsidiaries and jointly controlled entity, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
 - (a) we have sought and obtained all the information and explanations, except for the points mentioned in the basis for qualified opinion paragraph, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
 - (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statement have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - (c) the Consolidated Balance Sheet, the Consolidated Statement of Income and Expenditure, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the preparation of the consolidated Ind AS financial statements;
 - (d) in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the relevant rules issued thereunder except Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets" as mentioned in Para (ii) of basis for qualified opinion;
 - (e) the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group and jointly controlled entity;
 - (f) in terms of Notification No. G.S.R. 463(E) dated 05th June 2015 issued by the Ministry of Corporate Affairs, the provisions of section 164(2) of the Act regarding disqualification of directors, are not applicable to the Group and jointly controlled entity;
 - (g) with respect to the adequacy of internal financial controls over the financial reporting of the Group and jointly controlled entity and the operating effectiveness of such controls, refer to our separate report in "Annexure – A"; 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 read with Companies (Audit & Auditors) Amendment Rules, 2017, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate Ind AS financial Statements as also the other financial information of jointly controlled entity, as noted in the 'Others Matters' Paragraph:

- i. The Consolidated Ind AS financial statements disclose the impact of pending litigation on the consolidated Ind AS financial positions of the Group and its jointly controlled entity – Refer Note No 36 to the consolidated Ind AS financial statements;
- ii. The Group and its Jointly Controlled Entity did not have any material foreseeable losses on long term contracts including derivative contracts;
- iii. Provision regarding Investor Education and Protection Fund doesn't apply to the Group and its Jointly Controlled Entity.
- iv. the Group and its jointly controlled entity have provided requisite disclosures in its consolidated Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 in Note No 11 to the consolidated Ind AS financial statements. Based on audit procedures and relying on the management representation, we report that disclosures are in accordance with books of account maintained by the Group and its Jointly Controlled entity.

For Grover, Lalla & Mehta
Chartered Accountants
FRN 002830N

Sd/-
Alok Goyal
(Partner)
M. No. 501529

Place: New Delhi
Date: 29th August, 2017



ANNEXURE – A REFERRED TO IN PARAGRAPH 1(G) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER SECTION 143(3)(I) OF THE COMPANIES ACT, 2013 (“THE ACT”)

In conjunction with our audit of the consolidated Ind AS financial statements of the Group as of and for the year ended March 31, 2017, we have audited the internal financial controls over Ind AS financial reporting of India Trade Promotion Organisation, (“hereinafter referred to as “the Holding Company”) and its subsidiaries and jointly controlled entity which are companies incorporated in India as of that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding company, its subsidiaries and jointly controlled entity, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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 the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by the ICAI 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 ICAI. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that, except for the matters referred to in Qualified Opinion paragraph below, the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the ‘Other Matters’ paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the aforesaid entities.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles including Indian Accounting Standards (Ind AS). A company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATION OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

QUALIFIED OPINION

The following material weaknesses have been identified in respect of the Group Company, Karnataka Trade Promotion Organisation by their Auditor:

- (a) The minuscule staff strength of the Company is affecting the internal financial control system and its operating effectiveness.
- (b) The internal control systems for complying with applicable provisions of various statutes are inadequate which could result in payment of additional levies and damages.

In our opinion, to the best of our information and according to the explanations given to us and taking into consideration the reports of the other auditors referred to in the Other Matters paragraph below, except for the matter referred to in Qualified Opinion paragraph above, the Holding Company, its subsidiary and its jointly controlled entity, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.



India Trade
Promotion Organisation

OTHER MATTERS

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operative effectiveness of the internal financial controls over financial reporting in so far as it relates to two subsidiary companies and one jointly controlled entity, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For Grover, Lalla & Mehta
Chartered Accountants
FRN 002830N

Sd/-
Alok Goyal
(Partner)
M. No. 501529

Place: New Delhi
Date: 29th August, 2017

COMMENTS OF THE CAG OF INDIA

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF INDIA TRADE PROMOTION ORGANISATION FOR THE YEAR ENDED 31 MARCH 2017.

The preparation of financial statements of INDIA TRADE PROMOTION ORGANISATION for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 August 2017.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6) (a) of the Act of the financial statements of INDIA TRADE PROMOTION ORGANISATION for the year ended 31 March 2017. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

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

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

Place: New Delhi

Dated: 25 September 2017

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 2017.**

The preparation of consolidated financial statements of INDIA TRADE PROMOTION ORGANISATION for the year ended 31 March, 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) read with Section 129(4) of the Act is responsible for expressing opinion on the financial statements under Section 143 read with Section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 August 2017.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6) (a) read with Section 129(4) of the Act of the consolidated financial statements of INDIA TRADE PROMOTION ORGANISATION for the year ended 31 March 2017. We conducted a supplementary audit of the financial statements of INDIA TRADE PROMOTION ORGANISATION, TAMILNADU TRADE PROMOTION ORGANISATION and NATIONAL CENTRE FOR TRADE INFORMATION but did not conduct supplementary audit of the financial statements of KARNATAKA TRADE PROMOTION ORGANISATION for the year ended on that date. The supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

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

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

Place: New Delhi

Dated: 25 September 2017

REPORT ON CORPORATE GOVERNANCE

1. THE COMPANY'S GOVERNANCE PHILOSOPHY

India Trade Promotion Organisation (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 entail 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 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 market – both in India and abroad.
- To prepare and update trade related database for dissemination among trade and industry in India.
- Organizing seminars, conferences and workshops on trade related issues.
- To lease out its exhibition halls and facilities to other organizers for holding trade related events.

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

2. BOARD OF DIRECTORS

2.1 Size of the Board

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

2.2 Composition of the Board

The Board Comprised of 7 Directors, 2 as Functional Directors including the Chairman and Managing Director, 4 are Nominee Directors of Government of India and 1 Independent Director.

Shri L.C.Goyal has 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. 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. 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, 2017, 4 Board Meetings were held on 27th June, 2016, 24th August, 2016, 29th September, 2016, and 28th February, 2017, respectively.

Details of number of Board Meeting 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 2016-17 are tabled below:

Sl. No.	Name of Director	Board Meetings		Attendance at last AGM held on (29th September 2016)	As on March 31, 2017 (No. of other Directorship)
		Held during the tenure	Attendance		
	Shri L.C. Goyal	4	4	Yes	2 (KTPO, TNTPO)
	Smt. Shubhra Singh	3	3	Yes	4 (KTPO, TNTPO, WBTPPO, NCTI)
	Shri Rajneesh	1	1	No	4 (KTPO, TNTPO, WBTPPO, NCTI)
	Shri J.K. Dadoo	4	3	No	6 (MMTC, STC, NTC, NJMC, CCI, NIFT)
	Shri Manoj Joshi	4	3	Yes	2 (NSIC, DSIIDC)
	Shri Sanjay Chadha	4	3	Yes	-
	Shri K. Nagaraj Naidu	4	4	Yes	4 (EEPC, IIFT, GITA, Invest India, WAPCOS)
	Shri P.N. Vijay	4	4	Yes	4 (Dabur India Ltd, ILFA, MSL, H & B Stores Ltd)

2.4 Information required to be placed before the Board of Directors:

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

1. Annual operating plans and 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 front 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 2016-17

India Trade Promotion Organisation has complied with the Corporate Governance. Three Audit Committee Meetings were held on 27th June, 2016, 24th August, 2016, and 28th February, 2017 respectively.

SI No .	Name of Committee Members	Designation	Position in Committee	Meetings	
				Held during the tenure	Attendance
1.	Shri P.N. Vijay	Independent Director	Chairman	2	2
2.	Shri J.K. Dadoo	Part Time official Director	Member	3	3
3.	Shri Manoj Joshi	Part Time official Director	Member	3	1
4.	Smt. Shubhra Singh	Functional Director	Member	2	2
5.	Shri Rajneesh	Functional Director	Member	1	1

6.	Shri K. Nagaraj Naidu	Part Time official Director	Member	3	3
7.	Shri Sanjay Chadha	Part Time official Director	Member	3	0

3.2 Composition of Remuneration Committee, Meeting of and attendance in Remuneration Committee during the year 2016-2017

India Trade Promotion Organisation has Constituted Remuneration Committee.

SI No .	Name of Remuneration Committee Members	Designation	Position in Remuneration Committee	Meetings	
				Held during the tenure	Attendance
1.	Shri P.N. Vijay	Independent Director	Chairman	-	-
2.	Shri J.K. Dadoo	Part Time official Director	Member	-	-
3.	Shri Manoj Joshi	Part Time official Director	Member	-	-
4.	Shri K. Nagaraj Naidu	Part Time official Director	Member	-	-
5.	Shri Sanjay Chadha	Part Time official Director	Member	-	-
6.	Shri Rajneesh	Functional Director	Member	-	-

During the Year 2016-17, No meeting of the Remuneration Committee was held.

3.3 Composition of CSR Committee, Meeting of and attendance in CSR Committee during the year 2016-2017.

India Trade Promotion Organisation has complied with the Guidelines issued by the Department of Public Enterprises/Companies Act,2013.

SI No.	Name of CSR Committee Members	Designation	Position in CSR Committee	Meetings	
				Held during the tenure	Attendance
1.	Shri J.K. Dadoo	Part Time official Director	Chairman	2	2
2.	Shri Manoj Joshi	Part Time official Director	Member	2	1

3.	Shri Sanjay Chadha	Part Time official Director	Member	2	1
4.	Shri P.N. Vijay	Independent Director	Member	2	2
5.	Shri Rajneesh	Functional Director	Member	2	2

During the Year 2016-17, 2 meetings of the CSR Committee were held.

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 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
2013-14	23.9.2014	12.00 Noon	Pragati Bhawan Pragati Maidan New Delhi- 110 001	Nil
2015-16	29.9.2015	12.30 PM	Pragati Bhawan Pragati Maidan New Delhi- 110 001	Nil
2016-17	29.9.2016	12.00 Noon	Pragati Bhawan Pragati Maidan New Delhi- 110 001	Nil

6. DISCLOSURES

- (I) The transactions with related parties is disclosed as per the requirement of Companies Act, 2013.
- (II) ITPO is complying with the applicable accounting standards. Only after 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 Whistle Blower Policy, the Policy has been formulated and implemented after approval of the Competent Authority.
- (V) Board and Senior Management of ITPO have no personal interest, which have 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 Organisation.

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

7. MEANS OF COMMUNICATION

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

8. AUDIT QUALIFICATION

The audit observations/comments, if any, and replies, thereto, of the management for the financial year 2016-17 will be part of the Annual Report.

9. TRAINING OF BOARD OF DIRECTORS

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

10. WHISTLE BLOWER POLICY

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

11. CORPORATE SOCIAL RESPONSIBILITY

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

As per the Companies Act, 2013, CPSEs have to spend at least two per cent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its CSR Policy. The 2% of the average net profit made by ITPO during the years 2013-14, 2014-15 and 2015-16 was Rs. 3.68 crore (approx.) which ITPO had to spend on its CSR activities for the year 2016-17. Further, the unspent amount of Rs. 2.53 crore (approx.) which ITPO could not spend on CSR activities for the year 2015-16 had been carried forward to this amount resulting in a total amount of Rs. 6.21 crore (approx.) which was to be spent on CSR activities for the year 2016-17.

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

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, 2017 as stipulated in Notification No. 18(8)/2005- GM, dated 14th May 2010, issued by Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises, Government of India For Corporate Governance. While going through the statutory records of the Company for the period 01/04/2016 to 31/03/2017. The Company has appointment one Independent directors w.e.f 10/06/2016 and complied with the requirements of sub-section (4) of Section 149 and other applicable provisions of The Companies Act, 2013 as well as the requirements of DPE Guidelines.

The Compliance of guidelines on Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in above mentioned Guidelines. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governances as stipulated in DPE Guidelines.

We further state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the Management has conducted affairs of the company.

For Rajesh Mittal & Associates
Company Secretaries

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

Place : New Delhi
Dated : 14.08.2017



India Trade
Promotion Organisation

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 CPSEs, 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 2016-17.

Sd/-

(L.C. Goyal)

Chairman and Managing Director

Place : New Delhi

Dated : 31.07.2017

CORPORATE SOCIAL RESPONSIBILITY

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

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

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

For the year 2015-16, ITPO contributed Rs. One crore each towards “Swachh Bharat Kosh” and “Clean Ganga Fund” of Govt. of India. In addition, the proposals in respect of activities such as welfare of Blind, skill development training for handicapped, SC/ ST/ OBC and weaker sections of society, vocational training for abused/ orphaned and street children, wheelchairs distribution for handicapped, welfare of ex-servicemen, war widows/disabled & their dependents/orphans and welfare of artisans from weaker sections, have been executed under ITPO’s CSR initiative for the year 2015-16.

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

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

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

3. The average net profit of the company for the last three financial years (2013-14, 2014-15 & 2015-16) is Rs.184 crore (approx.).

4. The amount to spend on CSR activities for the year 2016-17 is Rs. 3.68 crore (approx.) (2% of average net profit of the company for the last three financial years). In addition, Rs. 2.53 crore (approx.) was the amount that ITPO could not spend on its CSR activities during the year 2015-16. Therefore, that total amount ITPO had to spend on its CSR activities for the year 2016-17 is Rs. 6.21 crore (approx.).
5. Details of the amount spent during the financial year 2016-17 are detailed below:

Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or Programs 1. Local area or other 2. Specify the State and District where projects or programs were undertaken.	Amount outlay (budget) project or program wise	Amount spent on the project or programs Sub-heads" 1.Direct expenditure 2. Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	Swachh Bharat Kosh, Gol	Sanitation & cleanliness	Govt. of India Projects in rural and urban areas	Rs. One Crore	Rs. One Crore spent as Direct expenditure. No overheads	Rs. One Crore	Rs. One Crore Contributed directly to Dept. of Expenditure, Ministry of Finance, Govt. of India
2	Clean Ganga Fund, Gol	Sanitation & cleanliness	Govt. of India project involving River Ganga	Rs. One Crore	Rs. One Crore spent as Direct expenditure. No overheads	Rs. One Crore	Rs. One Crore Contributed directly to Ministry of Water Resources, River Development & Ganga Rejuvenation, Govt. of India
3	Health Minister's Cancer Patient Fund	Healthcare	Govt. of India project	Rs. 30 lakh	Rs. 30 lakh spent as Direct expenditure. No overheads	Rs. 30 lakh	Contributed directly to the Health Minister's Cancer Patient Fund
4	The Akshay Patra Foundation	Social Welfare/ Hunger Eradication	Under finalization	Rs. 20 lakh	Rs. 20 lakh spent as Direct expenditure. No overheads	Rs. 20 lakh	Contributed directly to The Akshay Patra Foundation
5	Khadi and Village Industries Commission (KVIC)	Social Welfare/ Livelihood Enhancement	Women belonging to Rural areas	Rs. 27 lakh	Rs. 27 lakh spent as Direct expenditure. No overheads	Rs. 27 lakh	Contributed directly to KVIC
6	Prayas Juvenile Aid Centre Society	Healthcare	Delhi	Rs. 17 lakh	Rs. 17 lakh spent as Direct expenditure. No overheads	Rs. 17 lakh	Contributed directly to Prayas Juvenile Aid Centre Society

6. The unspent amount on CSR activities that ITPO could not spend (Rs. 3.29 crore) (approx.) during the year 2016-17 has been carried forward to the year 2017-18. The reasons for not spending are operational, although management is very much keen on spending on CSR activities in the next financial year along with the amount to be spent for the year 2017-18 as per the provisions of the Companies Act, 2013.
7. CSR committee is of the view that the implementation and monitoring of ITPO's CSR Policy complies with CSR objectives and Policy of the company.

<p>Sd/- (L.C. Goyal) Chairman & Managing Director</p>	<p>Sd/- (J.K. Dadoo) Chairman, CSR Committee</p>
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MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry structure, vision and mission

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

- To promote external and domestic trade of India in cost effective manner by organizing and participating in international trade fairs in India and abroad; organizing buyer-seller meets and contact promotion programmes abroad; conducting overseas market surveys, exchanging and contact promotion programmes abroad; conducting overseas market surveys, exchanging and coordinating visits of business delegations, and undertake 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 Bangalore, 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 Organisations, 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, 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, 2017, have yielded a surplus of Rs.168.99

crore as against Rs.164.13 crore (Recast as per Ind-AS) for the fiscal year 2015-16. The total income generated during 2016-17 is Rs.388.97 crore compared to Rs. 375.56 crore (Recast as per Ind-AS) in the preceding year 2015-16.

SWOT

ITPO has its own exhibition ground at prime location having State of the art Exhibition Halls and other Convention/Conference facilities. 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. 40 years experience in industry with rich exposure in various trends, requirements. Wide network with Ministries like MEA, other TPOs and the only Govt. PSU with back up of various Govt. agencies / departments, provides confidence among the participants. Well organized system in place to control the traffic during major fairs. Since some of the infrastructure is age-old and inadequate to meet the requirement of more exhibitions and fairs, the same requires up gradation with modern facilities and more new exhibition halls. Multi use limitations for use of ground restriction by govt. policies and to adhere the objective of Section 8 Company not to maximize the profit only. Competition from private organisers and substantial change in Government Policies

Future Outlook

The Cabinet Committee on Economic Affairs (CCEA) approved in January, 2017 the IECC project at an estimated project cost of Rs.2,254 crore. ITPO will utilise Rs.1,200 crore out of its free reserves towards funding of the project and will raise institutional loan / soft loan / external aid and /or land monetization for hotel for the balance amount of the project cost.

The redevelopment of Pragati Maidan is envisaged in two phases. Phase-1 redevelopment is expected to complete by August 2019. Phase-1 of the project will result in redevelopment of nearly 3.82 lakh sq.mtrs. After redevelopment, the exhibition space will be 1.52 lakh sq.mtr. as against 65,000 sq.mtr. presently. Redevelopment will also include creation of a state-of-the-art Convention Center with seating capacity of 7,000 persons.

The National Buildings Construction Corporation Ltd. (NBCC) is working as a Project Management Consultant for the project. On the basis of Global bidding, Shapoorji Pallonji has been selected as the project executor for construction of the project.

Internal control systems and their adequacy

Internal controls are continually evaluated by Management and 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 recognizes the talents of the employees duly and encourages sharing of knowledge between experienced manpower and young group. Company provides various skill development training to its employees in-house and outside trainings nominating for various workshops and seminars etc.

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 conservation of energy and resources like water, power etc. Setting up of 100 KWP Solar PV Power Project on Roofs of Hall No. 7 /Replacement of existing lighting of permanent building with energy sufficient lighting at Pragati Maidan. 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.

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.

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.

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.



Shri L.C. Goyal, CMD, ITPO laying foundation stone for construction of Hostel block of the Institution for blinds at Panchkuian Road, New Delhi under the CSR initiatives along-with ED, ITPO and other senior officials.



India International Trade Fair 2016



Accounts

Standalone Accounts

40th Annual Report 2016-17

BALANCE SHEET AS AT 31ST MARCH, 2017

(Rs. in Lakhs)

Particulars	Notes	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
ASSETS				
I. Non-Current Assets				
1) Property, plant and equipment	3	3,766.58	4,332.75	4,630.01
2) Capital Work in Progress	3	109.26	617.92	559.48
3) Other Intangible Assets	3	14.13	-	-
4) Intangible Assets Under Development	3	-	-	62.00
5) Financial Assets				
a) Investments	4	1,196.42	1,249.01	1,275.81
b) Loans	5	1,392.67	1,553.98	1,708.62
c) Other Financial assets	6	-	500.00	20,900.00
6) Other Non-Current Assets	7	14,661.41	342.47	357.49
II. Current Assets				
1) Financial Assets				
a) Investments	8	72.40	58.45	60.72
b) Trade Receivables	9	870.26	992.27	688.18
c) Cash and Cash Equivalents	10	3,571.50	2,863.59	2,992.42
d) Bank Balances other than Cash and Cash Equivalents	11	143,599.99	139,299.90	100,700.00
e) Loans	12	2,002.16	2,116.85	1,920.33
f) Other Financial assets	13	12,325.70	12,504.85	12,480.86
2) Other Current Assets	14	20,613.63	17,596.25	14,446.18
TOTAL ASSETS		204,196.11	184,028.29	162,782.10
EQUITY AND LIABILITIES				
A. Equity				
1) Equity Share Capital	15	25.00	25.00	25.00
2) Other Equity	16	182,939.23	166,040.19	149,626.52
B. Liabilities				
I. Non-Current Liabilities				
1) Provisions	17	2,417.57	1,832.76	1,703.90
2) Other non-current Liabilities	18	853.54	933.39	520.58
II. Current Liabilities				
1) Financial Liabilities				
a) Trade Payables	19	2,007.86	2,211.28	1,173.01
b) Other Financial Liabilities	20	1,635.21	1,619.62	1,242.65
2) Other Current Liabilities	21	5,969.65	5,126.73	4,908.97
3) Provisions	22	8,348.05	6,239.32	3,581.47
TOTAL EQUITY AND LIABILITIES		204,196.11	184,028.29	162,782.10

General Information 1

Significant accounting policies 2

The accompanying notes are an integral part of the financial statements.

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

Sd/-
(D.M.Sharma)
Chief Financial Officer

Sd/-
(Deepak Kumar)
Executive Director

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

As per our report annexed
For Grover, Lalla & Mehta,
Chartered Accountants
FRN - 002830N

Sd/-
(Alok Goyal)
Partner
M. No. : 501529

Place: New Delhi
Dated: 29.08.2017

STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 31ST MARCH, 2017

(Rs. in Lakhs)

Particulars	Notes	For the year ended 31.03.2017	For the year ended 31.03.2016
I Income			
Revenue from Operations	23	26,314.33	24,552.48
Other Income	24	12,582.45	13,003.24
Total Income		38,896.78	37,555.72
II Expenses			
Employee Benefits Expenses	25	11,121.08	8,960.28
Depreciation and Amortization Expenses	26	463.09	485.81
Other Expenses	27	10,341.32	9,536.84
Total Expenses		21,925.49	18,982.93
III Excess of Income over Expenditure before Exceptional items and Tax		16,971.29	18,572.79
Exceptional Items	28	145.96	(2,186.71)
IV Excess of Income over Expenditure before Tax		17,117.25	16,386.08
V Tax Expenses		-	-
VI Surplus for the period (a)		17,117.25	16,386.08
VII Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		-	-
(a) Remeasurement of net defined benefit (liability)/asset		(218.21)	27.59
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Other comprehensive income (b)=A+B		(218.21)	27.59
VIII Total comprehensive income for the period (a+b)		16,899.04	16,413.67
Earnings per equity share of Rs.100 each	29		
(1) Basic		0.68	0.66
(2) Diluted		0.68	0.66

General Information 1

Significant accounting policies 2

The accompanying notes are an integral part of the financial statements.

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Partner
M. No. : 501529

Place: New Delhi
Dated: 29.08.2017

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2017

(Rs. in Lakhs)

	For the Year ended 31st March 2017		For the Year ended 31st March 2016	
A CASH FLOW FROM OPERATING ACTIVITIES				
Excess of income over expenditure before Tax		16,899.04		16,413.67
Adjustments For:				
Depreciation and Amortisation Expenses	463.09		485.81	
Loss/ (Profit) on Sale of Fixed Assets	27.98		(0.35)	
Interest & Dividend Income	(11,825.74)		(12,174.49)	
Provisions	147.93		60.35	
Provisions/Liabilities No Longer Required	(145.96)		(138.29)	
Provision for Contribution to Pension Fund	-		2,325.00	
Intangible asset written off	-		62.00	
Impairment Loss	33.89		-	
Fair value (gain)/ loss on Financial Investment	(8.37)		6.49	
Assets Written Off	0.11		5.26	
		(11,307.07)		(9,368.22)
		5,591.97		7,045.45
Operating Profit before working capital changes				
Increase (Decrease) in Non-Current Financial Loans	(171.11)		(173.34)	
Increase (Decrease) in Other Non-Current Assets	479.23		(14.99)	
Increase (Decrease) in Trade Receivables	(115.65)		288.04	
Increase (Decrease) in Bank Balance	4,300.09		38,599.90	
Increase (Decrease) in Current Loans	(123.59)		188.42	
Increase (Decrease) in Other Current Financial Assets	(181.90)		29.95	
Increase (Decrease) in Other Current Assets	3,164.08		3,168.79	
(Increase) Decrease in Non-Current Provisions	(584.81)		(128.86)	
(Increase) Decrease in Other Non-Current Liabilities	79.85		(412.81)	
(Increase) Decrease in Trade Payables	203.42		(1,038.27)	
(Increase) Decrease in Other Current Financial Liabilities	(15.59)		(376.97)	
(Increase) Decrease in Other Current Liabilities	(842.92)		(217.76)	
(Increase) Decrease in Current Provisions	(2,108.73)		(332.85)	
Provisions/Liabilities No Longer Required	(141.98)		(86.60)	
Less: Net Increase in Working Capital		3,940.39		39,492.65
Net cash from Operating Activities [A]		1,651.58		(32,447.20)
B CASH FLOW FROM INVESTING ACTIVITIES				
(Deposit)/ Withdrawal in Financial Assets	500.00		20,400.00	
Adv. For IECC Project	(13,270.26)		-	
Purchase of Fixed Assets	(215.98)		(253.40)	
Sale of Fixed Assets	222.42		1.50	
Investments & Intercorporate Deposits	(5.59)		(4.22)	
Interest & Dividend Income	11,825.74		12,174.49	
Net cash from Investing Activities [B]		(943.68)		32,318.37

Contd.



C	CASH FLOW FROM FINANCING ACTIVITIES [C]		NIL		NIL
	Net Increase / Decrease in Cash and Cash equivalents [A+B+C]		707.91		(128.83)
	Cash and Cash equivalents at the beginning of the year		2,863.59		2,992.42
	Cash and Cash equivalents at the end of the year		3,571.50		2,863.59
	Components of Cash and Cash Equivalents				
	At The End of The Year				
	Cash in Hand and Cash equivalents		9.28		13.85
	Balance with Banks - in Current & Saving Accounts		3,562.22		2,849.74
	Balance with Banks - in Term Deposit up to 3 months original maturity		-		-
			3,571.50		2,863.59

- Note:-
1. Cash and Cash equivalents include Cash in hand, Drafts/Cheques in hand, Bank Balances, Deposits with Banks and Short term Investments with an original maturity of 3 months or less.
 2. Outflow from Operating Activities at 'A' includes Rs. 200.75 lakh (previous year Rs. 200 lakh) for expenditure on CSR Activities.

Sd/-
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Company Secretary

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As per our report annexed
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Chartered Accountants
FRN - 002830N

Sd/-
(Alok Goyal)
Partner
M. No. : 501529

Place: New Delhi
Dated: 29.08.2017

40th Annual Report 2016-17

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2017

A. Equity Share Capital (Refer Note. 15)

(Rs. in Lakhs)

Particulars	31.03.2017	31.03.2016	01.04.2015
Balance at the beginning of the year	25.00	25.00	25.00
-Issue of equity shares	-	-	-
Balance at the end of the year	25.00	25.00	25.00

B. Other Equity (Refer Note no. 16)

Financial year 2016-17

(Rs. in Lakhs)

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Retained Earnings	Capital Reserve	Capital Grant from Government of India	Remeasurement of Defined Benefit Plan	
Balance at the beginning of the year	159,703.66	1,343.32	4,965.62	27.59	166,040.19
Changes due to Ind AS Adjustments	-	-	-	-	-
Restated Balance at the beginning of the year	159,703.66	1,343.32	4,965.62	27.59	166,040.19
Profit/ (loss) for the year	17,117.25	-	-	-	17,117.25
Other Comprehensive income/(loss) for the year	-	-	-	(218.21)	(218.21)
Balance at the end of the year	176,820.91	1,343.32	4,965.62	(190.62)	182,939.23

Financial year 2015-16

(Rs in Lakhs)

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Retained Earnings	Capital Reserve	Capital Grant from Government of India	Remeasurement of Defined Benefit Plan	
Balance at the beginning of the year	143,642.47	6,383.17	-	-	150,025.64
Changes due to Ind AS Adjustments	-324.89	-5,039.85	4,965.62	-	-399.12
Restated Balance at the beginning of the year	143,317.58	1,343.32	4,965.62	-	149,626.52
Profit/ (loss) for the year	16,386.08	-	-	-	16,386.08
Other Comprehensive income/(loss) for the year	-	-	-	27.59	27.59
Balance at the end of the year	159,703.66	1,343.32	4,965.62	27.59	166,040.19

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As per our report annexed
For Grover, Lalla & Mehta,
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Sd/-
(Alok Goyal)
Partner
M. No. : 501529

Place: New Delhi
Dated: 29.08.2017

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

1 GENERAL INFORMATION

1.1. Company Overview

The Company was incorporated u/s 25 of the Companies Act, 1956, (now Section - 8 of the Companies Act, 2013) on 30.12.1976 as Trade Fair Authority of India (TFAI) with the objective of promoting India's trade primarily through the medium of organising trade fairs and exhibitions in India and abroad. Subsequent to the merger of erstwhile Trade Development Authority of India with TFAI on 1.1.1992, the merged organisation was renamed as India Trade Promotion Organisation duly 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.

1.2. Basis Of Preparation Of Financial Statements

I. Statement of Compliance

These financial statements are prepared on accrual basis of accounting in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 (The Act) [Companies (Indian Accounting Standards) Rules, 2015 & Companies (Indian Accounting Standards) Amendment Rules, 2016] and other applicable provisions of the Act. These are the Company's first Ind AS financial statements and Ind AS 101 'First Time Adoption of Indian Accounting Standards', has been applied.

For all the periods upto and including March 31, 2016, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India, Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the Companies Act, 2013 (to the extent notified and applicable) and applicable provisions of the Companies Act, 1956.

Note 48 explains how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

II. Basis of Measurement

The financial statements have been prepared on accrual basis of accounting under historical cost convention, except for following 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 Note 46

III. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest lakhs (upto two decimals) for the Company.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

IV. Use of Estimates, Judgements and Assumptions

The preparation of financial statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, related disclosures, contingent assets and liabilities at the balance sheet date and the reported amount of income and expenses during that period. The estimates and management's judgements are based on experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that may have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

i) Useful life of Property, Plant and Equipment (PPE)

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors which are determined by management at the time the asset is acquired and reviewed periodically.

ii) Recoverable amount of property, plant and equipment and capital work in progress

The recoverable amount of property, plant and equipment and capital work in progress is based on estimates and assumptions, in particular the expected market outlook and future cash flows associated. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount resulting in impairment.

iii) Post-retirement benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases, expected rate of return and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

iv) Provisions and Contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'.

Provisions 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.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Property, Plant and Equipment (PPE)

a) Property, Plant and Equipment up to March 31, 2015 were carried in the Balance Sheet in accordance with Indian GAAP. The Company has elected to avail the exemption granted by IND AS 101, "First time adoption of IND AS" to regard those amounts as deemed cost at the date of the transition to IND AS (i.e. as on April 1, 2015).

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017 (Contd.)

- b) An item of PPE 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.
- c) PPE are initially measured at cost of acquisition/construction including expenditure that is directly attributable to the acquisition/construction of the asset. In cases where final settlement of bills with contractors/ executing agency is pending, but the asset is complete and available for use, capitalisation is done on the basis of contracts awarded/ statement of accounts/ utilisation certificate subject to necessary adjustments, including those arising out of settlement of arbitration/court cases.
- d) Subsequent expenditures relating to PPE is capitalized in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it results in increased useful life and/or efficiency of an existing asset and the cost of the item can be measured reliably.
- e) After initial recognition, PPE is carried at cost less accumulated depreciation/ amortisation and accumulated impairment losses, if any.
- f) The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Income and Expenditure.

2.2. Capital Work-In-Progress

- a) Capital Work-in-Progress up to March 31, 2015 were carried in the Balance Sheet in accordance with Indian GAAP. The Company has elected to avail the exemption granted by IND AS 101, "First time adoption of IND AS" to regard those amounts as deemed cost at the date of the transition to IND AS (i.e. as on April 1, 2015).
- b) Assets under construction/ development are recognised & carried at cost under Capital Work in Progress (CWIP). 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.

2.3. Intangible Assets

- a) Upto March 31, 2015, Intangible assets were carried in the Balance Sheet in accordance with Indian GAAP. The Company has elected to avail the exemption granted by IND AS 101, "First time adoption of IND ASs" to regard those amounts as deemed cost at the date of the transition to IND AS (i.e. as on April 1, 2015).
- b) 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.
- c) 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 when the asset is derecognised.

2.4. Depreciation and Amortisation

- a) Leasehold land acquired on perpetual lease basis is not amortized.
- b) Depreciation is charged to Statement of Income & Expenditure on straight-line basis over the estimated useful life of an asset, which is not higher than the useful life & residual value prescribed in Schedule II of the Companies Act, 2013. 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.
- c) Assets costing Rs. 5,000 or less individually are depreciated @ 100%.
- d) 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.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017 (Contd.)

2.5. Impairment Of Non Financial Assets

The carrying amount of assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, then the assets' recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses/ reversals are recognised in the Statement of Income & Expenditure.

2.6. Cash And Cash Equivalents

Cash and cash equivalents include Cash on hand, Drafts/Cheques on hand, Bank Balances, Deposits with Banks and Short term Investments which are subject to an insignificant risk of changes in value and having an original maturity of 3 months or less.

2.7. Inventories

Inventories are valued at lower of the cost or net realizable value.

2.8. Foreign Currencies

- a. Transactions in foreign currencies are initially recorded by the company in functional currency at the average rate of remittance(s).
- b. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Income and Expenditure in the year in which it arises.
- c. The fixed assets are accounted at the average rate of remittance(s) in the year of acquisition. In case previous funds are utilised, average rate of the previous remittance(s) is taken for the purpose of conversion.

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. Initial Recognition and Measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss (FVTPL), are added to the fair value on initial recognition.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

b. Subsequent Measurement

(i) Debt instruments at amortised cost

A debt instrument is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the 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 amortised cost using the Effective Interest rate (EIR) method. The EIR amortisation is included in the Statement of Income & Expenditure.

(ii) Equity Investments

All equity investments in entities other than subsidiaries and joint ventures are measured at fair value. Equity instruments which are held for trading, if any, are classified at Fair Value Through Profit or Loss (FVTPL*). For all other equity instruments, the Company classifies the same as at FVTOCI or FVTPL. The Company makes such election on an instrument by- instrument basis. The classification is made on initial recognition and is irrevocable.

(iii) Financial Liabilities

Financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Income & Expenditure.

(iv) Investment in Subsidiaries & Joint Ventures

Investments in equity shares of subsidiaries and joint ventures are carried at cost less impairment, if any.

c. Derecognition of Financial Instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract 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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Income & Expenditure.

d. Impairment of Financial Assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Income & Expenditure.

*Since the Company is regd. under Sec.8 of the Companies Act, 2013, it prepares a Statement of Income & Expenditure. 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.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

2.11. Revenue/ Expenditure Recognition

- a) 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.
- b) Revenue from rentals and operating leases is recognized on accrual basis in accordance with the substance of the relevant agreement.
- c) 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.
- d) 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.
- e) Income and Expenditure relating to earlier years, not exceeding Rs.10,000 in each case, are treated as pertaining to current year.
- f) 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.
- g) Claims for liquidated damages from contractors for delayed execution of work is recognised as Income, when the amount is finally determined and agreed upon.
- h) 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.
- i) Dividend income is recognised in the Statement of Income & Expenditure when the right to receive payment is established.

2.12. Government Grants

- a) 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.
- b) Grants that compensate the Company for expenses incurred are recognized as income in the period in which the related costs are incurred.
- c) Grants in the nature of promoter's contribution is recognised in appropriate category under Other Equity.

2.13. Borrowing Costs

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

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

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

2.14. Employees' Benefits

a. Defined contribution plans

The Company is under obligation to pay defined contributions to Provident/ Pension Funds at determined rates to separate trusts, which invests the funds in permitted securities. The contribution for the year is recognized as expense and charged to the Statement of Income and Expenditure. The Company is also under obligation to make good the accumulated shortfall of the trusts, if any, and recognises such shortfall as its expense.

b. Defined benefit plans

The Company has a defined benefit gratuity scheme. The Scheme is funded. A separate ITPO Employees Gratuity Fund Trust manages the affairs of the trust. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date.

The company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income (OCI).

The Company is also under obligation to make good the accumulated shortfall of the trusts, if any, and recognises such shortfall as its expense.

c. Other long-term employee benefits

Other long term employee benefits include leave encashment (Unfunded). It is recognized in the books of the Company on the basis of actuarial valuation, performed by an independent actuary, at each balance sheet date.

d. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided by the employee. These benefits includes wages, salaries, perks & allowances etc.

e. 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 Profit and Loss in the year of incurrence of such expenses.

2.15. Provisions and Contingent Liabilities

Provisions are recognised 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 the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time recognised as a finance cost.

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

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

are disclosed on the basis of judgement of management/independent experts. These are reviewed at each Balance Sheet date and are adjusted to reflect the current management estimate. 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 judgement of management. These are assessed continually to ensure that developments are appropriately reflected in financial statements.

2.16. Recent accounting pronouncements

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of Cash Flows'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7 'Statement of cash flows'. The amendments are applicable to the company from April 1, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 introduced an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The company is evaluating the requirements of the amendment and its effect on the financial statements.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

3. PROPERTY, PLANT AND EQUIPMENT

The following table shows changes in Property, Plant and Equipment during the year ended 31st March, 2017

S.No.	PARTICULARS OF ASSETS	Useful Life (years)	GROSS CARRYING AMOUNT				
			As at 1.04.2016	Additions	Disposal/ Adjustments	Impairment/ (Reversal) during the year	As at 31.03.2017
	(A) PROPERTY, PLANT & EQUIPMENT						
1	LAND (ON PERPETUAL LEASE)		78.75	-	-	-	78.75
2	PRAGATI MAIDAN COMPLEX (LEASE HOLD) #		0.00	-	-	-	0.00
3	BUILDINGS (ON LEASE HOLD LAND)						
	A CLASS	40	1,586.28	-	13.97	-	1,572.32
	B CLASS	20	79.48	-	45.54	-	33.94
	C CLASS	10	60.63	-	0.42	-	60.21
	ANARKALI FOOD PLAZA #		0.00	-	-	-	0.00
4	RESIDENTIAL/ OFFICE FLATS						
	(i) FREE HOLD	40	149.57	-	-	-	149.57
	(ii) ON PERPETUAL LEASE		10.29	-	-	-	10.29
5	WATER SUPPLY & DRAINAGE	10	15.56	0.44	-	-	16.00
6	ELECTRIC INSTALLATIONS/ FITTINGS	10	249.28	-	4.22	-	245.06
7	AIR CONDITIONING PLANTS	8	23.50	-	23.25	-	0.25
8	AIR CONDITIONING PLANTS	15	1,916.23	-	50.15	-	1,866.08
9	AIR CONDITIONING/ AIR VENTILATION PLANTS	10	1.89	-	1.61	-	0.28
10	FURNITURE & FIXTURE	10	32.59	1.68	0.17	-	34.10
11	VEHICLES	5	31.74	-	0.93	-	30.81
12	AUDIO VISUAL EQUIPMENTS	5	151.50	-	-	-	151.50
13	FIRE HYDRANT & FIRE FIGHTING SYSTEMS	10	175.27	-	170.10	-	5.17
14	OFFICE EQUIPMENTS/ OTHER MISCELLANEOUS ASSETS	5	114.46	16.85	2.76	-	128.55
15	SERVERS & NETWORKS	6	21.70	-	-	-	21.70
16	COMPUTERS, ETC	3	83.07	42.45	6.65	-	118.87
17	SOLAR INSTALLATION	15	36.74	73.52	-	-	110.26
	SUB TOTAL(A)		4,818.53	134.94	319.77	-	4,633.70
	(B) INTANGIBLE ASSETS						
	COMPUTER SOFTWARES	3	-	0.79	-	-	0.79
	WEBSITE	3	-	20.41	-	-	20.41
	SUB TOTAL (B)		-	21.20	-	-	21.20
	(C) CAPITAL WORK IN PROGRESS		617.92	251.64	760.30	-	109.26
	SUB TOTAL (C)		617.92	251.64	760.30	-	109.26
	(D) INTANGIBLE ASSETS UNDER DEVELOPMENT		-	-	-	-	-
	GRAND TOTAL (A+B+C)		5,436.45	407.78	1,080.07	-	4,764.17

Book Value of Re. 1 (one) only

- Depreciation includes Rs. 2.75 lakh (Previous Year Rs. 0.69 lakh) in respect of each asset costing Rs. 5,000 or less, depreciated at the rate of 100%.
- Based on a study carried out by a professional firm, no case of impairment of assets exists as at 31st March, 2017 under the provisions of Ind AS- 36 on impairment of assets.
- Assets costing Rs. 593.94 lakh having WDV of Rs. 236.63 lakh were handed over/ demolished for IECC project and deleted from the books of the accounts for the year against the sale proceeds of Rs. 209.34 lakh. The resultant loss of Rs. 27.29 lakh is included in 'Other Expenses' in the Statement of Income & Expenditure.

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(Rs.in Lakhs)

DEPRECIATION/AMORTISATION				NET BLOCK	
As at 1.04.2016	For the year	Disposal/ Adjustments	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
-	-	-	-	78.75	78.75
-	-	-	-	0.00	0.00
78.34	78.31	2.43	154.23	1,418.09	1,507.94
8.54	8.26	7.39	9.41	24.53	70.94
9.66	9.66	-	19.32	40.89	50.97
-	-	-	-	0.00	0.00
5.20	6.13	-	11.33	138.24	144.37
0.93	-	-	0.93	9.36	9.36
0.70	1.42	-	2.12	13.88	14.86
26.51	27.89	0.74	53.66	191.40	222.77
4.18	4.18	8.36	-	0.25	19.32
178.01	177.86	7.73	348.14	1,517.94	1,738.22
-	-	-	-	0.28	1.89
5.72	5.46	0.04	11.14	22.96	26.87
4.17	4.40	-	8.57	22.24	27.57
65.16	65.08	-	130.24	21.26	86.34
22.99	22.99	45.98	-	5.17	152.28
50.60	14.95	0.58	64.97	63.58	63.86
3.53	2.42	-	5.95	15.75	18.17
20.76	21.58	1.43	40.91	77.96	62.31
0.78	5.43	-	6.21	104.05	35.96
485.78	456.02	74.68	867.12	3,766.58	4,332.75
-	0.27	-	0.27	0.52	-
-	6.80	-	6.80	13.61	-
-	7.07	-	7.07	14.13	-
-	-	-	-	109.26	617.92
-	-	-	-	109.26	617.92
-	-	-	-	-	-
485.78	463.09	74.68	874.20	3,889.98	4,950.67

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

The following table shows changes in Property, Plant and Equipments during the year ended March 31, 2016

S. No.	PARTICULARS OF ASSETS	Useful Life (years)	GROSS CARRYING AMOUNT				As at 31.03.2016
			As at 1.04.2015 (refer note i below)	Additions	Disposal/ Adjustments	Impairment/ (Reversal) during the year	
	(A) PROPERTY, PLANT & EQUIPMENT						
1	LAND (ON PERPETUAL LEASE)		78.75	-	-	-	78.75
2	PRAGATI MAIDAN COMPLEX (LEASE HOLD) #		0.00	-	-	-	0.00
3	BUILDINGS (ON LEASE HOLD LAND)						
	A CLASS	40	1,591.48	-	5.20	-	1,586.28
	B CLASS	20	73.49	5.99	-	-	79.48
	C CLASS	10	60.63	-	-	-	60.63
	ANARKALI FOOD PLAZA #		0.00	-	-	-	0.00
4	RESIDENTIAL / OFFICE FLATS						
	(i) FREE HOLD	40	149.80	-	0.23	-	149.57
	(ii) ON PERPETUAL LEASE		10.29	-	-	-	10.29
5	WATER SUPPLY & DRAINAGE	10	1.07	14.72	0.23	-	15.56
6	ELECTRIC INSTALLATIONS/ FITTINGS	10	177.06	72.79	0.57	-	249.28
7	AIR CONDITIONING PLANTS	8	23.50	-	-	-	23.50
8	AIR CONDITIONING PLANTS	15	1,916.23	-	-	-	1,916.23
9	AIR CONDITIONING/ AIR VENTILATION PLANTS	10	1.89	-	-	-	1.89
10	FURNITURE & FIXTURE	10	32.28	0.31	-	-	32.59
11	VEHICLES	5	15.48	16.26	-	-	31.74
12	AUDIO VISUAL EQUIPMENTS	5	151.50	-	-	-	151.50
13	FIRE HYDRANT & FIRE FIGHTING SYSTEMS	10	175.27	-	-	-	175.27
14	OFFICE EQUIPMENTS/ OTHER MISCELLANEOUS ASSETS	5	92.94	21.73	0.21	-	114.46
15	SERVERS & NETWORKS	6	21.70	-	-	-	21.70
16	COMPUTERS, ETC	3	56.65	26.42	-	-	83.07
17	SOLAR INSTALLATION	15	-	36.74	-	-	36.74
	SUB TOTAL (A)		4,630.01	194.96	6.44	-	4,818.53
	(B) INTANGIBLE ASSETS						
	COMPUTER SOFTWARES	3	-	-	-	-	-
	SUB TOTAL (B)		-	-	-	-	-
	(C) CAPITAL WORK IN PROGRESS		559.48	69.51	11.07	-	617.92
	SUB TOTAL (C)		559.48	69.51	11.07	-	617.92
	(D) INTANGIBLE ASSETS UNDER DEVELOPMENT		62.00	-	62.00	-	-
	SUB TOTAL (D)		62.00	-	62.00	-	-
	GRAND TOTAL (A+B+C+D)		5,251.49	264.47	79.51	-	5,436.45

Book Value of Re. 1 (one) only

- i. Depreciation includes Rs. 0.69 lakh in respect of each asset costing Rs. 5,000 or less, depreciated at the rate of 100%.
- ii. Based on a study carried out by a professional firm, no case of impairment of PPE exists as at 31st March, 2017 under the provisions of Ind AS- 36 on impairment of assets.

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(Rs.in Lakhs)

DEPRECIATION/AMORTISATION				NET BLOCK	
As at 1.04.2015	For the year	Disposal/ Adjustments	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
-	-	-	-	78.75	78.75
-	-	-	-	0.00	0.00
-	78.34	-	78.34	1,507.94	1,591.48
-	8.54	-	8.54	70.94	73.49
-	9.66	-	9.66	50.97	60.63
-	-	-	-	0.00	0.00
-	5.21	0.01	5.20	144.37	149.80
-	0.93	-	0.93	9.36	10.29
-	0.70	-	0.70	14.86	1.07
-	26.51	-	26.51	222.77	177.06
-	4.18	-	4.18	19.32	23.50
-	178.01	-	178.01	1,738.22	1,916.23
-	-	-	-	1.89	1.89
-	5.72	-	5.72	26.87	32.28
-	4.17	-	4.17	27.57	15.48
-	65.16	-	65.16	86.34	151.50
-	22.99	-	22.99	152.28	175.27
-	50.62	0.02	50.60	63.86	92.94
-	3.53	-	3.53	18.17	21.70
-	20.76	-	20.76	62.31	56.65
-	0.78	-	0.78	35.96	-
-	485.81	0.03	485.78	4,332.75	4,630.01
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	617.92	559.48
-	-	-	-	617.92	559.48
-	-	-	-	-	62.00
-	-	-	-	-	62.00
-	485.81	0.03	485.78	4,950.67	5,251.49

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

Notes

(i) The company has exercised the exemption available for Property, Plant and Equipment to measure the same at the carrying value as per previous GAAP

Deemed Cost at April 1, 2015

(Rs.in Lakhs)

PARTICULARS OF ASSETS	Useful Life (years)	Gross Block	Accumultaed Depreciation	Net Block	Ind AS Adjustments	Deemed Cost
		As at Apr 1, 2015	As at Apr 1, 2015	As at Apr 1, 2015		As at Apr 1, 2015
(A) PROPERTY, PLANT & EQUIPMENT						
LAND (ON PERPETUAL LEASE)		78.75	-	78.75	-	78.75
PRAGATI MAIDAN COMPLEX (LEASE HOLD) #		0.00	-	0.00	-	0.00
BUILDINGS (ON LEASE HOLD LAND)						
A CLASS	40	3,259.96	1,670.42	1,589.54	1.94	1,591.48
B CLASS	20	195.70	122.21	73.49	-	73.49
C CLASS	10	130.06	69.43	60.63	-	60.63
ANARKALI FOOD PLAZA #		0.00	-	0.00	-	0.00
RESIDENTIAL / OFFICE FLATS						
(i) FREE HOLD	40	219.96	70.16	149.80	-	149.80
(ii) ON PERPETUAL LEASE		39.02	28.73	10.29	-	10.29
WATER SUPPLY & DRAINAGE	10	21.42	20.35	1.07	-	1.07
ELECTRIC INSTALLATIONS/ FITTINGS	10	1,340.05	1,161.67	178.38	(1.32)	177.06
AIR CONDITIONING PLANTS	8	65.58	42.08	23.50	-	23.50
AIR CONDITIONING PLANTS	15	2,809.30	893.07	1,916.23	-	1,916.23
AIR CONDITIONING/ AIR VENTILATION PLANTS	10	37.76	35.87	1.89	-	1.89
FURNITURE & FIXTURE	10	236.28	204.00	32.28	-	32.28
VEHICLES	5	205.31	189.83	15.48	-	15.48
AUDIO VISUAL EQUIPMENTS	5	425.23	273.73	151.50	-	151.50
FIRE HYDRANT & FIRE FIGHTING SYSTEMS	10	345.48	170.21	175.27	-	175.27
OFFICE EQUIPMENTS/ OTHER MISCELLANEOUS ASSETS	5	636.88	543.94	92.94	-	92.94
SERVERS & NETWORKS	6	133.20	111.50	21.70	-	21.70
COMPUTERS, ETC	3	513.28	456.63	56.65	-	56.65
SOLAR INSTALLATION	15	-	-	-	-	-
SUB TOTAL (A)		10,693.22	6,063.83	4,629.39	0.62	4,630.01
(B) INTANGIBLE ASSETS						
COMPUTER SOFTWARES	3	45.39	45.39	-	-	-
SUB TOTAL (B)		45.39	45.39	-	-	-
(C) CAPITAL WORK IN PROGRESS		559.48	-	559.48	-	559.48
SUB TOTAL (C)		559.48	-	559.48	-	559.48
(D) INTANGIBLE ASSETS UNDER DEVELOPMENT		62.00	-	62.00	-	62.00
SUB TOTAL (D)		62.00	-	62.00	-	62.00
GRAND TOTAL (A+B+C+D)		11,360.08	6,109.22	5,250.87	0.62	5,251.49

Book Value of Re. 1 (one) only

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

4 INVESTMENTS

(Rs. in Lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a) Investments in Equity Instruments			
Unquoted (fully paid up-unless otherwise stated, at cost)			
Joint Venture Company			
2,00,000 equity shares of Rs.100 each fully paid in National Centre for Trade Information	166.11	200.00	200.00
Subsidiary Companies			
51 equity shares of Rs.1,000 each fully paid in Tamilnadu Trade Promotion Organisation	0.51	0.51	0.51
1,02,000 (1,02,000 as on 31.03.2016 and 2,550 as on 01.04.2015) equity shares of Rs.1,000 each fully paid in Karnataka Trade Promotion Organisation	1,020.00	1,020.00	25.50
99,450 equity shares of Rs.1,000 each in Karnataka Trade Promotion Organisation, Share application money pending allotment	-	-	994.50
	1,186.62	1,220.51	1,220.51
(b) Others			
Unquoted (at Cost)			
Tamilnadu Trade Promotion Organisation (Subsidiary Company) (measured at amortised Cost)	9.80	28.50	55.30
5 shares of Rs.50 each in Sea Glimpse Cooperative Housing Society, Mumbai	0.00	0.00	0.00
	1,196.42	1,249.01	1,275.81
(i) Aggregate amount of Unquoted Investments	1,196.42	1,249.01	1,275.81
(ii) Aggregate amount of impairment in the value of investments	33.89	Nil	Nil

5 LOANS

(Rs. in Lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Advances			
Related Parties			
Unsecured			
Advance to TNTPO - Subsidiary Company	-	97.98	187.05
Advance to KTPO -Subsidiary Company [Refer Note 32 (a)]	773.77	773.77	773.77
Employees (including accrued interest)			
Unsecured #	618.90	682.23	747.80
	1,392.67	1,553.98	1,708.62
# Includes			
a) Due from Directors	Nil	Nil	Nil
b) Due from officers in the nature of loan	24.79	8.90	19.82
c) Fully secured/secured against personal guarantee	368.04	379.13	408.78

6 OTHER FINANCIAL ASSETS

(Rs. in Lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Term deposits with original maturity for more than 12 months	-	500.00	20,900.00
	-	500.00	20,900.00

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

7 OTHER NON-CURRENT ASSETS

(Rs. in Lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Capital Advances			
Secured	10,003.19	-	-
Unsecured	4,356.39	19.30	22.93
	14,359.58	19.30	22.93
Advances other than Capital advances			
Prepaid Expenses	-	1.45	0.08
Deferred Payroll expense	139.58	160.28	173.34
Sundry Deposits	173.57	173.70	173.37
Less: Provision for Doubtful Sundry Deposits	(11.32)	(12.26)	(12.23)
	301.83	323.17	334.56
	14,661.41	342.47	357.49

8 INVESTMENTS

(Rs. in Lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Investment in mutual funds (measured at fair value through profit and loss)			
Quoted			
2,40,157 (2,20,781 as on 31.03.2016 and 2,05,383 as on 01.04.2015) units of Rs. 10 each in UTI-Balance Fund Scheme under reinvestment plan	72.40	58.45	60.72
	72.40	58.45	60.72

(i) Aggregate amount of impairment in the value of investments

Nil

Nil

Nil

9 TRADE RECEIVABLES

(Rs. in Lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Unsecured *			
Considered Good	870.26	992.27	688.18
Considered Doubtful	1,443.25	1,454.74	1,509.66
Less: Provision for Doubtful Receivables	(1,443.25)	(1,454.74)	(1,509.66)
	870.26	992.27	688.18

* Due to the short-term nature of the current receivables, their carrying amount is assumed to be same as their fair value.

10 CASH & CASH EQUIVALENTS

(Rs. in Lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Drafts /Cheques on Hand	3.18	-	109.43
Cash on Hand	5.07	13.17	2.60
Postage Imprest	1.03	0.68	2.24
Balances with Banks #			
Current & Savings account	3,562.22	2,849.74	2,878.15
Term Deposit with original maturity up to 3 months	-	-	-
	3,571.50	2,863.59	2,992.42

Includes

(i) Lying in foreign banks

8.39

15.94

16.30

(ii) Out of (i) above, unconfirmed on the date of the Balance Sheet

-

7.33

6.71

Note:

As required by MCA notification number G.S.R. 308 (E) dated 30 March 2017, the details of the Specified Bank Notes ('SBN') held and transacted during the period 8 November 2016 to 30 December 2016 are provided in the table below :-

	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 8 November, 2016	1.99	1.00	2.99
(+) Permitted Receipts	-	161.12	161.12
(-) Permitted Payments	-	(7.18)	(7.18)
(-) Amount deposited in Banks	(1.99)	(153.07)	(155.06)
Closing cash in hand as on 30 December, 2016	-	1.87	1.87

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)**11 BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS**

(Rs. in Lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Term Deposits with original maturity of more than 3 months but up to 12 months	143,599.99	139,299.90	100,700.00
	143,599.99	139,299.90	100,700.00

12 CURRENT LOANS

(Rs. in Lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Advances			
Related Parties			
Unsecured			
Advance to TNTPO - Subsidiary Company	99.04	92.29	83.23
Advance to KTPO -Subsidiary Company	1.21	65.82	64.78
Employees (including accrued interest)			
Unsecured #	1,901.91	1,958.74	1,772.32
	2,002.16	2,116.85	1,920.33

Includes

a) Due from Directors / Ex-Directors	0.86	0.86	0.86
b) Due from Officers in the nature of loan	5.49	5.74	10.70
c) Fully secured/secured against personal guarantee	84.20	91.37	88.58

13 OTHER FINANCIAL ASSETS

(Rs. in Lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Unsecured			
Grant recoverable from Government of India	238.97	277.34	497.05
Less: Provision for Doubtful Recovery of Grant	(1.48)	(1.48)	(363.05)
	237.49	275.86	134.00
Inter-Corporate Deposits	7,500.00	7,500.00	7,500.00
Interest Accrued on Saving Bank Accounts / Deposits	4,547.71	4,728.99	4,841.13
Due from parties in respect of Deposit Works	82.23	44.47	44.72
Less: Provision for Doubtful Dues	(41.73)	(44.47)	(38.99)
	40.50	0.00	5.73
	12,325.70	12,504.85	12,480.86

14 OTHER CURRENT ASSETS

(Rs. in Lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Advances			
Advances to Parties (Unsecured)	864.46	860.58	582.25
Less: Provision for Doubtful Advances	(119.33)	(81.54)	(78.53)
	745.13	779.04	503.72
Others			
Service Tax Recoverable	1,543.23	1,096.17	952.28
Income Tax / TDS Recoverable	18,594.84	15,830.98	13,182.49
Less: Provision for Doubtful Recovery of TDS	(427.65)	(326.35)	(310.41)
	18,167.19	15,504.63	12,872.08
Prepaid Expenses	28.38	40.97	46.37
Deferred Payroll expense	23.63	26.81	26.86
Sundry Deposits (Unsecured)	104.18	138.19	37.67
Less: Provision for Doubtful Sundry Deposits	(2.36)	(2.39)	(2.34)
	101.82	135.80	35.33
Consumable Stores (valued at cost)	3.16	10.19	8.20
Due from Indian Missions Abroad	1.09	2.64	1.34
	20,613.63	17,596.25	14,446.18

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

15 EQUITY SHARE CAPITAL

(Rs. in Lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Authorised			
50,000 Equity Shares of Rs. 100 each (50,000 equity shares of Rs. 100 each as at 31 st March 2016 and 1 st April 2015)	50.00	50.00	50.00
Issued, Subscribed & Fully paid-up			
25,000 Equity Shares of Rs. 100 each fully paid up (25,000 equity shares of Rs. 100 each as at 31 st March 2016 and 1 st April 2015)	25.00	25.00	25.00
	25.00	25.00	25.00

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	No. of shares	(Rs. in lakhs)	No. of shares	(Rs. in lakhs)	No. of shares	(Rs. in lakhs)
Equity shares outstanding at the beginning of the year	25,000.00	25.00	25,000.00	25.00	25,000.00	25.00
Add: Issued during the year	-	-	-	-	-	-
Equity shares outstanding at the end of the year	25,000.00	25.00	25,000.00	25.00	25,000.00	25.00

b. 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.

c. Details of Shareholders holding more than 5% shares in the Company

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	No. of shares	% age	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	25000	100

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)**16 OTHER EQUITY**

(Rs. in Lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Capital Reserves			
(a) Capital Grant from Government of India (Fully Utilised)			
-Balance as per the last financial statement	1,325.22	1,325.22	6,290.84
Add:Additions during the Year	-	-	-
Less:Adjustments/deductions			
Transfer to Capital Grant from Government of India			(4,965.62)
Closing Balance(a)	1,325.22	1,325.22	1,325.22
(b) Other Reserves #			
-Balance as per the last financial statement	18.10	18.10	92.33
Less:Adjustments/deductions	-	-	-
Transfer to Retained Earning			(74.23)
Closing Balance(b)	18.10	18.10	18.10
Total(a+b)	1,343.32	1,343.32	1,343.32
Capital Grant from Government of India ## (Fully Utilised)			
-Balance as per the last financial statement	4,965.62	4,965.62	-
Add:Additions during the Year	-	-	4,965.62
Less:Adjustments/deductions	-	-	-
Closing Balance	4,965.62	4,965.62	4,965.62
Retained Earning			
Balance as per the last financial statement	159,703.66	143,317.58	143,642.47
Add: Surplus for the year	17,117.25	16,386.08	-
Add:Transfer from Capital Reserve			74.23
Add: Fair value gain/(loss) on investment in mutual fund			31.00
Less: Prior period adjustments			(430.12)
(a)	176,820.91	159,703.66	143,317.58
Items of Other Comprehensive Income recognised directly in retained earning			
Balance as per the last financial statement	27.59		
Add: Remeasurement of net defined benefit plan during the year	(218.21)		
(b)	(190.62)	27.59	
Closing Balance (a+b)	176,630.29	159,731.25	143,317.58
	182,939.23	166,040.19	149,626.52

Represents excess of assets over liabilities of organisations merged with the Company in earlier years.

Represents unspecified grant of Rs.4,965.62 lakh received in earlier years from the Administrative Ministry for creation of infrastructural facilities at Pragati Maidan Complex.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

17 PROVISIONS

(Rs. in Lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Provision for Employees' Benefits			
-Leave Encashment (Refer Note 39)	2,417.57	1,832.76	1,703.90
	2,417.57	1,832.76	1,703.90

18 OTHER NON-CURRENT LIABILITIES

(Rs. in Lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Income Received in Advance	853.54	933.39	520.58
	853.54	933.39	520.58

19 TRADE PAYABLES

(Rs. in Lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
For Goods and Services	2,007.86	2,211.28	1,173.01
	2,007.86	2,211.28	1,173.01

20 OTHER FINANCIAL LIABILITIES

(Rs. in Lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Others			
Employees' Benefits Payable	143.14	246.33	300.98
Security Deposits	1,053.65	572.14	330.37
Others	438.42	801.15	611.30
	1,635.21	1,619.62	1,242.65

21 OTHER CURRENT LIABILITIES

(Rs. in Lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Income Received in Advance	2,695.28	2,597.83	2,211.63
Other Payables			
Advance Payments and Deposits	2,505.75	2,341.90	2,574.91
Statutory Dues	768.62	187.00	122.43
	5,969.65	5,126.73	4,908.97

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)**22 CURRENT PROVISIONS**

(Rs. in Lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a) Provision for Employees' Benefits			
- Gratuity (Refer Note 39)	1,605.98	240.20	332.25
- Leave Encashment (Refer Note 39)	290.72	479.91	189.01
- Performance Related Pay/ Performance Incentive #	3,264.00	3,080.00	2,946.00
- Pension Fund (Refer Note 40)	2,631.14	2,325.00	-
- Pay revision (Refer Note 41)	442.00	-	-
(b) Others			
- Provision for Refund of Contingency Charges	114.21	114.21	114.21
	8,348.05	6,239.32	3,581.47

The Provision of Rs.3264.00 lakh (Previous year Rs.3080.00 lakh) is in accordance with the guidelines of the Department of Public Enterprises (DPE) on revision of pay scales from 01.01.2007. During the year 2015-16, the DPE had communicated vide OM dated 5.11.2015 that the matter regarding PRP to the employees of the CPSEs registered under section 25 of the Companies Act 1956 (now section 8 of Companies Act 2013) shall be placed before the 3rd Pay Revision Committee for CPSE employees as and when it is set up. The matter was placed before the Remuneration Committee of the company in meeting held on 29.12.2015 where in it was recommended to pursue the matter with DOC/DPE.

Vide OM dated 3rd Aug.,2017, the DPE has issued guidelines for revision of Pay Scales w.e.f 01.01.2017 which inter-alia states the eligibility of companies incorporated under Sec. 8 of Companies Act, 2013 (earlier Sec. 25 of Companies Act, 1956). Pending approval, ad-hoc payments amounting to Rs. 1,569.92 lakh (Previous Year Rs. 1,617.58 lakh), net of recoveries from retired employees, have been released to the employees till 31.3.2017 as 'Interest free advances' on the undertaking that the amounts released would be recovered or adjusted as per the decision of the competent authority on the subject.

23 REVENUE FROM OPERATIONS

(Rs. in Lakhs)

	For the year ended 31.03.2017	For the year ended 31.03.2016
Sale of Services		
Space Rent (Net) #	23,197.77	21,830.20
Revenue Grant from Government	621.85	613.44
Recovery of Electricity & Water Charges	1,069.16	959.64
Branding/ Sponsorship	119.24	167.81
Recovery for Various Services Provided	364.62	244.48
Hoardings	228.04	-
Other Operating Revenue		
Sale of Entry Tickets / Seasonal Passes	641.09	690.82
Advertisement (Publications)	57.48	33.80
Sale of Publications	5.60	6.10
Subscription Fee	9.48	6.19
	26,314.33	24,552.48

Does not include space rent income from two Government Departments in Pragati Maidan Complex which is being contested by them. The cumulative amount of Rs 9,335.99 lakh (previous year Rs 8,689.41 lakh) is not being considered in the books in accordance with Ind AS-18, as the realisation of the same is not certain.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

24 OTHER INCOME

(Rs. in Lakhs)

	For the year ended 31.03.2017	For the year ended 31.03.2016
Interest Income from		
-Bank Deposits	11,124.28	11,402.35
-Income Tax Refunds	-	-
-Advances to Staff	90.66	102.63
(Financial Instruments recognised at amortised cost)		
-Others	605.21	665.29
	11,820.15	12,170.27
Dividend from UTI	5.59	4.22
Other non-operating income		
Fair Value gain on financial Instrument	8.37	(6.49)
Profit on Sale of Assets	-	0.35
Miscellaneous Income #	748.34	834.89
	12,582.45	13,003.24

Does not include penalty charges of Rs. 0.55 lakh (Cumulative upto 31.03.2017 - Rs. 778.12 lakh) due to cancellation of events by the third party organisers as the penalty amount works out to more than the amount deposited by the parties / credit available with the company. As the chances of realisation of the balance penalty of Rs. 0.55 lakh are doubtful of recovery, the same shall be accounted for in accordance with the Ind AS-18 as and when the amount is recovered/adjusted.

25 EMPLOYEES' BENEFITS EXPENSES

(Rs. in Lakhs)

	For the year ended 31.03.2017	For the year ended 31.03.2016
Salaries, Wages & Allowances #	5,815.11	5,647.24
Other Perks & Allowances	1,027.28	1,011.22
Medical Expenses	332.68	282.13
Performance Related Pay / Performance Incentive (Refer footnote to Note 22)	184.00	134.00
Contribution to Provident & Other Funds	886.85	578.22
Gratuity (Refer Note 39) ##	1,387.85	267.79
Leave Encashment (Refer Note 39) ##	790.99	825.54
Staff Welfare	83.37	67.09
Compensation against Employment-Deceased Employees	102.56	88.63
Provision for Pay Revision ##	442.00	-
Other Costs	68.39	58.42
	11,121.08	8,960.28

Includes Rs. 106.76 lakh (Previous Year Rs. 66.55 lakh) on account of ex-gratia under the Voluntary Retirement Scheme.

Includes valuations/ provisions for Pay Revision as per guidelines of DPE vide OM dated 03.08.2017 & 04.08.2017

26 DEPRECIATION AND AMORTISATION EXPENSES

(Rs. in Lakhs)

	For the year ended 31.03.2017	For the year ended 31.03.2016
Depreciation	456.02	485.81
Amortisation of Intangible Assets	7.07	-
	463.09	485.81

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)**27 OTHER EXPENSES**

(Rs. in Lakhs)

	For the year ended 31.03.2017	For the year ended 31.03.2016
Participation Charges	2,001.96	1,811.92
Construction & Interior Decoration	1,361.70	1,167.65
Publicity	556.19	480.92
Freight, Packing & Handling	38.26	15.51
Cultural Programmes & Fashion Shows	8.20	9.09
Travelling & Conveyance [includes Rs. 16.25 lakh (Previous Year Rs. 12.58 lakh) in respect of Directors]	290.01	244.71
Postage, Telegrams & Telephones	50.28	57.80
Entertainment [includes through Directors Rs. 0.93 lakh (Previous Year Rs. 1.09 lakh)]	42.56	49.76
Maintenance of Pragati Maidan		
-Civil [includes Repairs to Buildings Rs. 5.54 lakh (Previous Year Rs. 45.18 lakh)]	213.35	298.14
-Electrical	785.34	885.94
-Horticulture	134.96	136.31
-Conservancy Arrangements	319.73	290.67
Electricity & Water Charges	1,673.63	1,590.72
Repairs, Renewals & Maintenance	586.13	359.86
Security Expenses	718.70	664.55
Rates & Taxes	257.77	232.29
Less: Recoveries	(9.14)	(16.50)
	-----	-----
	248.63	215.79
Books & Periodicals	19.08	17.68
Printing & Stationery	88.51	88.03
Rent	10.66	9.39
Less: Recoveries	(1.40)	(1.40)
	-----	-----
	9.26	7.99
Vehicle Maintenance	32.07	26.08
Less: Recoveries	(0.09)	(0.04)
	-----	-----
	31.98	26.04
Insurance	5.90	9.28
Advertisement Expenses	50.49	55.01
Commission	234.62	233.34
Foreign Delegation	6.50	18.25
Difference in Exchange (net)	38.31	8.18
Legal & Professional Charges	128.80	157.64
Seminar & Training	13.51	12.55
Interest	15.30	3.48
Corporate Social Responsibility Expenses (Refer Note 36)	292.75	407.22
Provisions/Write Offs	148.31	65.64
Other Miscellaneous Expenses	159.20	141.63
Sitting Fees to Directors	1.30	-
Auditor's Remuneration		
-Audit Fee	5.00	4.02
-Tax Audit Fee	1.00	1.01
-Other Expenses	-	0.51
Impairment Loss	33.89	-
Loss on Sale of assets	27.98	-
	-----	-----
	10,341.32	9,536.84

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

28 EXCEPTIONAL ITEMS

(Rs. in Lakhs)

	For the year ended 31.03.2017	For the year ended 31.03.2016
Liabilities / Provisions no longer required	141.98	86.60
Provision for Doubtful Debts/ Advances Written Back	1.23	51.69
Provision for Doubtful Dues/ Deposit Work Written Back	2.75	-
Provision for Doubtful Recovery of TDS Written Back	-	-
Provision for Contribution to Pension Fund	-	(2,325.00)
	145.96	(2,186.71)

29 EARNINGS PER EQUITY SHARE

	As at 31.03.2017	As at 31.03.2016
Net Surplus after tax (Rs. in lakhs)	17,117.25	16,386.08
Equity Shares (Nos.)	25,000.00	25,000.00
Nominal Value per Equity Share (Rs.)	100.00	100.00
Basic & Diluted Earnings per Share (Rs. in lakhs)	0.68	0.66

30 EXPENDITURE IN FOREIGN EXCHANGE

(Rs. in Lakhs)

	For the year ended 31.03.2017	For the year ended 31.03.2016
Foreign Travel	105.18	95.09
Fairs and Exhibitions	2,100.61	1,913.92
	2,205.79	2,009.01

31 EARNINGS IN FOREIGN EXCHANGE

(Rs. in Lakhs)

	For the year ended 31.03.2017	For the year ended 31.03.2016
Space Rent	1,125.25	1,342.95
Other Receipts	18.29	12.32
	1,143.54	1,355.27

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)**32 SUBSIDIARY COMPANIES**

(a) Karnataka Trade Promotion Organisation (KTPO) was promoted by ITPO in December, 2000 u/s 25 of the Companies Act 1956 (now Section 8 of Companies Act,2013), in collaboration with Karnataka Industrial Area Development Board (KIADB), with an authorized share capital of Rs. 50.00 lakh out of which the Company's share is 51%. In accordance with MOU with KIADB, ITPO contributed an exhibition hall to KTPO at a total cost of Rs. 1,793.77 lakh.

The authorised share capital of KTPO was enhanced to Rs. 2,000.00 lakh by the Board of Directors of KTPO on 9.9.2004 and it was also decided that ITPO's contribution of the exhibition hall to the extent of Rs. 1,020.00 lakh be treated as its capital contribution to KTPO. During 2015-16, Share Certificate for Rs. 994.50 lakh was issued by KTPO in favour of the company. As such, the company has received Share Certificates for its entire 51% equity in the Authorised Share Capital of KTPO till 31.3.2017 i.e. Rs. 1020.00 lakh.

The amount of Rs. 773.77 lakh spent on construction of exhibition hall, over and above Rs. 1,020.00 lakh was to be treated as non-interest bearing subordinate debt to KTPO, to be refunded subject to annual review and cash flow situation of KTPO. Accounting entries as per the above were carried out in earlier years. As the subordinate debt was not being realised, it has been proposed to enhance share capital of KTPO with a view to convert full/ part of the subordinate debt into ITPO's equity contribution.

During the year, the Board of Directors of ITPO & KIADB have in-principle approved converting their Sub-ordinate debt in KTPO into equity by increasing the Authorised Share Capital of KTPO to Rs. 3,235.00 lakh and obtaining refunds of the balance amounts. The increase in the share Capital of KTPO is, however, yet to be approved in their AGM. Accounting entries for the revised Share Capital shall be carried out in the company's books as & when the approvals are received. In the absence of terms/ period of repayment, the said subordinate debt has not been discounted for the purpose of fair-valuation.

(b) Tamil Nadu Trade Promotion Organisation (TNTPO) was promoted by ITPO in November 2000 u/s 25 of the Companies Act, 1956 (now Section 8 of Companies Act,2013), in collaboration with Tamil Nadu Industrial Development Corporation (TIDCO) with an Authorized Share Capital of Rs. 50.00 lakh of which ITPO's share is 51%. The issued capital of TNTPO is Rs. 1.00 lakh of which the Company has paid Rs. 0.51 lakh.

In accordance with MOU with TIDCO, ITPO contributed an exhibition hall to TNTPO at a cost of Rs. 1,637.48 lakh against which the Department of Commerce provided a grant of Rs. 1,206.39 lakh to ITPO. The balance amount of Rs. 431.09 lakh was charged off in ITPO's books as "Subsidy to TNTPO" in earlier years.

The Board of Directors of TNTPO in its 44th meeting held on 3.12.2014 under the Chairmanship of CMD- ITPO, decided to reimburse the expenditure of Rs. 431.09 lakh incurred by ITPO from its own resources in 16 quarterly equal installments of Rs. 26.94 lakh each from the year 2014-15. Accordingly, the amount of Rs. 431.09 lakh was shown as recoverable from TNTPO in ITPO's books in 2014-15 by treating the same as "Extraordinary Items - subsidy given to subsidiary company in earlier years recovered". Against this, Rs. 323.32 lakh (Previous Year Rs 215.55 lakh) comprising of 12 installments has been received from TNTPO till 31.3.2017.

33 CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(Rs. in Lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a) Contingent Liabilities			
-Claims against the Company not acknowledged as debts (amount deposited with authorities in two cases is Rs.981.31 lakh*)	5,448.76	7,684.84	8,665.91
Rs. 100.00 lakh- EPFO			
Rs. 881.31 lakh- Service Tax Department			
(b) Capital Commitments			
Estimated amount of contracts remaining to be executed on Capital Account (net of advances)	1,531.50	48.73	845.09
(c) Contingent Assets			
Interest accruing to the company, if any, in case of a favourable decision in Income Tax matter, has not been considered as a Contingent Asset, amount unascertainable (Refer note no. 37).			

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

34 DEMAND FROM LAND & DEVELOPMENT OFFICE (L&DO)

A demand of Rs 9,663.42 lakh excluding ground rent was raised on the company by the Land & Development Office, Ministry of Urban Development vide letter dated 21.4.2017 towards premium, additional premium etc in connection with the redevelopment plan of Pragati Maidan.

The matter has been taken up for obtaining the waiver of the principal demand by the Cabinet through the Department of Commerce on the grounds that the project is of national importance. As the company is hopeful that the demand will be waived off by the Cabinet, no provision for the said demand, enhanced ground rent and interest & penalties, if any, has been made in the accounts. The same has also not been considered as a Contingent Liability since the outflow is remote.

35 SERVICE TAX MATTERS

(a) Demand of Rs. 1,087.95 lakh for the period 2006-07 to 2009-10 comprising of Service Tax of Rs. 1,064.27 lakh and interest of Rs. 23.68 lakh was raised on the company by The Commissioner of Service Tax. The demand was contested and The Commissioner of Customs and Central Excise vide order dt. 22.01.2015 (received on 03.02.2015) revised the demand of Service Tax to Rs. 410.41 lakh alongwith penalty of Rs. 410.41 lakh plus 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.

The company paid Rs. 881.31 lakh on 25.02.2015 comprising of Service Tax of Rs. 410.41 lakh alongwith penalty of Rs. 102.70 lakh and interest of Rs. 368.20 lakh, under protest. An Appeal against the order dt. 22.01.2015 has been filed with CESTAT on 24.04.2015. A modified appeal has been filed on 9.2.2017.

(b) In addition the company had been served the following demands cum show cause notices by the Service Tax Department for the various periods as under:

Sr. No.	Amount (Rs.in lakhs)	Remarks
i	42.77	For the period 2011-12 - excluding interest and penalties, if any, amount not quantified.
ii	51.68	For the period 2012-13 excluding interest and penalties, if any, amount not quantified.
iii	46.69	For the period 2013-14 excluding interest and penalties, if any, amount not quantified.
Total	141.14	

As per the expert opinion, the services under Sr. No. (a) and (b) (i to iii) above, on which the demands/demand-cum-show cause notices were served, do not fall within the ambit of Service Tax. The demands have been contested by the company with the respective authorities.

No provision for the demand of Rs. 1,022.45 lakh (Rs. 881.31 lakh plus Rs. 141.14 lakh) has accordingly been made in the accounts. The demand of Rs. 1,022.45 lakh is, however, included as a Contingent Liability at Note No. 33.

The amount of Rs. 881.31 lakh paid under protest with the Service Tax Department has been reflected in the accounts under the head "Service Tax Recoverable".

36 CORPORATE SOCIAL RESPONSIBILITY

A. Gross amount required to be spent by the company during the year as per Section 135 of the Companies Act 2013 - Rs. 368.76 lakh (2% of average surplus of last 3 financial years). In addition, company decided to carry over the unspent amount of Rs. 253.41 lakh of previous year 2015-16.

B. Amount spent during the year :

		(Rs. in lakhs)		
		In Cash	Yet to be paid in Cash	Total
(i)	Construction/ acquisition of any assets	-	-	-
(ii)	On purposes other than (i) above	200.75	92.00	292.75

C. Amount unspent: Rs. 329.42 lakh (Rs. 368.76 lakh plus 253.41 lakh less 292.75 lakh)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)**37 INCOME TAX MATTERS**

The Director General of Income Tax (Exemptions) had withdrawn the Income Tax Exemption granted to the ITPO u/s 10(23C)(iv) of the Income Tax Act, 1961 from the Assessment Years 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 in the Hon'ble High Court of Delhi. The Hon'ble High Court delivered its judgment on 22.1.2015 in favour of the company and accordingly the Chief Commissioner of Income Tax(Exemptions) vide order dated 2nd March 2015 restored the income tax exemption u/s 10(23C)(iv) of the Income Tax Act, 1961 w.e.f. Assessment Years 2009-10 and onwards.

Pending restoration of the exemption, the Income Tax Department had completed assessments for the Assessment Years 2009-10 to 2011-12 and raised total demands of Rs. 15,589.86 lakh against which Rs.1319.00 lakh was paid under protest and TDS refunds of Rs 8770.74 lakh upto AY 2014-15 were adjusted by the Income Tax Department against the demands.

In addition, the appeals filed by the company with CIT(Appeals) against the demands raised by the Income Tax Department for the Assessment Years 2009-10 to 2011-12 were also decided in favour of the company. However, the Income tax department has filed appeals in Income Tax Appellate Tribunal Delhi against the orders of CIT(Appeals) in favour of the company.

The Income Tax Department has filed a Special Leave Petition SLP(C) CC 5899 of 2016 in the Hon'ble Supreme Court against the order of the Hon'ble Delhi High Court. The prayer of the Income tax Department for interim relief/stay of operation of the judgment passed by the Hon'ble Delhi High Court was not accepted. The matter has been tagged with other SLPs and will come up for hearing in due course.

As the exemption has been restored by the Hon'ble Delhi High Court, no provision for income tax, interest & penalties, if any has been made. The adjustment of TDS refunds and amounts paid by the company, amounting to Rs 10089.74 lakh (Rs 1,319.00 lakh and Rs 8770.74 lakh) has been reflected in the accounts under the head "Income Tax Recoverable".

38 CONFIRMATION OF BALANCES

Amounts due to/from various parties are subject to confirmation, reconciliation and adjustments, if any.

39 EMPLOYEES' BENEFITS

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

a. 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 recognises such shortfall as its expense.

b. Leaves

The scheme of leave encashment is unfunded. It is recognized in the books of the Company on the basis of actuarial valuation. The encashment of Earned Leave (EL) and Half-Pay Leave (HPL) benefits to the employees of the Company accrue annually at the rate of 30 days and 20 days respectively. While in service, EL is encashable subject to a maximum of 60 days once in a calendar year leaving minimum balance of 30 days. However, employees within one year of their superannuation are allowed encashment of EL twice in a calendar year subject to the proviso that 30 days EL should be in credit at all times. EL is also encashable subject to a maximum of 300 days on superannuation / death / resignation etc. HPL is encashable only on superannuation / death / resignation etc. up to a maximum of 300 days as per the Rules of the Company. An overall ceiling of encashment of EL and HPL for 300 days is prescribed at the time of superannuation / death / resignation, etc.

i. Expenses recognized in the statement of Income and Expenditure

(Rs. in Lakhs)

	2016-17	2015-16
Interest cost	180.16	151.43
Current service cost	113.63	84.83
Net actuarial (gain)/loss recognised in the period	497.21	566.39
Expenses recognised in the statement of Income and Expenditure #	790.99	802.65

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

ii. The amount recognized in the Balance Sheet

(Rs. in lakhs)

	As at 31.03.2017	As at 31.03.2016
Present value of the obligation at end of the year	2,708.29	2,289.77
Net liability/(assets) recognised in Balance Sheet and related analysis	2,708.29	2,289.77
Unfunded Status	(2,708.29)	(2,289.77)

iii. Changes in the present value of the Present Value of Obligations:

(Rs. in lakhs)

	2016-17	2015-16
Present value of the obligation at the beginning of the period	2,289.77	1,892.92
Difference in Opening #	22.89	-
Acquisition in	10.15	-
Interest cost	180.16	151.43
Current service cost	113.63	84.83
Benefits paid (if any)	(405.52)	(405.79)
Actuarial (gain)/loss	497.21	566.39
Present value of the obligation at the end of the year	2,708.29	2,289.77

iv. Sensitivity Analysis of the defined benefit obligation:

(Rs. in lakhs)

	2016-17
a) Impact of the change in discount rate	
Present Value of Obligation at the end of the period	2,708.29
a) Impact due to increase of 0.50 %	(58.70)
b) Impact due to decrease of 0.50 %	61.45
b) Impact of the change in salary increase	
Present Value of Obligation at the end of the period	2,708.29
a) Impact due to increase of 0.50 %	62.38
b) Impact due to decrease of 0.50 %	(60.10)

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

	As at 31.03.2017	As at 31.03.2016
Discount rate	7.06% per annum	7.79% per annum
Salary Growth Rate	5.00% per annum	5.00% per annum
Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Withdrawal rate (Per Annum)	2.00% per annum	2.00% per annum

During F.Y. 2015-16, Rs. 825.54 recognised in the Statement of Income & Expenditure as benefits of Rs. 22.89 lakh paid during 2016-17 for employees retired/ expired up to 31st March, 2016.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)**c. Gratuity**

The Company has a defined benefit gratuity scheme. The Scheme is funded. A separate ITPO Employees Gratuity Fund Trust manages the affairs of the trust. The funds of the trust are managed by LIC. It is recognized in the books of the Company on the basis of actuarial valuation. Every employee who has rendered continuous service of 5 years or more is entitled to get gratuity at the rate of 15 days salary [15/26 x (last drawn basic salary + dearness allowance)] for each completed year of service, as per rules of the company/ DPE guidelines on the subject.

i. Expenses recognized in the statement of Income and Expenditure

(Rs. in lakhs)

	2016-17	2015-16
Net Interest cost	20.59	27.18
Current service cost	1,367.18	151.19
Expenses recognised in the statement of Income & Expenditure Account #	1,387.77	178.37
Remeasurements:		
Opening unrecognised Actuarial Gain/ (loss)	27.59	-
Actuarial gain/ (loss) for the year	(1.79)	21.51
Gain/ (Loss) due to Change in Demographic Assumption	-	-
Gain/ (Loss) due to Change in Financial Assumption	(196.81)	-
Gain/ (Loss) due to Change in Experience Adjustment	(19.61)	6.08
Net actuarial gain/(loss) unrecognised at the end of the year (in OCI)	(190.62)	27.59

ii. The amount recognized in the Balance Sheet

(Rs. in lakhs)

	As at 31.03.2017	As at 31.03.2016
Present value of the obligation at end of the year	5,914.22	4,380.20
Fair value of plan assets at end of period	4,277.14	4,212.24
Net liability/(assets) recognised in Balance Sheet and related analysis	1,637.09	167.96
Funded/ (unfunded) Status	(1,637.09)	(167.96)

iii. Changes in the Present Value of Obligations:

(Rs. in lakhs)

	2016-17	2015-16
Present value of the obligation at the beginning of the period	4,380.20	4,215.87
Difference in Opening	89.43	-
Acquisition in	6.87	-
Interest cost	357.57	337.27
Current service cost	1,367.18	151.19
Benefits paid (if any)	(503.45)	(318.05)
Actuarial (gain)/loss	216.42	(6.08)
Present value of the obligation at the end of the year	5,914.22	4,380.20

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

iv. Sensitivity Analysis of the defined benefit obligation:

(Rs. in lakhs)

	2016-17
a) Impact of the change in discount rate	
Present Value of Obligation at the end of the period	5,914.22
a) Impact due to increase of 0.50 %	(137.74)
b) Impact due to decrease of 0.50 %	143.68
b) Impact of the change in salary increase	
Present Value of Obligation at the end of the period	5,914.22
a) Impact due to increase of 0.50 %	139.74
b) Impact due to decrease of 0.50 %	(136.14)

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

	As at 31.03.2017	As at 31.03.2016
Discount rate	7.06% per annum	8.00% per annum
Salary Growth Rate	5.00% per annum	5.00% per annum
Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Withdrawal rate (Per Annum)	2.00% per annum	2.00% per annum

During F.Y. 2015-16, Rs. 240.20 lakh recognised in the statement of Income & Expenditure as benefit of Rs 89.43 lakh paid during 2016-17 for employees retired/ expired up to 31st March 2016.

Note: Gratuity Liability is subject to reconciliation with accounts of 'ITPO Employee Gratuity Fund Trust'.

40 PENSION FUND

During the year, the Pension scheme was approved by the Administrative Ministry. A provision of Rs. 2,631.14 lakh (previous year Rs. 2,325.00 lakh) is being carried in the books till the transfer of its obligation to the ITPO Superannuation Pension Fund Trust.

41 PAY REVISION

The Department of Public Enterprises vide OM no.W-02/0028/2017-TPE(WC)-GL-XIII/17 dated 03.08.2017 and 04.08.2017 has issued guidelines for Revision of Pay Scales of the employees on IDA pattern w.e.f. 01.01.2017. Pending approval of the Competent Authority for the Revised Pay Scales, provisions for the same have been made in the accounts (Refer Note no. 25).

42 INTEGRATED EXHIBITION CUM CONVENTION CENTRE (IECC)

During the year, the Cabinet Committee on Economic Affairs (CCEA) approved the Phase –I of the Integrated Exhibition cum Convention Centre (IECC) project for redevelopment of Pragati Maidan Complex at an estimated cost of Rs 2,25,400.00 lakh to be funded by Rs 120,000.00 lakh from ITPO's reserves and the balance to be raised from financial institutions/banks etc. M/s NBCC, a Public Sector Undertaking has been appointed as the Project Management Consultant for the project and an MOU has been signed between the company and NBCC on 29.3.2017. The process for award of work for the IECC Project by NBCC is underway. Pending the award of the work for the project, the schedule of "Capital Commitments" does not include figures for the IECC Project.

43 DUES TO MICRO, SMALL & MEDIUM ENTERPRISES

There are no Micro, Small & Medium Enterprises to whom the Company owes dues as at 31st March 2017. This information, as required to be disclosed under the Micro, Small and Medium Enterprises Development Act 2006, has been determined on the basis of information available with the Company.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)**44 DISCLOSURE AS PER Ind AS 27 'SEPARATE FINANCIAL STATEMENTS'****a) Investment in Subsidiaries:***

Company Name	Country of Incorporation	Proportion of ownership interest %		
		31.03.2017	31.03.2016	01.04.2015
Tamil Nadu Trade Promotion Organisations	India	51	51	51
Karnataka Trade Promotion Organisation	India	51	51	51

b) Investment in Joint Venture Entities:*

Company Name	Country of Incorporation	Proportion of ownership interest %		
		31.03.2017	31.03.2016	01.04.2015
National Centre for Trade Information	India	50	50	50

*Equity investments in subsidiaries and joint ventures are measured at cost as per the provisions of Ind AS 27 on 'Separate Financial Statements'.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

45 SEGMENT REPORTING FOR THE YEAR ENDED 31ST MARCH 2017

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.

Entity Wide Disclosures

A. Information about products and services

Company primarily operates in one service, therefore service wise revenue disclosure is not applicable.

B. Information about geographical areas

(1) Information about Primary Geographical Segments

(Rs. in lakhs)

	Trade promotion Activities in India	Trade promotion Activities Abroad	Unallocated	Total
Revenue-External	23,459.41	3,514.42	-	26,973.83
	(22,400.29)	(3,034.05)	-	(25,434.34)
Inter-segment	-	-	-	-
Total revenue	23,459.41	3,514.42	-	26,973.83
	(22,400.29)	(3,034.05)	-	(25,434.34)
Result				
Segment result	7,204.10	-1,224.14	-814.62	5,165.34
	(6,388.32)	(-889.89)	(-1155.09)	(4,343.34)
Unallocated expenditure net of unallocated income	-	-	-	-
Interest/Dividend income	-	-	11,733.70	11,733.70
	-	-	(12,070.33)	(12,070.33)
Surplus before taxation	-	-	-	16,899.04
	-	-	-	(16,413.67)
Excess of income over expenditure	-	-	-	16,899.04
	-	-	-	(16,413.67)
Other information	-	-	-	-
Segment assets	22,834.36	590.60	180,771.15	204,196.11
	(8,817.77)	(846.05)	(174,364.49)	(184,028.30)
Segment liabilities	9,588.47	455.25	11,188.16	21,231.88
	(8,697.27)	(676.64)	(8,589.20)	(17,963.11)
Capital expenditure	407.78	-	-	407.78
	(264.47)	-	-	(264.47)
Depreciation & Amortisation	463.09	-	-	463.09
	(485.81)	-	-	(485.81)

NOTE:

- The unallocated expenditure includes 10% of establishment and office expenses. The balance is apportioned among the segments on the basis of their respective revenues.
- The unallocated assets and liabilities include those which are not possible to be appropriately identified to a specific segment.
- Figures in brackets in the Segment Report relate to the previous year.

(2) The company does not have secondary segment.

C. 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 an entity's revenues.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)**46 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT****I Fair Value Measurements****A. Financial Instruments by Category****(Rs. in Lakhs)**

	As at 31 March 2017		As at 31 March 2016		As at 1st April 2015	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets						
Non- Current Investments		1,196.42		1,249.01		1,275.81
Non- Current loans		1,392.67		1,553.98		1,708.62
Other non-current financial assets		-		500.00		20,900.00
Current investments	72.40		58.45		60.72	
Trade receivables		870.26		992.27		688.18
Cash and Cash Equivalents		3,571.50		2,863.59		2,992.42
Bank Balances other than Cash and Cash Equivalents		143,599.99		139,299.90		100,700.00
Current loans		2,002.16		2,116.85		1,920.33
Other Current Financial Assets		12,325.70		12,504.85		12,480.86
	72.40	164,958.70	58.45	161,080.45	60.72	142,666.22
Financial Liabilities						
Trade Payables	-	2,007.86	-	2,211.28	-	1,173.01
Other Current Financial Liabilities	-	1,635.21	-	1,619.62	-	1,242.65
	-	3,643.07	-	3,830.90	-	2,415.66

B. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

- recognised and measured at fair value and
- measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is given in the table below.

Financial assets and liabilities measured at fair value-recurring fair value measurements

	As at 31 March 2017			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial Investments at FVTPL				
Investments				
Mutual Funds	72.40	-	-	72.40
Total Financial Assets	72.40	-	-	72.40

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

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

(Rs. in Lakhs)

	As at 31 March 2017			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Non- Current Investments	-	-	1,196.42	1,196.42
Non- Current loans	-	-	1,392.67	1,392.67
Other non-current financial assets	-	-	-	-
Trade receivables	-	-	870.26	870.26
Cash and Cash Equivalents	-	-	3,571.50	3,571.50
Bank Balances other than Cash and Cash Equivalents	-	-	143,599.99	143,599.99
Current loans	-	-	2,002.16	2,002.16
Other Current Financial Assets	-	-	12,325.70	12,325.70
Total Financial Assets	-	-	164,958.70	164,958.70
Financial Liabilities				
Trade Payables	-	-	2,007.86	2,007.86
Other Current Financial Liabilities	-	-	1,635.21	1,635.21
Total Financial Liabilities	-	-	3,643.07	3,643.07

Financial assets and liabilities measured at fair value-recurring fair value measurements

	As at 31 March 2016			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial Investments at FVTPL				
Investments				
Mutual Funds	58.45	-	-	58.45
Total Financial Assets	58.45	-	-	58.45

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

	As at 31 March 2016			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Non- Current Investments	-	-	1,249.01	1,249.01
Non- Current loans	-	-	1,553.98	1,553.98
Other non-current financial assets	-	-	500.00	500.00
Trade receivables	-	-	992.27	992.27
Cash and Cash Equivalents	-	-	2,863.59	2,863.59
Bank Balances other than Cash and Cash Equivalents	-	-	139,299.90	139,299.90
Current loans	-	-	2,116.85	2,116.85
Other Current Financial Assets	-	-	12,504.85	12,504.85
Total Financial Assets	-	-	161,080.45	161,080.45
Financial Liabilities				
Trade Payables	-	-	2,211.28	2,211.28
Other Current Financial Liabilities	-	-	1,619.62	1,619.62
Total Financial Liabilities	-	-	3,830.90	3,830.90

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

Financial assets and liabilities measured at fair value-recurring fair value measurements

(Rs. in Lakhs)

	As at 1 April 2015			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial Investments at FVTPL				
Investments				
Mutual Funds	60.72	-	-	60.72
Total Financial Assets	60.72	-	-	60.72

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

	As at 1 April 2015			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Non- Current Investments	-	-	1,275.81	1,275.81
Non- Current loans	-	-	1,708.62	1,708.62
Other non-current financial assets	-	-	20,900.00	20,900.00
Trade receivables	-	-	688.18	688.18
Cash and Cash Equivalents	-	-	2,992.42	2,992.42
Bank Balances other than Cash and Cash Equivalents	-	-	100,700.00	100,700.00
Current loans	-	-	1,920.33	1,920.33
Other Current Financial Assets	-	-	12,480.86	12,480.86
Total Financial Assets	-	-	142,666.22	142,666.22
Financial Liabilities				
Trade Payables	-	-	1,173.01	1,173.01
Other Current Financial Liabilities	-	-	1,242.65	1,242.65
Total Financial Liabilities	-	-	2,415.66	2,415.66

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 (for example, traded bonds, over-the-counter derivatives) 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).

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

C. Fair Value of financial assets and liabilities measured at amortised cost:

(Rs. in Lakhs)

	As at 31 March 2017		As at 31 March 2016		As at 1st April 2015	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets						
Non- Current Investments	1,196.42	1,196.42	1,249.01	1,249.01	1,275.81	1,275.81
Non- Current loans	1,392.67	1,392.67	1,553.98	1,553.98	1,708.62	1,708.62
Other non-current financial assets	-	-	500.00	500.00	20,900.00	20,900.00
Trade receivables	870.26	870.26	992.27	992.27	688.18	688.18
Cash and Cash Equivalents	3,571.50	3,571.50	2,863.59	2,863.59	2,992.42	2,992.42
Bank Balances other than Cash and Cash Equivalents	143,599.99	143,599.99	139,299.90	139,299.90	100,700.00	100,700.00
Current loans	2,002.16	2,002.16	2,116.85	2,116.85	1,920.33	1,920.33
Other Current Financial Assets	12,325.70	12,325.70	12,504.85	12,504.85	12,480.86	12,480.86
	164,958.70	164,958.70	161,080.45	161,080.45	142,666.22	142,666.22
Financial Liabilities						
Trade Payables	2,007.86	2,007.86	2,211.28	2,211.28	1,173.01	1,173.01
Other Current Financial Liabilities	1,635.21	1,635.21	1,619.62	1,619.62	1,242.65	1,242.65
	3,643.07	3,643.07	3,830.90	3,830.90	2,415.66	2,415.66

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances, other current financial assets and liabilities are considered to be the same as their fair value, due to their short term nature.

The fair value of loans were calculated based on cash flows using MCLR/ base rate of SBI. They are classified as level 3 fair values in their fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit.

47 CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued equity capital, capital grant from Government of India treated as other equity.

48 FIRST TIME ADOPTION OF IND AS

These financial statements, for the year ended 31 March 2017 have been prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and Generally Accepted Accounting Principles (GAAP) in India. Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheets at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.

Exemptions and Exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. Ind AS optional exemptions

(i) Deemed Cost

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets as per their previous GAAP carrying value.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

(ii) Investment in Subsidiaries and Joint Venture:

Ind AS 101 permits a first time adopter to choose the previous GAAP carrying amount at the entity's date of transition to Ind AS to measure the investment in subsidiaries and joint venture at the deemed cost.

Accordingly, the company has opted to measure its investment in subsidiaries and joint venture at deemed cost, i.e. previous GAAP carrying amount.

(iii) Fair Value Measurement Of Financial Asset and Financial Liabilities at initial recognition

Ind AS-101 permits first time adopter to designate a previously recognised financial asset/liability at fair value .

Accordingly the company has adopted to measure all it's previously recognised financial asset and liabilities at fair value i.e deemed cost at the date of transition.

B. Ind AS mandatory exceptions

(i) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is an objective evidence that those estimates were in error. The Company has not made any changes to estimates made in accordance with previous GAAP.

(ii) Classification and measurement of financial assets

Classification and measurement of financial assets shall be made on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Company has evaluated the facts and circumstances existing on the date of transition to Ind AS for the purpose of classification and measurement of financial assets and accordingly has classified and measured financial assets on the date of transition.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

C. Reconciliation between Previous GAAP and Ind AS

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Indian GAAP to Ind AS in accordance with Ind AS 101:

Reconciliation of Equity (Rs. in Lakhs)

	As at 01.04.2015			As at 31.03.2016			
	Footnote No.	Amount as per Indian GAAP	Adjustments due to transition	Amount as per Ind AS	Amount as per Indian GAAP	Adjustments due to transition	Amount as per Ind AS
ASSETS							
Non-current assets							
1) Property, plant and equipment	1 (a)	4,629.39	0.62	4,630.01	4,332.75	-	4,332.75
2) Capital Work in Progress		559.48	-	559.48	617.92	-	617.92
3) Other Intangible Assets		-	-	-	-	-	-
4) Intangible Assets Under Development		62.00	-	62.00	-	-	-
5) Financial Assets							
a) Investments	1 (c)	1,220.51	55.30	1,275.81	1,220.51	28.50	1,249.01
b) Loans	1 (d)	1,669.86	38.76	1,708.62	1,484.34	69.64	1,553.98
c) Other Financial assets		-	20,900.00	20,900.00	-	500.00	500.00
6) Other Non-Current Assets	1 (d)	364.51	(7.02)	357.49	366.84	(24.37)	342.47
		8,505.75	20,987.66	29,493.41	8,022.36	573.76	8,596.13
Current Assets							
1) Financial Assets							
a) Investments	1 (e)	29.72	31.00	60.72	33.94	24.51	58.45
b) Trade Receivables		688.18	-	688.18	992.27	-	992.27
c) Cash and Cash Equivalents		124,592.41	(121,599.99)	2,992.42	142,663.49	(139,799.90)	2,863.59
d) Bank Balances other than Cash and Cash Equivalents		-	100,700.00	100,700.00	-	139,299.90	139,299.90
e) Loans	1 (d)	23,895.62	(21,975.29)	1,920.33	27,213.92	(25,097.07)	2,116.85
f) Other Financial assets		-	12,480.86	12,480.86	-	12,504.85	12,504.85
2) Other Current Assets		5,038.80	9,407.38	14,446.18	5,077.80	12,518.45	17,596.25
		154,244.73	(20,956.04)	133,288.69	175,981.42	(549.26)	175,432.16
Total Assets		162,750.48	31.62	162,782.10	184,003.78	24.51	184,028.29

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

EQUITY AND LIABILITIES

A. Equity

(Rs. in Lakhs)

1) Equity Share Capital		25.00	-	25.00	25.00	-	25.00
2) Other Equity	1(a,b,d,e)	150,025.64	(399.12)	149,626.52	166,553.77	(513.58)	166,040.19
		150,050.64	(399.12)	149,651.52	166,578.77	(513.58)	166,065.19
B. Liabilities							
I. Non-Current Liabilities							
1) Provisions		1,703.90	-	1,703.90	1,832.76	-	1,832.76
2) Other non-current Liabilities		520.58	-	520.58	933.39	-	933.39
		2,224.48	-	2,224.48	2,766.15	-	2,766.15
II. Current Liabilities							
1) Financial Liabilities							
a) Trade Payables		1,241.04	(68.03)	1,173.01	2,294.13	(82.85)	2,211.28
b) Other Financial Liabilities		-	1,242.65	1,242.65	-	1,619.62	1,619.62
2) Other Current Liabilities		5,652.85	(743.88)	4,908.97	6,125.42	(998.69)	5,126.73
3) Provisions		3,581.47	-	3,581.47	6,239.32	-	6,239.32
		10,475.36	430.74	10,906.10	14,658.87	538.08	15,196.95
Total Equity and Liabilities		-	162,750.48	31.62	162,782.10	184,003.78	24.51

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

Reconciliation of other equity

	Footnote No.	As at 01.04.2015	As at 31.03.2016
Equity as per IGAAP		150,025.64	166,553.77
Adjustments:			
Add: Changes due to prior period income reinstated as per Ind AS 8	1 (a)	(430.12)	(107.97)
Add: Fair value gain/(loss) on investment in mutual fund	1 (e)	31.00	(6.49)
Add: Recognition of financial assets at amortised cost	1 (d)	-	-
Total Adjustments:		(399.12)	(114.46)
Net impact brought forward from opening balance sheet			(399.12)
Equity as per Ind AS		149,626.52	166,040.19

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

Reconciliation of total comprehensive income for the year ended 31March 2016

(Rs. in Lakhs)

	Footnote No.	Amount as per Indian GAAP	Adjustments due to transition	Amount as per Ind AS
Income				
Revenue from Operations		24,502.89	49.59	24,552.48
Other Income	1 (d)	13,149.02	(145.78)	13,003.24
Total Income		37,651.91	(96.19)	37,555.72
Expenses				
Employee Benefits Expenses	1 (d)	8,899.42	60.86	8,960.28
Depreciation and Amortization Expenses		485.81	-	485.81
Other Expenses	1 (a)	9,551.84	(15.00)	9,536.84
Total Expenses		18,937.07	45.86	18,982.93
Excess of Income over Expenditure before Exceptional items and Tax		18,714.84	(142.05)	18,572.79
Exceptional Items		(2,186.71)	-	(2,186.71)
Excess of Income over Expenditure before Tax		16,528.13	(142.05)	16,386.08
Tax Expenses		-	-	-
Profit for the period(A)		16,528.13	(142.05)	16,386.08
Other comprehensive income				
(i) Items that will not be reclassified to profit or loss		-	-	-
Remeasurement of net defined benefit (liability)/asset		-	27.59	27.59
Total Other comprehensive income for the period, net of Income Tax(B)		-	27.59	27.59
Total Comprehensive Income for the year (A+B)		16,528.13	(114.46)	16,413.67

Reconciliation of total comprehensive income for the year ended 31March 2016

(Rs. in Lakhs)

	Footnote No.	Amount
Profit after tax as per IGAAP		16,528.13
Adjustments		
Add: Changes due to prior period income reinstated as per Ind AS 8	1 (a)	(107.97)
Add: Fair value gain/(loss) on investment in mutual fund	1 (e)	(6.49)
Add: Recognition of financial assets at amortised cost	1 (d)	-
Less:Remeasurement of net defined benefit (liability)/asset		(27.59)
Total Adjustments:		(142.05)
Profit after Tax as per Ind AS		16,386.08
Other Comprehensive Income		-
Add: Remeasurement of net defined benefit (liability)/asset		27.59
Total Comprehensive Income for the year		16,413.67

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)**Reconciliation of Statement of Cash Flows for the year ended 31 March 2016****(Rs. in Lakhs)**

	Footnote No.	Amount as per Indian GAAP	Adjustments due to transition	Amount as per IND AS
Net cash flow from operating activities		6,181.23	(38,628.43)	(32,447.20)
Net cash flow from investing activities		11,889.85	20,428.52	32,318.37
Net cash flow from financing activities		-	-	-
Net increase/(decrease) in cash and cash equivalents during the year		18,071.08	(18,199.91)	(128.83)
Cash and Cash equivalents at the beginning of the year		124,592.42	(121,600.00)	2,992.42
Cash and Cash equivalents at the end of the year		142,663.49	(139,799.91)	2,863.59

Footnotes to the reconciliations:**1 (a) Prior Period Errors**

Under previous GAAP (i.e. IGAAP), prior period errors were reported in Statement of Profit and Loss for the period in which the error arises as a result of errors or omissions in the preparation of financial statements of one or more prior periods. Under Ind AS, prior period error is corrected through retrospective restatement as if a prior period error had never occurred.

1 (b) Retained Earning

Retained Earning as at 1st April 2015 has been adjusted for prior period expenses recorded in financial statements for the Financial year 2015-16 and 2016-17 for period related to before 31.03.2015.

Balance sheet as at 1st April, 2015	As reported	Restatement for Ind AS Adjustments	Restated balances
Retained earnings	143,642.47	(324.89)	143,317.58

1 (c) Investment in Subsidiary

The difference between the loan amount given to subsidiary and its fair value is treated as additional investment in subsidiary in the books of holding company.

1 (d) Loans

The loans given to subsidiary and employees are classified as financial assets at amortised cost. The interest rate on such financial assets is lower than the market rate, these financial assets have been discounted to present value. For employee loans, the effect of the adjustments is reflected in deferred payroll expense under non-current and current assets.

1 (e) Investment in Mutual funds

The investment by ITPO in UTI mutual funds has been valued at fair value (i.e. market rate) through Statement of Income & Expenditure.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

49 RELATED PARTY DISCLOSURES ARE GIVEN BELOW

(a) INTEREST IN SUBSIDIARIES

Name of Companies	Principal Place of Operation	Principal Activities	Proportion Of Ownership Interest	
			31.03.2017	31.03.2016
Tamilnadu Trade Promotion Organisation	India	Trade Promotion	51%	51%
Karnataka Trade Promotion Organisation	India	Trade Promotion	51%	51%

(b) INTEREST IN JOINT VENTURES

Name of Company	Principal Place of Operation	Principal Activities	Proportion Of Ownership Interest	
			31.03.2017	31.03.2016
National Centre for Trade Information	India	Trade Information	50%	50%

(c) LIST OF OTHER RELATED PARTIES

Name of Related Parties	Principal Place of Operation	Nature of relationship
ITPO Employess Provident Fund Trust	India	Post -Employment Benefit Plan of ITPO
ITPO Employess Gratituty Fund Trust	India	Post -Employment Benefit Plan of ITPO

(d) KEY MANAGEMENT PERSONNEL

Name	Position held
1 Sh. Lakhmi Chand Goyal	Chairman & Managing Director
2 Smt. Shubra Singh (till 09.02.2017)	Executive Director
3 Sh. Rajneesh (w.e.f. 10.02.2017 till 24.05.2017)	Executive Director
4 Sh. J K Dadoo	Nominee director
5 Sh. Manoj Joshi	Nominee director
6 Sh. Sanjay Chadha	Nominee director
7 Sh. K Nagaraj Naidu	Nominee director
8 Sh. P N Vijay (w.e.f. 10.06.2016)	Independent Director
9 Sh. Devender Mohan Sharma	CFO
10 Sh. Smurti Ranjan Sahoo	Company Secretary

(e) NAME & NATURE OF RELIATIONSHIP WITH GOVERNMENT

Name of Government	Relationship with ITPO
Government of India	100% Shareholder of the company

(f) COMPENSATION FOR KEY MANAGEMENT PERSONNEL

				(Rs. in Lakhs)
Name of Person	Designation	Salary & Allowances	Perks	Total Remuneration
(i) Short Term Employee Benefits				
1 Sh. Lakhmi Chand Goyal	Chairman & Managing Director	25.96	4.29	30.24
2 Smt. Shubra Singh	Executive Director	26.26	2.25	28.51
3 Sh. Rajneesh	Executive Director	-	-	-
4 Sh. Smurti Ranjan Sahoo	Company Secretary	15.37	0.09	15.46
5 Sh. Devender Mohan Sharma	CFO	17.75	-	17.75
(ii) Other Benefits				NIL

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

(g) TRANSACTIONS WITH RELATED PARTIES	2016-17	2015-16
Tamilnadu Trade Promotion Organisation		
Services received by the Company	137.23	151.77
ITPO Employess Provident Fund Trust		
Contribution by the Company	569.83	566.60
ITPO Employess Gratituty Fund Trust		
Contribution by the Company	1,387.85	267.79
(h) OUTSTANDING BALANCES WITH RELATED PARTIES		
Particulars	31.03.2017	31.03.2016
(i) Balances with Subsidiaries		
Tamilnadu Trade Promotion Organisation		
Payable by company	182.31	155.14
Receivable by the company	121.48	231.30
Karnataka Trade Promotion Organisation		
Payable by company	-	-
Receivable by the company	1,794.98	1,859.59
(ii) Balances with Joint Ventuire (NCTI)		
Payable by company	16.60	18.55
Receivable by the company	260.93	294.89
(iii) Payable by Company		
ITPO Employess Provident Fund Trust	NIL	11.42
ITPO Employess Gratituty Fund Trust	1,607.53	240.20
(iv) Balances with KMP		
	NIL	NIL

The Company has business transactions with the state governments and entities controlled by the Govt. of India. Transactions with these entities are carried out at market terms on arms-length basis. Therefore, party-wise details of such transactions have not been given since such transactions are carried out in the ordinary course of business at normal commercial terms. Departments & agencies of Government that do not control, jointly control or significantly influence the company are not related party in accordance with Para 11(c)(iv) of Ind AS-24.

50 PREVIOUS YEAR FIGURES

The Previous year's figures have been regrouped/ reclassified/ recast, wherever considered necessary.

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

Sd/-
(D.M.Sharma)
Chief Financial Officer

Sd/-
(Deepak Kumar)
Executive Director

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

As per our report annexed
For Grover, Lalla & Mehta,
Chartered Accountants
FRN - 002830N

Sd/-
(Alok Goyal)
Partner
M. No. : 501529

Place: New Delhi
Dated: 29.08.2017



India Trade
Promotion Organisation

Consolidated Accounts

40th Annual Report 2016-17

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

(Rs. In Lakhs)

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
ASSETS				
I. Non-Current Assets				
1) Property, plant and equipment	3	10,598.44	10,982.74	11,233.94
2) Capital Work in Progress	3	109.26	617.92	559.48
3) Other Intangible Assets	3	14.30	0.42	0.67
4) Intangible Assets Under Development	3	-	-	62.00
5) Investment in Joint Venture	4	166.11	164.65	180.84
6) Financial Assets				
a) Investment	5	0.00	0.00	0.00
b) Loans	6	618.93	682.24	747.81
c) Other Financial assets	7	-	500.00	20,900.00
7) Other Non-Current Assets	8	14,756.99	417.60	433.92
II. Current Assets				
1) Financial Assets				
a) Investments	9	72.40	58.45	60.72
b) Trade Receivables	10	870.27	1,000.60	729.11
c) Cash and Cash Equivalents	11	4,924.19	3,536.57	3,281.86
d) Bank Balances other than Cash and Cash Equivalents	12	163,461.94	153,118.83	114,473.15
e) Loans	13	1,913.76	1,970.94	1,780.46
f) Other Financial assets	14	12,923.98	12,940.29	13,003.62
2) Other Current Assets	15	27,008.00	22,420.87	18,205.91
TOTAL ASSETS		237,438.57	208,412.11	185,653.48
EQUITY AND LIABILITIES				
A. Equity				
1) Equity Share Capital	16	25.00	25.00	25.00
2) Other Equity	17	198,728.68	177,449.19	159,523.01
Non- Controlling Interests	18	16,492.22	11,915.92	10,631.75
B. Liabilities				
I. Non-Current Liabilities				
1) Financial Liabilities				
a) Borrowing	19	-	141.65	283.41
2) Provisions	20	2,436.32	1,832.77	1,706.20
3) Other non-current Liabilities	21	853.55	933.39	520.58
II. Current Liabilities				
1) Financial Liabilities				
a) Borrowing	22	24.50	-	-
b) Trade Payables	23	2,048.16	2,187.16	1,158.82
c) Other Financial Liabilities	24	1,837.46	1,832.49	2,715.35
2) Other Current Liabilities	25	6,635.90	5,849.01	5,502.64
3) Provisions	26	8,356.78	6,245.53	3,586.72
TOTAL EQUITY AND LIABILITIES		237,438.57	208,412.11	185,653.48

General Information 1

Significant accounting policies 2

The accompanying notes are an integral part of the financial statements.

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

Sd/-
(D.M.Sharma)
Chief Financial Officer

Sd/-
(Deepak Kumar)
Executive Director

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

As per our report annexed
For Grover, Lalla & Mehta,
Chartered Accountants
FRN - 002830N

Sd/-
(Alok Goyal)
Partner
M. No. : 501529

Place: New Delhi
Dated: 29.08.2017

CONSOLIDATED STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 31ST MARCH, 2017

(Rs. In Lakhs)

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016
I Income			
Revenue from Operations	27	30,261.71	28,035.13
Other Income	28	14,047.25	14,390.66
Total Income		44,308.96	42,425.79
II Expenses			
Employee Benefits Expenses	29	11,266.42	9,118.33
Depreciation and Amortization Expenses	30	929.79	971.89
Other Expenses	31	11,514.05	11,108.56
Total Expenses		23,710.26	21,198.78
III Excess of Income over Expenditure before Exceptional, Extraordinary Items and Tax		20,598.70	21,227.01
Exceptional Items	32	5,024.38	(1,909.37)
IV Excess of Income over Expenditure before Tax		25,623.08	19,317.64
VI Tax Expenses		-	-
VII Excess of Income over Expenditure before share of net income of investments accounted for using equity method and tax		25,623.08	19,317.64
VIII Add: Share of net income of joint venture accounted for using equity method		3.32	(16.27)
IX Surplus for the period		25,626.40	19,301.37
VII Other Comprehensive Income			
A			
(i) Items that will not be reclassified to profit or loss			
Remeasurement of net defined benefit (liability)/asset		(220.44)	29.41
Share of Other Comprehensive Income of Joint Venture accounted for using the equity method		(1.86)	0.08
(ii) Income tax relating to items that will not be reclassified to profit or loss			
B			
(i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
Other comprehensive income (A+B)		(222.30)	29.49
VIII Total comprehensive income for the period		25,404.10	19,330.86
Income attributable to			
Owners of Parent		21,542.40	17,939.28
Non-Controlling Interest		4,084.00	1,362.09
		25,626.40	19,301.37
Other Comprehensive Income attributable to			
Owners of Parent		(221.21)	28.60
Non-Controlling Interest		(1.09)	0.89
		(222.30)	29.49
Total Comprehensive Income attributable to			
Owners of Parent		21,321.19	17,967.88
Non-Controlling Interest		4,082.91	1,362.98
		25,404.10	19,330.86
IX Earnings per equity share of Rs.100 each	33		
(1) Basic		0.86	0.72
(2) Diluted		0.86	0.72

General Information

1

Significant accounting policies

2

The accompanying notes are an integral part of the financial statements.

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

Sd/-
(D.M.Sharma)
Chief Financial Officer

Sd/-
(Deepak Kumar)
Executive Director

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

As per our report annexed
For Grover, Lalla & Mehta,
Chartered Accountants
FRN - 002830N

Sd/-
(Alok Goyal)
Partner
M. No. : 501529

Place: New Delhi
Dated: 29.08.2017

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2017

(Rs. In lakhs)

Particulars	For the Year ended 31st March 2017		For the Year ended 31st March 2016	
A CASH FLOW FROM OPERATING ACTIVITIES				
Excess of income over expenditure before Tax		25,404.10		19,330.86
Adjustments For:				
Depreciation and Amortisation Expenses	929.79		971.89	
Loss/ (Profit) on Sale of Fixed Assets	27.98		0.79	
Interest & Dividend Income	(13,163.73)		(13,376.76)	
Provisions	154.13		63.91	
Provisions/Liabilities No Longer Required	(210.51)		(142.36)	
Provision for Contribution to Pension Fund	-		2,325.00	
Intangible asset written off	-		62.00	
Fair value (gain)/ loss on Financial Investment	(54.12)		(59.06)	
Amortisation of Govt Grant	(81.76)		(81.76)	
Assets Written Off	0.11		5.26	
Depreccioan -Exceptional Item	262.16		(273.33)	
Share of Net Profit of Joint Venture accounted for using equity method	(1.46)		16.19	
Profit on Sale of Land -Exceptional Item	(5,076.02)		-	
		(17,213.44)		(10,488.22)
		8,190.65		8,842.64
Operating Profit before working capital changes				
Increase (Decrease) in Non-Current Financial Loans	(171.08)		(173.34)	
Increase (Decrease) in Other Non-Current Assets	499.68		(9.00)	
Increase (Decrease) in Trade Receivables	(121.39)		248.14	
Increase (Decrease) in Current Loans	(66.09)		182.38	
Increase (Decrease) in Other Current Financial Assets	(19.05)		(57.37)	
Increase (Decrease) in Other Current Assets	4,733.84		4,233.69	
(Increase) Decrease in Non-Current Provisions	(603.55)		(126.57)	
(Increase) Decrease in Other Non-Current Liabilities	79.84		(412.81)	
(Increase) Decrease in Trade Payables	181.99		(1,028.35)	
(Increase) Decrease in Other Current Financial Liabilities	7.91		894.56	
(Increase) Decrease in Other Current Liabilities	(829.89)		(346.43)	
(Increase) Decrease in Current Provisions	(2,107.64)		(330.24)	
Provisions/Liabilities No Longer Required	(206.53)		(90.60)	
Bank Balance other than Cash and Cash Equivalents	10,343.10		38,645.68	
Less: Net Increase in Working Capital		11,721.15		41,629.74
Net cash from Operating Activities [A]		(3,530.50)		(32,787.10)

Contd.



B CASH FLOW FROM INVESTING ACTIVITIES				
(Deposit)/ Withdrawal in Financial Assets	500.00		20,400.00	
Adv. For IECC Project	(13,270.26)		-	
Purchase of Fixed Assets	(568.19)		(513.28)	
Sale of Fixed Assets	5,325.18		1.68	
Investments & Intercorporate Deposits	(5.59)		(4.22)	
Interest & Dividend Income	13,163.73		13,376.76	
Net cash from Investing Activities [B]		5,144.87		33,260.94
C CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Borrowings	-		-	
Repayment of Borrowings	(226.75)		(219.12)	
Net cash from Financing Activities [C]		(226.75)		(219.12)
Net Increase / Decrease in Cash and Cash equivalents [A+B+C]		1,387.62		254.71
Cash and Cash equivalents at the beginning of the year		3,536.57		3,281.86
Cash and Cash equivalents at the end of the year		4,924.19		3,536.57
Components of Cash and Cash Equivalents At The End of The Year				
Cash in Hand and Cash equivalents		9.30		13.86
Balance with Banks - in Current & Saving Accounts		4,914.90		3,522.71
		4,924.19		3,536.57

Note:-

- Cash and Cash equivalents include Cash in hand, Drafts/Cheques in hand, Bank Balances, Deposits with Banks and Short term Investments with an original maturity of 3 months or less.

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

Sd/-
(D.M.Sharma)
Chief Financial Officer

Sd/-
(Deepak Kumar)
Executive Director

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

As per our report annexed
For Grover, Lalla & Mehta,
Chartered Accountants
FRN - 002830N

Sd/-
(Alok Goyal)
Partner
M. No. : 501529

Place: New Delhi
Dated: 29.08.2017

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2017

A. Equity Share Capital

(Rs. in lakhs)

Particulars	31.03.2017	31.03.2016	01.04.2015
Balance at the beginning of the year	25.00	25.00	25.00
-Issue of equity shares	-	-	-
Balance at the end of the year	25.00	25.00	25.00

B. Other Equity (Refer note no. 17)

Financial year 2016-17

(Rs. in lakhs)

Particulars	Attributable to owners of the parent				Total equity attributable to owners of the parent	Non-Controlling Interests	Total
	Reserves and Surplus			Other Comprehensive Income			
	Retained Earnings	Capital Reserve	Capital Grant from Government of India	Remeasurement of defined benefit plan			
Balance at the beginning of the year	170,264.79	1,343.32	5,812.48	28.60	177,449.19	11,915.92	189,365.11
Changes due to Ind AS Adjustments	-	-	-	-	-	533.45	533.45
Restated Balance at the beginning of the year	170,264.79	1,343.32	5,812.48	28.60	177,449.19	12,449.37	189,898.56
Profit/ (loss) for the year	21,542.40	-	-	-	21,542.40	4,084.00	25,626.40
Other Comprehensive income/ (loss) for the year	-	-	-	(221.21)	(221.21)	(1.09)	(222.30)
Total Comprehensive Income	21,542.40	-	-	(221.21)	21,321.19	4,082.91	25,404.10
Amortisation of Grant received from ASIDE	-	-	(41.70)	-	(41.70)	(40.06)	(81.76)
Balance at the end of the year	191,807.19	1,343.32	5,770.79	(192.61)	198,728.68	16,492.22	215,220.90

Financial year 2015-16

(Rs. in lakhs)

Particulars	Attributable to owners of the parent				Total equity attributable to owners of the parent	Non-Controlling Interests	Total
	Reserves and Surplus			Other Comprehensive Income			
	Retained Earnings	Capital Reserve	Capital Grant from Government of India	Remeasurement of defined benefit plan			
Balance at the beginning of the year	152,398.95	7,530.14	-	-	159,929.08	9,653.57	169,582.65
Changes due to Ind AS Adjustments	(73.44)	(6,186.82)	5,854.18	-	(406.08)	85.71	(320.37)
Restated Balance at the beginning of the year	152,325.51	1,343.32	5,854.18	-	159,523.01	9,739.28	169,262.29
Profit/ (loss) for the year	17,939.28	-	-	-	17,939.28	1,362.09	19,301.37
Other Comprehensive income/ (loss) for the year	-	-	-	28.60	28.60	0.89	29.49
Total Comprehensive Income	17,939.28	-	-	28.60	17,967.88	1,362.98	19,330.86
Amortisation of Grant received from ASIDE	-	-	(41.70)	-	(41.70)	813.66	771.96
Balance at the end of the year	170,264.79	1,343.32	5,812.48	28.60	177,449.19	11,915.92	189,365.11

Sd/
(S.R.Sahoo)
Company Secretary

Sd/
(D.M.Sharma)
Chief Financial Officer

Sd/
(Deepak Kumar)
Executive Director

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

As per our report annexed
For Grover, Lalla & Mehta,
Chartered Accountants
FRN - 002830N

Sd/
(Alok Goyal)
Partner
M. No. : 501529

Place: New Delhi
Dated: 29.08.2017

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017**1 GENERAL INFORMATION****1.1. Company Overview**

The Company was incorporated u/s 25 of the Companies Act, 1956, (now Section - 8 of the Companies Act, 2013) on 30.12.1976 as Trade Fair Authority of India (TFAI) with the objective of promoting India's trade primarily through the medium of organising trade fairs and exhibitions in India and abroad. Subsequent to the merger of erstwhile Trade Development Authority of India with TFAI on 1.1.1992, the merged organisation was renamed as India Trade Promotion Organisation duly 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.

ITPO together with its subsidiaries and joint ventures is hereinafter referred as the "Group".

1.2. Basis Of Preparation Of Financial Statements**I. Statement of Compliance**

These financial statements are prepared on accrual basis of accounting in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 (The Act) [Companies (Indian Accounting Standards) Rules, 2015 & Companies (Indian Accounting Standards) Amendment Rules, 2016] and other applicable provisions of the Act. These are the Company's first Ind AS financial statements and Ind AS 101 'First Time Adoption of Indian Accounting Standards', has been applied.

For all the periods upto and including March 31, 2016, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India, Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the Companies Act, 2013 (to the extent notified and applicable) and applicable provisions of the Companies Act, 1956.

Note 54 explains how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

II. Basis of Measurement

The financial statements have been prepared on accrual basis of accounting under historical cost convention, except for following 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 Note 46

III. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest lakhs (upto two decimals) for the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

IV. Use of Estimates, Judgements and Assumptions

The preparation of financial statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, related disclosures, contingent assets and liabilities at the balance sheet date and the reported amount of income and expenses during that period. The estimates and management's judgements are based on experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that may have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

i) Useful life of Property, Plant and Equipment (PPE)

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors which are determined by management at the time the asset is acquired and reviewed periodically.

ii) Recoverable amount of property, plant and equipment and capital work in progress

The recoverable amount of property, plant and equipment and capital work in progress is based on estimates and assumptions, in particular the expected market outlook and future cash flows associated. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount resulting in impairment.

iii) Post-retirement benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases, expected rate of return and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

iv) Provisions and Contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

V. Basis of Consolidation

The financial statements of Subsidiary Companies and Joint venture are drawn up to the same reporting date as of the Company for the purpose of consolidation.

Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests (NCI) in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively. NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

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.

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 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 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

The carrying amount of equity accounted as investments are tested for impairment in accordance with the Group's policy.

Any gain or loss on dilution arising on a reduced stake in the joint venture, but still retaining the joint control, is recognized in the Statement of Income & Expenditure.

When the group ceases to apply equity method of accounting for an investment because of a loss of joint control, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture is reduced but joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Property, Plant and Equipment (PPE)

- a) Property, Plant and Equipment up to March 31, 2015 were carried in the Balance Sheet in accordance with Indian GAAP. The Company has elected to avail the exemption granted by IND AS 101, "First time adoption of IND AS" to regard those amounts as deemed cost at the date of the transition to IND AS (i.e. as on April 1, 2015).
- b) An item of PPE 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.
- c) PPE are initially measured at cost of acquisition/construction including expenditure that is directly attributable to the acquisition/construction of the asset. In cases where final settlement of bills with contractors/ executing agency is pending, but the asset is complete and available for use, capitalisation is done on the basis of contracts awarded/ statement of accounts/ utilisation certificate subject to necessary adjustments, including those arising out of settlement of arbitration/court cases.
- d) Subsequent expenditures relating to PPE is capitalized in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it results in increased useful life and/or efficiency of an existing asset and the cost of the item can be measured reliably.
- e) After initial recognition, PPE is carried at cost less accumulated depreciation/ amortisation and accumulated impairment losses, if any.
- f) The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Income and Expenditure.

2.2. Capital Work-In-Progress

- a) Capital Work-in-Progress up to March 31, 2015 were carried in the Balance Sheet in accordance with Indian GAAP. The Company has elected to avail the exemption granted by IND AS 101, "First time adoption of IND AS" to regard those amounts as deemed cost at the date of the transition to IND AS (i.e. as on April 1, 2015).
- b) Assets under construction/ development are recognised & carried at cost under Capital Work in Progress (CWIP). 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

2.3. Intangible Assets

- a) Upto March 31, 2015, Intangible assets were carried in the Balance Sheet in accordance with Indian GAAP. The Company has elected to avail the exemption granted by IND AS 101, "First time adoption of IND ASs" to regard those amounts as deemed cost at the date of the transition to IND AS (i.e. as on April 1, 2015).
- b) 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.
- c) 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 when the asset is derecognised.

2.4. Depreciation and Amortisation

- a) Leasehold land acquired on perpetual lease basis is not amortized.
- b) Depreciation is charged to Statement of Income & Expenditure on straight-line basis over the estimated useful life of an asset, which is not higher than the useful life & residual value prescribed in Schedule II of the Companies Act, 2013. 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.
- c) Assets costing Rs. 5,000 or less individually are depreciated @ 100%.
- d) 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 carrying amount of assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses/ reversals are recognised in the Statement of Income & Expenditure.

2.6. Cash and Cash Equivalents

Cash and cash equivalents include Cash on hand, Drafts/Cheques on hand, Bank Balances, Deposits with Banks and Short term Investments which are subject to an insignificant risk of changes in value and having an original maturity of 3 months or less.

2.7. Inventories

Inventories are valued at lower of the cost or net realizable value.

2.8. Foreign Currencies

- a. Transactions in foreign currencies are initially recorded by the company in functional currency at the average rate of remittance(s).
- b. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Income and Expenditure in the year in which it arises.
- c. The fixed assets are accounted at the average rate of remittance(s) in the year of acquisition. In case previous funds are utilised, average rate of the previous remittance(s) is taken for the purpose of conversion.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

2.9. Fair Value Measurement

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

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

2.10. Financial Instruments

a. Initial Recognition and Measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss (FVTPL), are added to the fair value on initial recognition.

b. Subsequent Measurement

(i) Debt instruments at amortised cost

A debt instrument is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the 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 amortised cost using the Effective Interest rate (EIR) method. The EIR amortisation is included in the Statement of Income & Expenditure.

(ii) Equity Investments

All equity investments in entities other than subsidiaries and joint ventures are measured at fair value. Equity instruments which are held for trading, if any, are classified at Fair Value Through Profit or Loss (FVTPL*). For all other equity instruments, the Company classifies the same as at FVTOCI or FVTPL. The Company makes such selection on an instrument by- instrument basis. The classification is made on initial recognition and is irrevocable.

(iii) Financial Liabilities

Financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Income & Expenditure.

(iv) Investment in Subsidiaries & Joint Ventures

Investments in equity shares of subsidiaries and joint ventures are carried at cost less impairment, if any.

c. Derecognition of Financial Instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract 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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Income & Expenditure.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)**d. Impairment of Financial Assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Income & Expenditure.

*Since the Company is regd. under Sec.8 of the Companies Act, 2013, it prepares a Statement of Income & Expenditure. 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/ Expenditure Recognition

- a) 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.
- b) Revenue from rentals and operating leases is recognized on accrual basis in accordance with the substance of the relevant agreement.
- c) 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.
- d) 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.
- e) Income and Expenditure relating to earlier years, not exceeding Rs.10,000 in each case, are treated as pertaining to current year.
- f) 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.
- g) Claims for liquidated damages from contractors for delayed execution of work is recognised as Income, when the amount is finally determined and agreed upon.
- h) 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.
- i) Dividend income is recognised in the Statement of Income & Expenditure when the right to receive payment is established.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

2.12. Government Grants

- a) 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.
- b) Grants that compensate the Company for expenses incurred are recognized as income in the period in which the related costs are incurred.
- c) Grants in the nature of promoter's contribution is recognised in appropriate category under Other Equity.

2.13. 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.

2.14. Employees' Benefits

a. Defined contribution plans

The Group is under obligation to pay defined contributions to Provident/ Pension Funds at determined rates to EPFO/ separate trusts, which invests the funds in permitted securities. The contribution for the year is recognized as expense and charged to the Statement of Income and Expenditure. The Holding Company, ITPO is also under obligation to make good the accumulated shortfall of its trusts, if any, and recognises such shortfall as its expense.

b. Defined benefit plans

The Group has a defined benefit gratuity scheme. The Scheme is funded with LIC/ separate trust that manages the funds. Liabilities with regard to the Gratuity Plan are determined by independent actuarial valuation, at each balance sheet date.

The company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Remeasurement gains and losses arising from adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income (OCI).

The Holding Company, ITPO is also under obligation to make good the accumulated shortfall of the ITPO Employees Gratuity Fund Trust, if any, and recognises such shortfall as its expense.

c. Other long-term employee benefits

Other long term employee benefits include leave encashment (Unfunded). It is recognized in the books of the Company on the basis of actuarial valuation, performed by an independent actuary, at each balance sheet date.

d. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided by the employee. These benefits includes wages, salaries, perks & allowances etc.

e. 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 Profit and Loss in the year of incurrence of such expenses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

2.15. Provisions and Contingent Liabilities

Provisions are recognised 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 the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time recognised as a finance cost.

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 judgement of management/independent experts. These are reviewed at each Balance Sheet date and are adjusted to reflect the current management estimate. 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 judgement of management. These are assessed continually to ensure that developments are appropriately reflected in financial statements.

2.16. Recent accounting pronouncements

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of Cash Flows'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7 'Statement of cash flows'. The amendments are applicable to the company from April 1, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 introduced an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The company is evaluating the requirements of the amendment and its effect on the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

3. PROPERTY, PLANT AND EQUIPMENT

The following table shows changes in Property, Plant and Equipment during the year ended 31st March, 2017

PARTICULARS OF ASSETS	Useful Life (years)	GROSS CARRYING AMOUNT				As at 31.03.2017
		As at 1.04.2016	Additions	Disposal/ Adjustments	Impairment/ (Reversal) during the year	
(A) PROPERTY, PLANT & EQUIPMENT						
LAND (ON PERPETUAL LEASE)		78.76	-	-	-	78.76
FREEHOLD LAND		1,000.00	-	26.73	-	973.27
PRAGATI MAIDAN COMPLEX (LEASE HOLD) #		0.00	-	-	-	0.00
BUILDINGS (ON LEASE HOLD LAND)						
A CLASS	40	1,586.29	-	13.97	-	1,572.33
B CLASS	20	79.48	-	45.54	-	33.93
C CLASS	10	60.64	-	0.42	-	60.22
ANARKALI FOOD PLAZA #		0.00	-	-	-	0.00
EXHIBITION COMPLEX		1,478.59	417.40	-	-	1,895.99
BUILDING - I (RCC)		1,028.40	-	-	-	1,028.40
BUILDING - II (EXHI. HALLS)		2,277.22	-	-	-	2,277.22
RESIDENTIAL/ OFFICE FLATS						
(i) FREE HOLD	40	149.57	-	-	-	149.57
(ii) ON PERPETUAL LEASE		10.29	-	-	-	10.29
WATER SUPPLY & DRAINAGE	10	15.56	0.44	-	-	16.00
ELECTRIC INSTALLATIONS/ FITTINGS	10	843.18	167.60	4.22	-	1,006.56
AIR CONDITIONING PLANTS	8	23.50	-	23.25	-	0.25
AIR CONDITIONING PLANTS	15	2,532.85	279.87	50.15	-	2,762.56
AIR CONDITIONING/ AIR VENTILATION PLANTS	10	1.89	-	1.61	-	0.28
FURNITURE & FIXTURE	10	93.41	3.48	0.17	-	96.73
VEHICLES	5	54.53	-	0.93	-	53.60
AUDIO VISUAL EQUIPMENTS	5	151.51	-	-	-	151.51
FIRE HYDRANT & FIRE FIGHTING SYSTEMS	10	175.27	-	170.10	-	5.17
OFFICE EQUIPMENTS/ OTHER MISCELLANEOUS ASSETS	5	156.70	22.04	2.76	-	175.99
SERVERS & NETWORKS	6	21.70	-	-	-	21.70
COMPUTERS	3	94.04	43.24	6.65	-	130.63
SOLAR INSTALLATION	15	36.74	73.52	-	-	110.26
SUB TOTAL(A)		11,950.10	1,007.59	346.49	-	12,611.20
(B) INTANGIBLE ASSETS						
COMPUTER SOFTWARES		-	0.79	-	-	0.79
WEBSITE		0.67	20.41	-	-	21.07
SUB TOTAL (B)		0.67	21.20	-	-	21.86
(C) CAPITAL WORK IN PROGRESS		617.92	251.64	760.30	-	109.26
SUB TOTAL (C)		617.92	251.64	760.30	-	109.26
GRAND TOTAL (A+B+C)		12,568.69	1,280.43	1,106.79	-	12,742.32

Book Value of Re. 1 (one) only

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(Rs. in lakhs)					
DEPRECIATION/AMORTISATION				NET BLOCK	
As at 1.04.2016	For the year	Disposal/ Adjustments	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
-	-	-	-	78.76	78.76
-	-	-	-	973.27	1,000.00
-	-	-	-	0.00	0.00
78.34	78.31	2.43	154.22	1,418.11	1,507.95
8.54	8.26	7.39	9.41	24.52	70.94
9.66	9.66	-	19.32	40.89	50.97
-	-	-	-	0.00	0.00
69.40	228.01	-	297.41	1,598.59	1,409.19
20.57	20.57	-	41.14	987.26	1,007.83
106.11	119.04	-	225.15	2,052.07	2,171.11
5.21	6.13	-	11.34	138.23	144.36
0.93	-	-	0.93	9.37	9.37
0.70	1.42	-	2.12	13.88	14.86
178.98	307.03	41.61	444.40	562.15	664.20
4.18	4.18	8.37	-	0.25	19.31
282.83	235.48	21.92	496.39	2,266.17	2,250.02
-	-	-	-	0.28	1.89
14.09	13.45	7.28	20.26	76.46	79.32
7.68	7.78	0.21	15.25	38.35	46.85
65.16	65.08	-	130.25	21.26	86.34
22.99	22.99	45.98	-	5.17	152.28
62.73	24.26	2.03	84.95	91.04	93.98
3.53	2.42	-	5.95	15.74	18.17
24.96	25.12	2.02	48.06	82.57	69.08
0.78	5.43	-	6.21	104.05	35.96
967.36	1,184.63	139.23	2,012.77	10,598.44	10,982.74
-	0.26	-	0.26	0.53	-
0.25	7.05	-	7.30	13.77	0.42
0.25	7.32	-	7.57	14.30	0.42
-	-	-	-	109.26	617.92
-	-	-	-	109.26	617.92
967.61	1,191.95	139.23	2,020.33	10,721.99	11,601.07

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

The following table shows changes in Property, Plant and Equipment during the year ended 31st March, 2016

PARTICULARS OF ASSETS	Useful Life (years)	GROSS CARRYING AMOUNT				As at 31.03.2016
		As at 1.04.2015 (refer note i below)	Additions	Disposal/ Adjustments	Impairment/ (Reversal) during the year	
(A) PROPERTY, PLANT & EQUIPMENT						
LAND (ON PERPETUAL LEASE)		78.76	-	-	-	78.76
FREEHOLD LAND		1,000.00	-	-	-	1,000.00
PRAGATI MAIDAN COMPLEX (LEASE HOLD) #		0.00	-	-	-	0.00
BUILDINGS (ON LEASE HOLD LAND)						
A CLASS	40	1,591.49	-	5.20	-	1,586.29
B CLASS	20	73.49	5.99	-	-	79.48
C CLASS	10	60.64	-	-	-	60.64
ANARKALI FOOD PLAZA #		0.00	-	-	-	0.00
EXHIBITION COMPLEX		1,205.26	-	273.33	-	1,478.59
BUILDING - I (RCC)		1,028.40	-	-	-	1,028.40
BUILDING - II (EXHI. HALLS)		2,091.94	185.28	-	-	2,277.22
RESIDENTIAL/ OFFICE FLATS						
(i) FREE HOLD	40	149.80	-	0.24	-	149.57
(ii) ON PERPETUAL LEASE		10.29	-	-	-	10.29
WATER SUPPLY & DRAINAGE	10	1.07	14.72	0.23	-	15.56
ELECTRIC INSTALLATIONS/ FITTINGS	10	743.96	99.79	0.57	-	843.18
AIR CONDITIONING PLANTS	8	23.50	-	-	-	23.50
AIR CONDITIONING PLANTS	15	2,515.56	17.29	-	-	2,532.85
AIR CONDITIONING/ AIR VENTILATION PLANTS	10	1.89	-	-	-	1.89
FURNITURE & FIXTURE	10	93.03	0.39	-	-	93.41
VEHICLES	5	29.24	25.29	-	-	54.53
AUDIO VISUAL EQUIPMENTS	5	151.51	-	-	-	151.51
FIRE HYDRANT & FIRE FIGHTING SYSTEMS	10	175.27	-	-	-	175.27
OFFICE EQUIPMENTS/ OTHER MISCELLANEOUS ASSETS	5	121.51	37.00	1.80	-	156.70
SERVERS & NETWORKS	6	21.70	-	-	-	21.70
COMPUTERS	3	65.66	28.38	-	-	94.04
SOLAR INSTALLATION	15	-	36.74	-	-	36.74
SUB TOTAL(A)		11,233.94	450.87	281.37	-	11,950.10
(B) INTANGIBLE ASSETS						
COMPUTER SOFTWARES		-	-	-	-	-
WEBSITE		0.67	-	-	-	0.67
SUB TOTAL (B)		0.67	-	-	-	0.67
(C) CAPITAL WORK IN PROGRESS		559.48	69.51	11.07	-	617.92
SUB TOTAL (C)		559.48	69.51	11.07	-	617.92
(D) INTANGIBLE ASSETS UNDER DEVELOPMENT		62.00	-	62.00	-	-
SUB TOTAL (D)		62.00	-	62.00	-	-
GRAND TOTAL (A+B+C+D)		11,856.08	520.37	354.43	-	12,568.69

Book Value of Re. 1 (one) only

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(Rs. in lakhs)

DEPRECIATION/AMORTISATION				NET BLOCK	
As at 1.04.2015	For the year	Disposal/ Adjustments	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
-	-	-	-	78.76	78.76
-	-	-	-	1,000.00	1,000.00
-	-	-	-	0.00	0.00
-	78.34	-	78.34	1,507.95	1,591.49
-	8.54	-	8.54	70.94	73.49
-	9.66	-	9.66	50.97	60.64
-	-	-	-	0.00	0.00
-	69.40	-	69.40	1,409.19	1,205.26
-	20.57	-	20.57	1,007.83	1,028.40
-	106.11	-	106.11	2,171.11	2,091.94
-	5.21	0.01	5.21	144.36	149.80
-	0.93	-	0.93	9.37	10.29
-	0.70	-	0.70	14.86	1.07
-	178.98	-	178.98	664.20	743.96
-	4.18	-	4.18	19.31	23.50
-	286.83	4.00	282.83	2,250.02	2,515.56
-	-	-	-	1.89	1.89
-	14.09	-	14.09	79.32	93.03
-	7.68	-	7.68	46.85	29.24
-	65.16	-	65.16	86.34	151.51
-	22.99	-	22.99	152.28	175.27
-	63.00	0.27	62.73	93.98	121.51
-	3.53	-	3.53	18.17	21.70
-	24.96	-	24.96	69.08	65.66
-	0.78	-	0.78	35.96	-
-	971.64	4.28	967.36	10,982.74	11,233.94
-	-	-	-	-	-
-	0.25	-	0.25	0.42	0.67
-	0.25	-	0.25	0.42	0.67
-	-	-	-	617.92	559.48
-	-	-	-	617.92	559.48
-	-	-	-	-	62.00
-	-	-	-	-	62.00
-	971.89	4.28	967.61	11,601.07	11,856.08

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

Notes

- (i) The Group has exercised the exemption available for Property, Plant and Equipment to measure the same at the carrying value as per previous GAAP on the date of transition i.e. Deemed Cost. The deemed cost has been calculated as under:

Deemed Cost at April 1, 2015

(Rs.in Lakhs)

PARTICULARS OF ASSETS	Useful Life (years)	Gross Block	Accumulated Depreciation	Net Block	Ind AS Adjustments	Deemed Cost
		As at Apr 1, 2015	As at Apr 1, 2015	As at Apr 1, 2015	As at Apr 1, 2015	
(A) PROPERTY, PLANT & EQUIPMENT						
LAND (ON PERPETUAL LEASE)		78.76	-	78.76	-	78.76
FREEHOLD LAND		1,000.00	-	1,000.00	-	1,000.00
PRAGATI MAIDAN COMPLEX (LEASE HOLD) #		0.00	-	0.00	-	0.00
BUILDINGS (ON LEASE HOLD LAND)						
A CLASS	40	3,259.96	1,670.42	1,589.55	(1.94)	1,591.49
B CLASS	20	195.70	122.21	73.49	-	73.49
C CLASS	10	130.06	69.43	60.64	-	60.64
ANARKALI FOOD PLAZA #		0.00	-	0.00	-	0.00
EXHIBITION COMPLEX		1,812.92	594.56	1,218.37	13.11	1,205.26
BUILDING - I (RCC)		1,248.75	220.35	1,028.40	-	1,028.40
BUILDING - II (EXHI. HALLS)		2,613.53	521.59	2,091.94	-	2,091.94
RESIDENTIAL / OFFICE FLATS						
(i) FREE HOLD	40	219.96	70.16	149.80	-	149.80
(ii) ON PERPETUAL LEASE		39.02	28.73	10.29	-	10.29
WATER SUPPLY & DRAINAGE	10	21.42	20.35	1.07	-	1.07
ELECTRIC INSTALLATIONS/ FITTINGS	10	3,387.58	2,642.29	745.29	1.32	743.96
AIR CONDITIONING PLANTS	8	65.58	42.08	23.50	-	23.50
AIR CONDITIONING PLANTS	15	3,836.80	1,321.21	2,515.59	0.03	2,515.56
AIR CONDITIONING/ AIR VENTILATION PLANTS	10	37.76	35.87	1.89	-	1.89
FURNITURE & FIXTURE	10	454.73	361.70	93.03	-	93.03
VEHICLES	5	236.17	206.93	29.24	-	29.24
AUDIO VISUAL EQUIPMENTS	5	425.24	273.73	151.51	-	151.51
FIRE HYDRANT & FIRE FIGHTING SYSTEMS	10	345.48	170.21	175.27	-	175.27
OFFICE EQUIPMENTS/ OTHER MISCELLANEOUS ASSETS	5	699.70	578.19	121.51	-	121.51
SERVERS & NETWORKS	6	133.20	111.51	21.70	-	21.70
COMPUTERS, etc	3	540.88	475.23	65.66	-	65.66
SOLAR INSTALLATION	15	-	-	-	-	-
SUB TOTAL (A)		20,783.20	9,536.73	11,246.46	12.53	11,233.94
(B) INTANGIBLE ASSETS						
COMPUTER SOFTWARES		45.39	45.39	-	-	-
WEBSITE		0.75	0.08	0.67	-	0.67
SUB TOTAL (B)		46.14	45.48	-	-	0.67
(C) CAPITAL WORK IN PROGRESS		559.48	-	559.48	-	559.48
SUB TOTAL (C)		559.48	-	559.48	-	559.48
(D) INTANGIBLE ASSETS UNDER DEVELOPMENT						
SUB TOTAL (D)		62.00	-	62.00	-	62.00
GRAND TOTAL (A+B+C+D)		21,450.81	9,582.21	11,867.94	12.53	11,856.08

Book Value of Re. 1 (one) only

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)**4 INVESTMENT IN JOINT VENTURE (ACCOUNTED FOR USING THE EQUITY METHOD)**

(Rs. in lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Investments in Equity Instruments			
Unquoted (fully paid - unless otherwise stated, at cost)			
Joint Venture Company			
2,00,000 equity shares of Rs.100 each fully paid in National Centre for Trade Information	166.11	164.65	180.84
	166.11	164.65	180.84

(i) Aggregate amount of Unquoted Investments	166.11	164.65	180.84
(ii) Aggregate amount of impairment in the value of investments	Nil	Nil	Nil

5 INVESTMENT

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Unquoted (at Cost)			
5 shares of Rs.50 each in Sea Glimpse Cooperative Housing Society, Mumbai	0.00	0.00	0.00
	0.00	0.00	0

(i) Aggregate amount of Unquoted Investments	-	-	-
(ii) Aggregate amount of impairment in the value of investments	Nil	Nil	Nil

6 LOANS

(Rs. in lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Advances			
Employees (including accrued interest)			
Unsecured #	618.93	682.24	747.81
	618.93	682.24	747.81

Includes

a) Due from Directors	-	-	-
b) Due from officers in the nature of loan	24.79	8.90	19.82
c) Fully secured/secured against personal guarantee	368.04	379.13	408.78

7 OTHER FINANCIAL ASSETS

(Rs. in lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Term deposits with original maturity for more than 12 months	-	500.00	20,900.00
	-	500.00	20,900.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

8 OTHER NON-CURRENT ASSETS

(Rs. in lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Capital Advances			
Secured	10,003.19	-	-
Unsecured	-	-	-
Others	4,384.73	26.22	37.15
	14,387.92	26.22	37.15
Advances other than Capital advances			
Prepaid Expenses	-	1.45	0.08
Deferred Payroll expense	139.58	160.28	173.34
Sundry Deposits	240.81	241.90	235.57
Less: Provision for Doubtful Sundry Deposits	(11.32)	(12.26)	(12.23)
	369.07	391.38	396.76
	14,756.99	417.60	433.92

9 INVESTMENTS

(Rs. in lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Investment in mutual funds (measured at fair value through profit and loss)			
Quoted			
2,40,157 (previous year 2,20,781) units of Rs. 10 each in UTI-Balance Fund Scheme under reinvestment plan	72.40	58.45	60.72
	72.40	58.45	60.72
(i) Aggregate amount of quoted investments and market value	72.40	58.45	60.72
(ii) Aggregate amount of impairment in the value of investments	-	-	-

10 TRADE RECEIVABLES

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Unsecured, Considered Good	870.27	1,000.60	729.11
Considered Doubtful	1,452.87	1,461.78	1,516.70
Less: Provision for Doubtful Receivables	(1,452.87)	(1,461.78)	(1,516.70)
	870.27	1,000.60	729.11

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)**11 CASH & CASH EQUIVALENTS****(Rs. in lakhs)**

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Drafts /Cheques on Hand	3.19	-	109.44
Cash on Hand	5.08	13.18	2.83
Postage Imprest	1.03	0.68	2.24
Balances with Banks #			
Current & Savings account	4,914.90	3,522.71	3,167.36
	4,924.19	3,536.57	3,281.86

Includes

(i) Lying in foreign banks	8.39	15.94	16.30
(ii) Out of (i) above, unconfirmed on the date of the Balance Sheet	-	7.33	6.71

Note:

As required by MCA notification number G.S.R. 308(E)dated 30 March 2017, the details of the Specified Bank Notes ('SBN') held and transacted during the period 8 November 2016 to 30 December 2016 as provided in the table below :-

	SBNs	Other denomination Notes	Total
Closing cash in hand as on 8 November 2016	2.03	1.00	3.03
(+) Permitted Receipts	-	163.09	163.09
(-) Permitted Payments	-	7.54	7.54
(-) Amount deposited in Banks	2.03	154.59	156.62
Closing cash in hand as on 30 December 2016	-	1.96	1.96

12 BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS**(Rs. in lakhs)**

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Term Deposits with original maturity of more than 3 months but up to 12 months	163,461.94	153,118.83	114,473.15
	163,461.94	153,118.83	114,473.15

13 CURRENT LOANS**(Rs. in lakhs)**

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Advances			
Employees (including accrued interest)			
Unsecured #	1,913.76	1,970.94	1,780.46
	1,913.76	1,970.94	1,780.46

Includes

a) Due from Directors / Ex-Directors	0.86	0.86	0.86
b) Due from Officers in the nature of loan	5.49	5.74	10.70
c) Fully secured/secured against personal guarantee	84.20	91.37	88.58

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

14 OTHER FINANCIAL ASSETS

(Rs. in lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Unsecured			
Grant recoverable from Government of India	238.97	277.34	497.05
Less: Provision for Doubtful Recovery of Grant	(1.48)	(1.48)	(363.05)
	237.49	275.87	134.00
Inter-Corporate Deposits	7,500.00	7,500.00	7,500.00
Interest Accrued on Saving Bank Accounts / Deposits	5,145.99	5,164.42	5,363.89
Due from parties in respect of Deposit Works	82.23	44.47	44.72
Less: Provision for Doubtful Dues	(41.73)	(44.47)	(38.99)
	40.50	-	5.73
	12,923.98	12,940.29	13,003.62

15 OTHER CURRENT ASSETS

(Rs. in lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Advances			
Advances to parties (Unsecured)	908.27	872.53	592.71
Less: Provision for Doubtful Advances	(119.33)	(81.54)	(78.53)
	788.94	790.99	514.18
Others			
Service Tax Recoverable	1,656.65	1,210.98	1,022.23
Income Tax / TDS Recoverable	24,804.54	20,486.13	16,845.05
Less: Provision for Doubtful Recovery of TDS	(427.65)	(326.35)	(310.41)
	24,376.89	20,159.78	16,534.64
Prepaid Expenses	31.29	44.78	49.26
Deferred Payroll expense	23.63	26.81	26.86
Sundry Deposits (Unsecured)	104.20	138.21	37.69
Less: Provision for Doubtful Sundry Deposits	(2.36)	(2.39)	(2.34)
	101.83	135.82	35.35
Consumable Stores (valued at cost)	3.17	10.18	8.20
Due from Indian Missions Abroad	1.10	2.64	1.34
Unreconciled Balance	-	2.23	-
Advances(Unsecured)	10.74	24.15	3.85
Group Gratuity Fund-LIC	13.76	12.51	10.00
	27,008.00	22,420.87	18,205.91

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

16 EQUITY SHARE CAPITAL

(Rs. in lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Authorised			
50,000 Equity Shares of Rs. 100 each (50,000 equity shares of Rs. 100 each as at 31 st March 2016 and 1 st April 2015)	50	50	50
Issued, Subscribed & Fully paid-up			
25,000 Equity Shares of Rs. 100 each fully paid up (25,000 equity shares of Rs. 100 each as at 31 st March 2016 and 1 st April 2015)	25	25	25
	25	25	25

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	No. of shares	(Rs. in lakhs)	No. of shares	(Rs. in lakhs)	No. of shares	(Rs. in lakhs)
Equity shares outstanding at the beginning of the year	25,000	25	25,000	25	25,000	25
Add: Issued during the period	-	-	-	-	-	-
Equity shares outstanding at the end of the year	25,000	25	25,000	25	25,000	25

b. 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.

c. Details of Shareholders holding more than 5% shares in the Company

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	No. of shares	%	No. of shares	%	No. of shares	%
Equity Shares of Rs. 100 each fully paid Government of India	25,000	100	25,000	100	25,000	100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

17 OTHER EQUITY

(Rs. in lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a) Capital Reserves			
Capital Grant from Government of India (Fully Utilised)			
Balance as per the last financial statement	1,325.22	1,325.22	6,822.55
Aside Grant Through ITPO			615.26
Add:Additions during the Year	-	-	-
Less:Adjustments/deductions			
Transfer to Capital Grant from Government of India			(6,112.59)
Closing Balance (a)	1,325.22	1,325.22	1,325.22
(b) Other Reserves #			
Balance as per the last financial statement	18.10	18.10	92.33
Less:Adjustments/deductions	-	-	-
Transfer to Retained Earning			(74.23)
Closing Balance (b)	18.10	18.10	18.10
(c) Capital Grant from Government of India ##			
Balance as per the last financial statement	5,812.48	5,854.18	-
Add:Additions during the Year	-	-	6,112.59
Less:Adjustments/deductions	(41.70)	(41.70)	(258.41)
Closing Balance (c)	5,770.79	5,812.48	5,854.18
(d) Retained Earning			
Balance as per the last financial statement	170,264.79	152,325.51	152,398.95
Add: Surplus for the year	21,542.40	17,939.28	-
Add:Transfer from Capital Reserve			74.23
Add: Fair value gain/(loss) on investment in mutual fund			31.00
Add: Amortization of grant from ASIDE through ITPO			258.41
Less: Prior period adjustments			(437.08)
Closing Balance (d)	191,807.19	170,264.79	152,325.51
(e) Items of Other Comprehensive Income	28.60	-	-
Remeasurement of defined benefit plan	(219.35)	28.52	-
Share of OCI of joint ventures accounted for using the equity method.	(1.86)	0.08	-
Closing Balance (e)	(192.61)	28.60	-
Closing Balance (a+b+c+d+e)	198,728.68	177,449.19	159,523.01

Represents excess of assets over liabilities of organisations merged with the Company in earlier years.

Includes

- (i) Unspecified grant of Rs.4,965.62 lakh received in earlier years from the Administrative Ministry for creation of infrastructural facilities at Pragati Maidan Complex in respect of Holding Company.
- (ii) Unspecified grant of Rs.805.17 lakh received in earlier years from the Administrative Ministry for creation of infrastructural facilities at Pragati Maidan Complex in respect of Group Company, TNTPO.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)**18 NON CONTROLLING INTEREST**

(Rs. in lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Tamilnadu Trade Promotion Organisation (TNTPO)			
- Share Capital	0.49	0.49	0.49
- Other Equity	10,361.61	8,923.78	7,981.28
Add: Fair value adjustment of long term borrowings at amortised cost	41.21	79.96	129.35
Less: Amount Transferred to Borrowings	(27.05)	(38.75)	(49.39)
Karnataka Trade Promotion Organisation (KTPO)			
- Share Capital	980.00	980.00	24.50
- Other Equity	4,530.96	1,925.95	1,545.52
Subordinate Debt	605.00	44.50	44.50
Share Application Money Pending Allotment to Minority Shareholder			
Karnataka Trade Promotion Organisation (KTPO)			
-Karnataka Industrial Area Development Board	-	-	955.50
	16,492.22	11,915.92	10,631.75

19 BORROWINGS- NON CURRENT

(Rs. in lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Tamilnadu Trade Promotion Organisation (TNTPO)			
-Tamilnadu Industrial Development Corporation	-	141.65	283.41
	-	141.65	283.41

20 PROVISIONS

(Rs. in lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Provision for Employees' Benefits			
-Leave Encashment (Refer Note 48)	2,417.57	1,832.76	1,703.90
-Gratuity	18.75	0.01	2.30
	2,436.32	1,832.77	1,706.20

21 OTHER NON-CURRENT LIABILITIES

(Rs. in lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Income Received in Advance	853.55	933.39	520.58
	853.55	933.39	520.58

22 BORROWINGS - CURRENT

(Rs. in lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Term Loans-Unsecured			
KIADB	24.50	-	-
	24.50	-	-

23 TRADE PAYABLES

(Rs. in lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
For goods and services	2,048.16	2,187.16	1,158.82
	2,048.16	2,187.16	1,158.82

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

24 OTHER FINANCIAL LIABILITIES

(Rs. in lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Bank Overdraft	8.08	10.90	0.21
Other Payables:			
Employees' Benefits Payable:	149.70	252.09	307.18
Others	476.64	860.22	1,948.25
TIDCO	141.65	128.77	117.07
Security Deposits	1,061.39	580.51	342.64
	1,837.46	1,832.49	2,715.35

25 OTHER CURRENT LIABILITIES

(Rs. in lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Income Received in Advance	3,347.48	3,297.07	2,722.45
Unreconciled Balance			17.50
Other Payables			
Advance Payments and Deposits	2,514.09	2,359.32	2,631.86
Statutory Dues	774.33	190.70	130.21
Others	-	1.92	0.62
	6,635.90	5,849.01	5,502.64

26 CURRENT PROVISIONS

(Rs. in lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a) Provision for Employees' Benefits			
-Gratuity (Refer Note 48)	1,605.98	240.20	332.25
-Leave Encashment (Refer Note 48)	299.44	486.11	194.26
-Performance Related Pay/ Performance Incentive #	3,264.00	3,080.00	2,946.00
-Pension Fund (Refer Note 41)	2,631.14	2,325.00	-
-Pay Revision	442.00	-	-
(b) Others			
-Provision for Refund of Contingency Charges	114.21	114.21	114.21
	8,356.78	6,245.53	3,586.72

The Provision of Rs.3264.00 lakh (Previous year Rs.3080.00 lakh) is in accordance with the guidelines of the Department of Public Enterprises (DPE) on revision of pay scales from 01.01.2007. During the year 2015-16, the DPE had communicated vide OM dated 5.11.2015 that the matter regarding PRP to the employees of the CPSEs registered under section 25 of the Companies Act 1956 (now section 8 of Companies Act 2013) shall be placed before the 3rd Pay Revision Committee for CPSE employees as and when it is set up. The matter was placed before the Remuneration Committee of the company in meeting held on 29.12.2015 where in it was recommended to pursue the matter with DOC/DPE.

Vide OM dated 3rd Aug.,2017, the DPE has issued guidelines for revision of Pay Scales w.e.f 01.01.2017 which inter-alia states the eligibility of companies incorporated under Sec. 8 of Companies Act, 2013 (earlier Sec. 25 of Companies Act, 1956). Pending approval, ad-hoc payments amounting to Rs. 1,569.92 lakh (Previous Year Rs. 1,617.58 lakh), net of recoveries from retired employees, have been released to the employees till 31.3.2017 as 'Interest free advances' on the undertaking that the amounts released would be recovered or adjusted as per the decision of the competent authority on the subject.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)**27 REVENUE FROM OPERATIONS****(Rs. in lakhs)**

	For the year ended 31.03.2017	For the year ended 31.03.2016
Sale of Services		
Space Rent (Net)	26,393.99	24,767.04
Revenue Grant from Government	621.84	613.44
Recovery of Electricity & Water Charges	1,069.16	959.64
Branding/ Sponsorship	119.24	167.81
Recovery for Various Services Provided	372.69	249.53
Hoardings	228.04	-
Rent from Convention centre	633.65	463.65
Other Operating Revenue		
Sale of Entry Tickets / Seasonal Passes	750.55	767.94
Advertisement (Publications)	57.47	33.79
Sale of Publications	5.60	6.10
Subscription Fee	9.48	6.18
	30,261.71	28,035.13

28 OTHER INCOME**(Rs. in lakhs)**

	For the year ended 31.03.2017	For the year ended 31.03.2016
Interest Income from		
-Bank Deposits	12,462.28	12,604.62
-Income Tax Refunds	-	-
-Advances to Staff (Financial Instruments recognised at amortised cost)	90.65	102.63
-Others	605.21	665.29
	13,158.14	13,372.54
Dividend from UTI	5.59	4.22
Other non-operating income		
Fair Value gain on financial Instrument	8.37	(6.49)
Profit on Sale of Assets	-	0.35
Miscellaneous Income	875.16	1,020.04
	14,047.25	14,390.66

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

29 EMPLOYEES' BENEFITS EXPENSES

(Rs. in lakhs)

	For the year ended 31.03.2017	For the year ended 31.03.2016
Salaries, Wages & Allowances	5,919.78	5,759.16
Other Perks & Allowances	1,027.27	1,011.21
Medical Expenses	332.68	282.13
Performance Related Pay / Performance Incentive/ PLI (Refer footnote to Note 26)	184.00	134.00
Contribution to Provident & Other Funds	890.78	582.16
Gratuity (Refer Note 48)	1,391.03	269.61
Leave Encashment (Refer Note 48)	797.81	832.51
Staff Welfare	110.12	100.50
Compensation against Employment-Deceased Employees	102.56	88.63
Provision for Pay Revision	442.00	-
Other Costs	68.39	58.42
	11,266.42	9,118.33

30 DEPRECIATION AND AMORTISATION EXPENSES

(Rs. in lakhs)

	For the year ended 31.03.2017	For the year ended 31.03.2016
Depreciation	922.48	971.64
Amortisation of Intangible Assets	7.32	0.25
	929.79	971.89

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

31 OTHER EXPENSES

(Rs. in lakhs)

	For the year ended 31.03.2017	For the year ended 31.03.2016
Participation Charges	1,864.72	1,660.15
Construction & Interior Decoration	1,361.70	1,167.65
Publicity	556.73	481.26
Freight, Packing & Handling	38.26	15.51
Cultural Programmes & Fashion Shows	8.20	9.09
Travelling & Conveyance [includes Rs. 16,24,762 (Previous Year Rs. 12,57,703) in respect of Directors]	317.75	256.62
Postage, Telegrams & Telephones	51.28	58.96
Entertainment [includes through Directors Rs. 92,652 (Previous Year Rs. 1,08,735)]	42.56	49.76
Maintenance of Pragati Maidan		
-Civil [includes Repairs to Buildings Rs. 5,54,228 (Previous Year Rs. 45,17,632)]	217.84	304.67
-Electrical	785.34	885.94
-Horticulture	134.96	136.31
-Conservancy Arrangements	319.73	290.67
Electricity & Water Charges	2,093.77	1,969.57
Repairs, Renewals & Maintenance	677.55	679.10
Security Expenses	760.42	698.78
Operation and Maintenance	353.67	572.27
Rates & Taxes	284.68	249.68
Less: Recoveries	(9.14)	(16.50)
	275.54	233.18
Books & Periodicals	19.08	17.68
Printing & Stationery	89.19	88.35
Rent	110.66	109.39
Less: Recoveries	(1.40)	(1.40)
	109.26	107.99
Vehicle Maintenance	69.29	86.63
Less: Recoveries	(0.08)	(0.04)
	69.20	86.59
Insurance	12.87	15.54
Advertisement Expenses	216.11	208.57
Commission	234.62	233.34
Foreign Delegation	6.50	18.25
Difference in Exchange (net)	38.31	8.18
Legal & Professional Charges	143.04	175.52
Seminar & Training	13.51	12.55
Interest	15.30	3.61
Corporate Social Responsibility Expenses (Refer Note 47)	340.81	445.54
Provisions/Write Offs	148.31	65.65
Other Miscellaneous Expenses	161.20	143.62
Sitting Fees to Directors	1.30	-
Auditor's Remuneration		
-Audit Fee	6.45	5.52
-Tax Audit Fee	1.00	1.01
-Other Expenses	-	0.51
Impairment Loss	-	-
Loss on Sale of assets	27.98	1.05
	11,514.05	11,108.56

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

32 EXCEPTIONAL ITEMS

(Rs. in lakhs)

	For the year ended 31.03.2017	For the year ended 31.03.2016
Liabilities / Provisions no longer required	141.98	86.60
Provision for Doubtful Debts/ Advances Written Back	1.23	51.69
Provision for Doubtful Dues/ Deposit Work Written Back	2.75	-
Depreciation	(197.60)	277.33
Profit on Sale of Land	5,076.02	-
Provision for Contribution to Pension Fund	-	(2,325.00)
	5,024.38	(1,909.37)

33 EARNINGS PER EQUITY SHARE

(Rs. in lakhs)

	For the year ended 31.03.2017	For the year ended 31.03.2016
Income attributable to equity shareholders	21,542.40	17,939.28
Weighted Average Number of Equity Shares (Nos.)	25,000.00	25,000.00
Nominal Value per Equity Share (Rs.)	100.00	100.00
Basic & Diluted Earnings per Share	0.86	0.72

34 EXPENDITURE IN FOREIGN EXCHANGE

(Rs. in lakhs)

	For the year ended 31.03.2017	For the year ended 31.03.2016
Foreign Travel	105.18	95.09
Fairs and Exhibitions	2,100.61	1,913.92
	2,205.79	2,009.01

35 EARNINGS IN FOREIGN EXCHANGE

(Rs. in lakhs)

	For the year ended 31.03.2017	For the year ended 31.03.2016
Space Rent	1,125.25	1,342.95
Other Receipts	18.29	12.32
	1,143.54	1,355.27

36 CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(Rs. in lakhs)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a) Contingent Liabilities			
-Claims against the Company not acknowledged as debts	10,808.34	11,913.33	9,973.94
(b) Capital Commitments			
Estimated amount of contracts remaining to be executed on Capital Account (net of advances)	1,534.84	52.06	1,029.42
(c) Contingent Assets			
Interest accruing to the Holding Company, ITPO, if any, in case of a favourable decision in Income Tax matter, has not been considered as a Contingent Asset, amount unascertainable (Refer note no. 38).			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)**37 DEMAND FROM LAND & DEVELOPMENT OFFICE (L&DO)**

A demand of Rs 9,663.42 lakhs excluding ground rent was raised on the company by the Land & Development Office, Ministry of Urban Development vide letter dated 21.4.2017 towards premium, additional premium etc in connection with the redevelopment plan of Pragati Maidan.

The matter has been taken up for obtaining the waiver of the principal demand by the Cabinet through the Department of Commerce on the grounds that the project is of national importance. As the company is hopeful that the demand will be waived off by the Cabinet, no provision for the said demand, enhanced ground rent and interest & penalties, if any, has been made in the accounts. The same has also not been considered as a Contingent Liability since the outflow is remote.

38 INCOME TAX MATTERS

- (i) In case of Holding company, ITPO, The Director General of Income Tax (Exemptions) had withdrawn the Income Tax Exemption granted to the ITPO u/s 10(23C)(iv) of the Income Tax Act, 1961 from the Assessment Years 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 in the Hon'ble High Court of Delhi. The Hon'ble High Court delivered its judgment on 22.1.2015 in favour of the company and accordingly the Chief Commissioner of Income Tax(Exemptions) vide order dated 2nd March 2015 restored the income tax exemption u/s 10(23C)(iv) of the Income Tax Act, 1961 w.e.f. Assessment Years 2009-10 and onwards.

Pending restoration of the exemption, the Income Tax Department had completed assessments for the Assessment Years 2009-10 to 2011-12 and raised total demands of Rs. 15,589.86 lakh against which Rs.1319.00 lakh was paid under protest and TDS refunds of Rs 8770.74 lakh upto AY 2014-15 were adjusted by the Income Tax Department against the demands.

In addition, the appeals filed by the company with CIT(Appeals) against the demands raised by the Income Tax Department for the Assessment Years 2009-10 to 2011-12 were also decided in favour of the company. However, the Income tax department has filed appeals in Income Tax Appellate Tribunal Delhi against the orders of CIT(Appeals) in favour of the company.

The Income Tax Department has filed a Special Leave Petition SLP(C) CC 5899 of 2016 in the Hon'ble Supreme Court against the order of the Hon'ble Delhi High Court. The prayer of the Income tax Department for interim relief/stay of operation of the judgment passed by the Hon'ble Delhi High Court was not accepted. The matter has been tagged with other SLPs and will come up for hearing in due course.

As the exemption has been restored by the Hon'ble Delhi High Court, no provision for income tax, interest & penalties, if any, has been made. The adjustment of TDS refunds and amounts paid by the company, amounting to Rs 10089.74 lakh (Rs 1,319.00 lakh and Rs 8770.74 lakh) has been reflected in the accounts under the head "Income Tax Recoverable".

- ii) In case of the Group Company, Tamilnadu Trade Promotion Organisation (TNTPO) for the Assessment year 2006-07, the Income Tax Department has reopened the Assessment by issue of notice u/s 148 dated 28.03.2013 pointing out that there was an escapement of Income and raised demand of Rs. 149.47 lakhs towards short fall in the Application of Income besides interest and penalty.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

By contesting the same, TNTPO filed an appeal before the Commissioner of Income Tax (Appeals) against the said Assessment order and filed an application for stay of demand. As per the orders of stay of demand, TNTPO has remitted (under protest) 50% of the Tax Demand of Rs. 74.73 lakhs.

The Chief Commissioner of Income Tax, Chennai-III had withdrawn the Income Tax Exemption issued under section 10 (23C) (iv) of the Income Tax Act from the Assessment year 2009-10 onwards on the grounds that the Company is engaged in activities of trade, Commerce or business or rendering services in relation to trade, commerce or business as per the amended proviso of Section 2(15) of the income Tax Act with effect from 01.04.2008.

Consequent to the withdrawal of exemption order issued under section 10 (23C) (iv), the Assessing Officer has raised demands for the Assessment Years 2009-10, 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15 and the demands issued by the Assessing Officers, Tax deposited under protest and the status of the case are tabulated below:

(Rs. in lakhs)

Assessment Year	Total Demand	Tax Refund Adjusted	Amount deposited under protest (including Tax refund adjusted)	Balance	Cases pending with
2006-07	149.47	-	74.73	74.74	Commissioner of Income Tax (Appeals)
2009-10	446.38	24.13	422.25	-	Income Tax Appellate Tribunal
2010-11	358.59	86.08	272.51	-	
2011-12	585.56	-	585.56	-	
2012-13	968.50	-	333.73	634.77	Commissioner of Income Tax (Appeals)
2013-14	1,200.37	-	180.05	1,020.32	
2014-15	992.50	242.09	750.41	-	
Total	4,701.37	352.30	2,619.24	1,729.83	

Advance Tax paid under protest by the Company is tabulated below:

(Rs. in lakhs)

Assessment Year	Amount deposited under protest
2015-16	400
2016-17	370
2017-18	500
Total	1,270

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 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

are made in the books of accounts, in line with the Accounting Treatment followed by holding Company ITPO. The appeals filed by TNTPO for various Assessment Years are pending disposal. Pending disposal of these appeals, the company is contingently liable for the total demand of Rs. 47,01,37,951/- as on 31st March 2017 which include the demand for withdrawal of exemption of Rs. 45,51,91,288/- and demand for escapement of Income of Rs. 1,49,46,663/-.

The Company is also contingently liable for the AY 2015-16 & 2016-17 for which the Department is yet to take up the Assessment Proceedings and the amount of contingent liability is yet to be determined.

- (iii) In case of the Group Company, Karnataka Trade Promotion Organisation (KTPO) the organisation had obtained exemption u/s 10(23C)(iv) of Income Tax Act, 1961 up to assessment year 2008-09. The organisation 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 organisation had filed writ petition in the Hon'ble High Court of Karnataka, challenging the rejection orders of the Chief Commissioner of Income Tax. The Hon'ble High court of Karnataka passed orders setting aside the orders passed by the Chief Commissioner of Income Tax u/s 10(23C)(iv) of Income Tax Act rejecting the renewal of approval as sought by the Company, at the same time directing the department to decide on withdrawal or otherwise of the registration when such an occasion arising in future.

For Assessment Years 2010-11 to 2014-15, the Assessing Officer had denied the exemption claimed by the company 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, the Company has filed appeals before the Hon'ble Commissioner of Income Tax (Appeals) stating that the organisation does not attract the amended provision of Section 2(15) of the Act and is eligible to claim exemption u/s 10(23C) (iv) of the Act. Further, the stand of the Company has been ratified for the Assessment Year 2011-12 by the acceptance of its Appeal by the Commissioner of Income Tax vide its Order dated 16-06-2016. However, the Income Tax Department has filed Appeal with Income Tax Appealate Tribunal for the Assessment Year 2011-12 against the Order of Commissioner of Income Tax (Appeals) passed in favour of Company. Till 31.03.2017, the total demands raised are Rs. 5,08,01,502/- for A.Y. 2012-13, 2013-14 and 2014-15 against which refunds of Rs. 2,02,86,997/- are adjusted leaving balance demand of Rs. 3,05,14,505/-. No provision has been made against the said demand but included in Contingent Liabilities.

The organisation had received notice from the Additional Commissioner of Income Tax (Tech) -I for proposal to withdraw the approval granted u/s 10(23C) (iv) of the Act for the assessment years 2003-04 to 2008-09 with effect from 1-04-2009, i.e from the date of amendment to section 2(15) and onwards. The Company had filed written submissions for reconsideration of its withdrawal proposal.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

The position of Demands raised and adjusted till 31-03-2017 are as under

Rs. In Lakhs				
Assessment Year	Demand Raised	Refund Adjusted	Balance Pending	Appeal Filed on
2012-13	110.47	48.80	61.67	27-04-2015
2013-14	238.80	70.50	168.30	15-04-2016
2014-15	158.75	83.57	75.18	14-12-2016

During 2016-17, the Company received an amount Rs. 5,102.76 lakhs from Bangalore Metro Rail Project Corporation Limited towards acquisition of Company's land towards Bangalore Metro Rail Project which has resulted in a profit of Rs. 5,076.02 lakhs and the Company intends to spend the profit as per Section 11 (2) of the Income Tax Act 1961.

39 SERVICE TAX MATTERS

- (i) (a) In case of Holding Company, India Trade Promotion Organisation (ITPO), a demand of Rs. 1,087.95 lakh for the period 2006-07 to 2009-10 comprising of Service Tax of Rs. 1,064.27 lakh and interest of Rs. 23.68 lakh was raised on the company by The Commissioner of Service Tax. The demand was contested and The Commissioner of Customs and Central Excise vide order dt. 22.01.2015 (received on 03.02.2015) revised the demand of Service Tax to Rs. 410.41 lakh alongwith penalty of Rs. 410.41 lakh plus 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.

The company paid Rs. 881.31 lakh on 25.02.2015 comprising of Service Tax of Rs. 410.41 lakh alongwith penalty of Rs. 102.70 lakh and interest of Rs. 368.20 lakh under protest. An Appeal against the order dt. 22.01.2015 has been filed with CESTAT on 24.04.2015. A modified appeal has been filed on 9.2.2017.

- (b) In addition the company had been served the following demands cum show cause notices by the Service Tax Department for the various periods as under:

Sr. No.	Amount (Rs.)	Remarks
i	42.77	For the period 2011-12 - excluding interest and penalties, if any, amount not quantified.
ii	51.68	For the period 2012-13 excluding interest and penalties, if any, amount not quantified.
iii	46.69	For the period 2013-14 excluding interest and penalties, if any, amount not quantified.
Total	141.14	

As per the expert opinion, the services under Sr. No. (a) and (b) (i to iii) above on which the demands/demand-cum-show cause notices were served, do not fall within the ambit of Service Tax. The demands have been contested by the company with the respective authorities.

No provision for the demand of Rs. 1,022.45 lakh (Rs. 881.31 lakh plus Rs. 141.14 lakh) has accordingly been made in the accounts. The demand of Rs. 1,022.45 lakh is, however, included as a Contingent Liability at Note No. 36.

The amount of Rs. 881.31 lakh paid under protest with the Service Tax Department has been reflected in the accounts under the head "Service Tax Recoverable".

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

- (ii) In case of the Group Company, Tamilnadu Trade Promotion Organisation (TNTPO) the Additional Commissioner of Service Tax, Chennai has passed orders and issued Statement of demand of Service Tax on the share of income from sale of ticket for various periods as given below.

S. No	Order / SOD & Date	Amount (Rs. in lakhs)	Period
1	115/2013 dated 17.12.2013 & 456/2011 dated 13.10.2011	19.53	April 2006 to March 2011
2	115/2013 dated 17.12.2013 & 7/2013 dated 17.01.2013	6.51	April 2011 to March 2012
3	7/2014 dated 25.03.2014	1.68	April 2012 to June 2012
4	290/2014 dated 08.10.2014	6.16	July 2012 to March 2013
5	16/2015 dated 24.03.2015	6.17	April 2013 to March 2014
6	09/2016 dated 06.04.2016	5.46	April 2014 to March 2015
7	01/2017 dated 11.01.2017	6.61	April 2015 to March 2016
	Total	52.12	

The Group Company, TNTPO has already filed appeals against the above orders before the Additional Commissioner of Service Tax, Chennai and the cases are pending disposal except for the case in Sl. No. 6 & 7 for the year 2014-15 and 2015-16 for which Order-in-Original were received on 22.06.2017 from the Department and appeal is yet to be filed. Pending Disposal of the above, TNTPO is contingently liable for Service Tax of Rs.52.12 lakh besides interest and penalty thereof.

40 CONFIRMATION OF BALANCES

Amounts due to/from various parties are subject to confirmation, reconciliation and adjustments, if any.

41 PENSION FUND

During the year, the Pension scheme was approved by the Administrative Ministry. A provision of Rs. 2,631.14 lakhs (previous year Rs. 2,325.00 lakh) is being carried in the books till the transfer of its obligation to the ITPO Superannuation Pension Fund Trust.

42 PAY REVISION

The Department of Public Enterprises vide OM No.W-02/0028/2017-TPE(WC)-GL-XIII/17 dated 03.08.2017 and 04.08.2017 has issued guidelines for Revision of Pay Scales of the employees on IDA pattern w.e.f. 01.01.2017. Pending approval of the Competent Authority for the Revised Pay Scales, provisions for the same have been made in the accounts by the Holding company, ITPO.

43 INTEGRATED EXHIBITION CUM CONVENTION CENTRE (IECC)

During the year, the Cabinet Committee on Economic Affairs (CCEA) approved the Phase –I of the Integrated Exhibition cum Convention Centre (IECC) project for redevelopment of Pragati Maidan Complex at an estimated cost of Rs 2,25,400 lakhs to be funded by Rs 120,000 lakhs from ITPO's reserves and the balance to be raised from financial institutions/banks etc. M/s NBCC, a Public Sector Undertaking has been appointed as the Project Management Consultant for the project and an MOU has been signed between the company and NBCC on 29.3.2017. The process for award of work for the IECC Project by NBCC is underway. Pending the award of the work for the project, the schedule of "Capital Commitments" does not include figures for the IECC Project.

44 DUES TO MICRO, SMALL & MEDIUM ENTERPRISES

There are no Micro, Small & Medium Enterprises to whom the Company owes dues as at 31st March, 2017. This information, as required to be disclosed under the Micro, Small and Medium Enterprises Development Act 2006, has been determined on the basis of information available with the Company.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

45 RECONCILIATION OF HOLDING COMPANY (ITPO) ACCOUNTS WITH THE GROUP COMPANIES

(Rs. in lakhs)

(i)	Particulars		31st March 2017	31st March 2016	31st March 2015
	Net Excess Liability in the books of TNTPO		-	-	(17.50)
	Total Excess liability		-	-	(17.50)

The Excess Liability is taken as the liability for the purpose of consolidation and shown under other current liability.

(ii)	Particular		31st March 2017	31st March 2016	31st March 2015
	Excess Receivable from TNTPO in the books of ITPO			2.23	-
	Total Excess Assets		-	2.23	-

The Excess Assets in the books of the Holding Company (ITPO) is taken as the assets for the purpose of consolidation and shown under other current assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

46 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 Organisation								
31st March 2017	85.99%	204181.90	67.46%	17288.38	98.16%	(218.21)	67.19%	17070.17
31st March 2016	84.01%	175094.19	85.68%	16537.86	93.58%	27.60	85.69%	16565.45
1st April 2015	88.82%	164899.23						
Subsidiary- Indian								
Tamilnadu Trade Promotion Organisation								
31st March 2017	4.57%	10862.45	6.01%	1539.36	0.51%	(1.14)	6.06%	1538.22
31st March 2016	8.74%	18212.79	5.29%	1021.74	3.15%	0.93	5.29%	1022.67
1st April 2015	4.47%	8307.55						
Karnataka Trade Promotion Organisation								
31st March 2017	2.42%	5735.90	10.58%	2711.34	0.00%		10.67%	2711.34
31st March 2016	1.45%	3024.56	2.05%	395.95	0.00%		2.05%	395.95
1st April 2015	0.88%	1634.11						
Non -controlling Interest in all Subsidiaries								
31st March 2017	6.95%	16492.22	15.94%	4084.00	0.49%	(1.09)	16.07%	4082.91
31st March 2016	5.72%	11915.92	7.06%	1362.09	3.02%	0.89	7.05%	1362.98
1st April 2015	5.73%	10631.75						
Joint Venture- Indian								
National Centre for Trade Information								
31st March 2017	0.07%	166.11	0.01%	3.32	0.84%	(1.86)	0.01%	1.46
31st March 2016	0.08%	164.65	(0.08%)	(16.27)	0.26%	0.08	(0.08%)	(16.19)
1st April 2015	0.10%	180.84						
Total								
31st March 2017	100%	237438.57	100%	25626.40	100%	(222.30)	100%	25404.10
31st March 2016	100%	208412.11	100%	19301.37	100%	29.49	100%	19330.86
1st April 2015	100%	185653.48						

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

47 CORPORATE SOCIAL RESPONSIBILITY

i) In case of holding company, India Trade Promotion Organisation:

A. Gross amount required to be spent by the company during the year as per Section 135 of the Companies Act 2013 - Rs. 368.76 lakh (2% of average surplus of last 3 financial years). In addition, company decided to carry over the unspent amount of Rs. 253.41 lakh of previous year 2015-16.

B. Amount spent during the year : (Rs. in lakhs)

	In Cash	Yet to be paid in Cash	Total
(i) Construction/ acquisition of any assets	-	-	-
(ii) On purposes other than (i) above	200.75	92.00	292.75

C. Amount unspent: Rs. 329.42 lakh (Rs. 368.76 lakh plus 253.41 lakh less 292.75 lakh)

(ii) In case of group companies, Karnataka Trade Promotion Organisation (KTPO) and Tamil Nadu Trade Promotion Organisation (TNTPO):

	(Rs. in lakhs)	
	TNTPO	KTPO
Average net profit of the Company for last three financial years	2,402.88	824.82
Prescribed CSR expenditure (2% of the average net profit as computed above)	48.06	16.50
Details of CSR expenditure during the financial year:		
Total Amount to be spent for the financial year (As per the Board approval)	48.06	2.50
Amount Spent for the year 2016-17	48.06	-
Amount Unspent	-	16.50
Amount unspent for 2015-16	-	12.72
Amount Unspent for 2014-15	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)**48 EMPLOYEE BENEFIT DISCLOSURE**

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

a. Provident Fund

The Holding Company (ITPO) 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 recognises such shortfall as its expense.

The Group Company (TNTPO) pays its contribution relating to the Provident Fund of its employees, at the prescribed rates to the EPFO. The contribution for the year is recognized as expense and is charged to the Statement of Income and Expenditure.

The Group Company (KTPO) is not registered under PF Act, as the same is presently not applicable to the organisation.

b. Leaves

The scheme of leave encashment is unfunded. It is recognized in the books of the Group on the basis of actuarial valuation except in the case of the Jointly Controlled Entity (NCTI) which recognises the leave encashment expenditure on rational method basis. In case of Group Company (KTPO), there is no liability on account of Leave Salary and Gratuity, since its employees are on deputation from Government of Karnataka. In respect of deputationists, leave salary and pension contribution are provided and charged to Income & Expenditure Account.

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

	2016-17	2015-16
Interest cost	180.54	151.75
Current service cost	114.03	85.78
Net actuarial (gain)/loss recognised in the period	500.03	568.68
Expenses recognised in the statement of Income and Expenditure #	794.60	806.21

ii. The amount recognized in the Balance Sheet

	As at 31.03.2017	As at 31.03.2016
Present value of the obligation at end of the year	2,715.28	2,295.97
Net liability/(assets) recognised in Balance Sheet and related analysis	2,715.28	2,295.97
Unfunded Status	(2,715.28)	(2,295.97)

iii. Changes in the present value of the Present Value of Obligations:

	2016-17	2015-16
Present value of the obligation at the beginning of the period	2,295.97	1,898.17
Difference in Opening #	22.89	
Acquisition in	10.15	
Interest cost	180.54	151.75
Current service cost	114.03	85.78
Benefits paid (if any)	(408.35)	(408.40)
Actuarial (gain)/loss	500.03	568.68
Present value of the obligation at the end of the year	2,715.28	2,295.97

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

iv. Sensitivity Analysis of the defined benefit obligation:

a) **Impact of the change in discount rate**

	2016-17
Present Value of Obligation at the end of the period	2,715.28
a) Impact due to increase of 0.50 %	(58.70)
b) Impact due to decrease of 0.50 %	61.45

b) **Impact of the change in salary increase**

	2016-17
Present Value of Obligation at the end of the period	2,715.28
a) Impact due to increase of 0.50 %	62.38
b) Impact due to decrease of 0.50 %	(60.10)

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

	As at 31.03.2017	As at 31.03.2016
Discount rate##	7.06% per annum	7.79% per annum
Salary Growth Rate###	5.00% per annum	5.00% per annum
Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Withdrawal rate (Per Annum)####	2.00% per annum	2.00% per annum

During F.Y. 2015-16, Rs. 825.54 recognised in the Statement of Income & Expenditure as benefits of Rs. 22.89 lakh paid during 2016-17 for employees retired/ expired up to 31st March 2016.

The Discount rate taken by TNTPO for actuarial valuation of leave encashment is 7.33% and 8.00% for 31.03.2017 and 31.03.2016 respectively.

The salary Growth Rate taken by TNTPO for actuarial valuation of leave encashment is 8% per annum

The Withdrawal rate taken by TNTPO for actuarial valuation of leave encashment is Nil.

c. Gratuity

In case of Group Company (KTPO), there is no liability on account of Leave Salary and Gratuity, since its employees are on deputation from Government of Karnataka. In respect of deputationists, leave salary and pension contribution are provided and charged to Income & Expenditure Account.

i. Expenses recognized in the statement of Income and Expenditure

(Rs. in lakhs)

	2016-17	2015-16
Interest cost	20.58	27.30
Current service cost	1,370.15	152.21
Expenses recognised in the statement of Income & Expenditure Account #	1,390.73	179.50
Remeasurements:		
Opening unrecognised Actuarial Gain/ (loss)	27.59	-
Actuarial gain/ (loss) for the year	(4.02)	23.33
Gain/ (Loss) due to Change in Demographic Assumption	-	-
Gain/ (Loss) due to Change in Financial Assumption	(196.81)	-
Gain/ (Loss) due to Change in Experience Adjustment	(19.61)	6.08
Actuarial gain/ (loss) recognised	2.23	(1.82)
Net actuarial gain/(loss) unrecognised at the end of the year (in OCI)	(190.62)	27.59

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

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

	As at 31.03.2017	As at 31.03.2016
Present value of the obligation at end of the year	5,932.97	4,392.71
Fair value of plan assets at end of period	4,290.90	4,224.75
Net liability/(assets) recognised in Balance Sheet and related analysis	1,642.07	167.97
Funded/ (unfunded) Status	(1,642.07)	(167.97)

iii. Changes in the Present Value of Obligations:

	2016-17	2015-16
Present value of the obligation at the beginning of the period	4,392.71	4,228.17
Difference in Opening	89.43	
Acquisition in	6.87	
Interest cost	358.57	338.25
Current service cost	1,370.15	152.21
Benefits paid (if any)	(503.45)	(318.05)
Actuarial (gain)/loss	218.68	(7.86)
Present value of the obligation at the end of the year	5,932.97	4,392.71

iv. Sensitivity Analysis of the defined benefit obligation:

a) Impact of the change in discount rate

	2016-17
Present Value of Obligation at the end of the period	5,932.97
a) Impact due to increase of 0.50 %	(155.82)
b) Impact due to decrease of 0.50 %	163.11

b) Impact of the change in salary increase

	2016-17
Present Value of Obligation at the end of the period	5,932.97
a) Impact due to increase of 0.50 %	158.80
b) Impact due to decrease of 0.50 %	(154.50)

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

	As at 31.03.2017	As at 31.03.2016
Discount rate ##	7.06% per annum	8.00% per annum
Salary Growth Rate ###	5.00% per annum	5.00% per annum
Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Withdrawal rate (Per Annum)	2.00% per annum	2.00% per annum

During F.Y. 2015-16, Rs. 240.20 lakh recognised in the statement of Income & Expenditure as benefit of Rs 89.43 lakh paid during 2016-17 for employees retired/ expired up to 31st March 2016.

The Discount rate taken by TNTPO for actuarial valuation of leave encashment is 7.33% and 8.00% for 31.03.2017 and 31.03.2016 respectively.

###The Salary Growth Rate taken by TNTPO for actuarial valuations above is 8% and 7% for 31.03.2017 and 31.03.2016 respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

49 TIDCO MATTER IN TNTPO

The issue of treating the amount spent by promoters viz ITPO and TIDCO towards the Capital expenditure was considered as non-interest bearing long term borrowings and shown as Non-Current liabilities in the previous year Balance Sheet.

As per the 44th Board Meeting of TNTPO held on 03.12.2014 the above sub-ordinate loan of Rs.623.27 lakhs was to be repaid in 16 quarterly installments of Rs. 38.95 lakhs- each to TIDCO towards repayment of land development and provision of infrastructure facilities w.e.f. 2014-15.

In accordance with the above, TNTPO paid Rs. 467.45 lakhs and Rs. 323.31 lakhs to TIDCO and ITPO respectively towards the repayment of interest free Sub-ordinate loan up to the year 2016-17.

As per the MOU signed between India Trade Promotion Organisation (ITPO) and Tamilnadu Industrial Development Corporation Ltd. (TIDCO) dated 13.11.2000, TIDCO had to provide land and meet land development expenses and ITPO had to take care of construction of the Exhibition Centre. Land measuring 25.48 acres was allotted by Government of Tamil Nadu vide G.O.Ms.No.568, Revenue (LA (2)) Department dated 6.11.2000. As per the subsequent G.O. Ms.No.28 dated 03.02.2003 of the Government of Tamilnadu, TNTPO has to pay a lease rent of Rs.100 Lakhs per year from 2001-02 to the Government of Tamilnadu through TIDCO for the land handed over to TNTPO. Accordingly, the Company has paid lease rent to the Government of Tamilnadu through TIDCO up to the financial year 2016-17. The lease deed in this respect remains to be executed between TNTPO and TIDCO.

Further, the Government of Tamilnadu has granted enter-upon permission to TNTPO to an extent of 9.13 acres of land pending leasing of lands in order to expedite implementation of expansion project of Chennai Trade Centre.

50 KIADB MATTERS IN KTPO

K.T.P.O. is a joint venture of ITPO and Govt. of Karnataka through KIADB holding 51% and 49% respectively. As per the MOU signed by the co promoters, I.T.P.O. was required to construct an exhibition hall and Govt. of Karnataka, the co promoter was supposed to bring 50 acres of developed land with infrastructure for exhibition complex. KTPO is in possession of entire 50 acres of land. KIADB has issued title deed of the entire land to KTPO and the same is registered vide sale deed dated 15.12.2010. The Khatha for the property has not yet been transferred in favour of KTPO so far.

During the year 2014-15, the Land was capitalised at Rs,1000 lakhs and in the absence of details the external infrastructure was not accounted for. External Infrastructure amounting to Rs. 585 lakhs has been capitalized in the books during 2016-17 as per the advice of Karnataka Industrial Areas Development Board and accordingly depreciation on the same amounting to Rs. 262.16 lakhs has been charged with retrospective effect from Financial year 2005-06 to 2015-16 and disclosed as exceptional item in Income and Expenditure.

51 DISCLOSURE ON THE SUBSIDIARY COMPANIES

- (a) The Group Company, Karnataka Trade Promotion Organisation (KTPO) was promoted by ITPO in December, 2000 u/s 25 of the Companies Act 1956 (now Section 8 of Companies Act, 2013), in collaboration with Karnataka Industrial Area Development Board (KIADB), with an authorized share capital of Rs. 50 lakhs out of which the Company's share is 51%. In accordance with MOU with KIADB, ITPO contributed an exhibition hall to KTPO at a total cost of Rs. 1,793.77 lakhs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

The authorised share capital of KTPO was enhanced to Rs. 2,000 lakhs by the Board of Directors of KTPO on 9.9.2004 and it was also decided that ITPO's contribution of the exhibition hall to the extent of Rs. 1,020 lakhs be treated as its capital contribution to KTPO. During 2015-16, Share Certificate for Rs. 994.50 lakh was issued by KTPO in favour of the company. As such, the company has received Share Certificates for its entire 51% equity in the Authorised Share Capital of KTPO till 31.3.2017 i.e. Rs. 1020 lakhs.

The amount of Rs. 773.77 lakhs spent on construction of exhibition hall, over and above Rs. 1,020 lakhs was to be treated as non-interest bearing subordinate debt to KTPO, to be refunded subject to annual review and cash flow situation of KTPO. Accounting entries as per the above were carried out in earlier years. As the subordinate debt was not being realised, it has been proposed to enhance share capital of KTPO with a view to convert full/ part of the subordinate debt into ITPO's equity contribution.

During the year, the Board of Directors of ITPO & KIADB have in-principle approved converting their Sub-ordinate debt in KTPO into equity by increasing the Authorised Share Capital of KTPO to Rs. 3,235 lakhs and obtaining refunds of the balance amounts. The increase in the share Capital of KTPO is, however, yet to be approved in their AGM. Accounting entries for the revised Share Capital shall be carried out in the company's books as & when the approvals are received. In the absence of terms/ period of repayment, the said subordinate debt has not been discounted for the purpose of fair-valuation.

- (b) The Group Company, Tamil Nadu Trade Promotion Organisation (TNTPO) was promoted by ITPO in November 2000 u/s 25 of the Companies Act, 1956 (now Section 8 of Companies Act, 2013), in collaboration with Tamil Nadu Industrial Development Corporation (TIDCO) with an Authorized Share Capital of Rs. 50 lakhs of which ITPO's share is 51%. The issued capital of TNTPO is Rs. 1.00 lakhs of which the Company has paid Rs. 0.51 lakhs.

In accordance with MOU with TIDCO, ITPO contributed an exhibition hall to TNTPO at a cost of Rs. 1,637.48 lakhs against which the Department of Commerce provided a grant of Rs. 1,206.39 lakhs to ITPO. The balance amount of Rs. 431.09 lakh was charged off in ITPO's books as "Subsidy to TNTPO" in earlier years.

The Board of Directors of TNTPO in its 44th meeting held on 3.12.2014 under the Chairmanship of CMD-ITPO, decided to reimburse the expenditure of Rs. 431.09 lakhs incurred by ITPO from its own resources in 16 quarterly equal installments of Rs. 26.94 lakhs each from the year 2014-15. Accordingly, the amount of Rs. 431.09 lakhs was shown as recoverable from TNTPO in ITPO's books in 2014-15 by treating the same as "Extraordinary Items - subsidy given to subsidiary company in earlier years recovered". Against this, Rs. 323.32 lakhs (Previous Year Rs 215.55 lakhs) comprising of 12 installments has been received from TNTPO till 31.3.2017.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

52 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

I Fair Value Measurements

A. Financial Instruments by Category

(Rs. in Lakhs)

	As at 31 March 2017		As at 31 March 2016		As at 1st April 2015	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets						
Non-Current Investments		0.00		0.00		0.00
Non- Current loans		618.93		682.24		747.81
Other non-current financial assets		-		500.00		20,900.00
Current investments	72.40		58.45		60.72	
Trade receivables		870.27		1,000.60		729.11
Cash and Cash Equivalents		4,924.19		3,536.57		3,281.86
Bank Balances other than Cash and Cash Equivalents		163,461.94		153,118.83		114,473.15
Current loans		1,913.76		1,970.94		1,780.46
Other Current Financial Assets		12,923.98		12,940.29		13,003.62
	72.40	184,713.07	58.45	173,749.47	60.72	154,916.02

Financial Liabilities						
Non current Borrowing	-	-	-	141.65	-	283.41
Current Borrowing	-	24.50	-	-	-	-
Trade Payables	-	2,048.16	-	2,187.16	-	1,158.82
Other Current Financial Liabilities	-	1,837.46	-	1,832.49	-	2,715.35
	-	3,910.12	-	4,161.30	-	4,157.58

B. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

- recognised and measured at fair value and
- measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is given in the table below.

Financial assets and liabilities measured at fair value-recurring fair value measurements

	As at 31 March 2017			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial Investments at FVTPL				
Investments				
Mutual Funds	72.40	-	-	72.40
Total Financial Assets	72.40	-	-	72.40

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

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

(Rs. in lakhs)

	As at 31 March 2017			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Non-Current Invesments			0.00	0.00
Non- Current loans	-	-	618.93	618.93
Other non-current financial assets	-	-	-	-
Trade receivables	-	-	870.27	870.27
Cash and Cash Equivalents	-	-	4,924.19	4,924.19
Bank Balances other than Cash and Cash Equivalents	-	-	163,461.94	163,461.94
Current loans	-	-	1,913.76	1,913.76
Other Current Financial Assets	-	-	12,923.98	12,923.98
Total Financial Assets	-	-	184,713.07	184,713.07
Financial Liabilities				
Non current Borrowing	-	-	-	-
Current Borrowing	-	-	24.50	24.50
Trade Payables	-	-	2,048.16	2,048.16
Other Current Financial Liabilities	-	-	1,837.46	1,837.46
Total Financial Liabilities	-	-	3,910.12	3,910.12

(Rs. in lakhs)

Financial assets and liabilities measured at fair value-recurring fair value measurements

	As at 31 March 2016			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial Investments at FVTPL				
Investments				
Mutual Funds	58.45	-	-	58.45
Total Financial Assets	58.45	-	-	58.45

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed (Rs. in lakhs)

	As at 31 March 2016			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Non-Current Invesments	-	-	0.00	0.00
Non- Current loans	-	-	682.24	682.24
Other non-current financial assets	-	-	500.00	500.00
Trade receivables	-	-	1,000.60	1,000.60
Cash and Cash Equivalents	-	-	3,536.57	3,536.57
Bank Balances other than Cash and Cash Equivalents	-	-	153,118.83	153,118.83
Current loans	-	-	1,970.94	1,970.94
Other Current Financial Assets	-	-	12,940.29	12,940.29
Total Financial Assets	-	-	173,749.47	173,749.47
Financial Liabilities				
Non current Borrowing	-	-	141.65	141.65
Current Borrowing	-	-	-	-
Trade Payables	-	-	2,187.16	2,187.16
Other Current Financial Liabilities	-	-	1,832.49	1,832.49
Total Financial Liabilities	-	-	4,161.30	4,161.30

Financial assets and liabilities measured at fair value-recurring fair value measurements (Rs. in lakhs)

	As at 1 April 2015			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial Investments at FVTPL				
Investments				
Mutual Funds	60.72	-	-	60.72
Total Financial Assets	60.72	-	-	60.72

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)**Assets and liabilities which are measured at amortised cost for which fair values are disclosed****(Rs. in lakhs)**

	As at 1 April 2015			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Non-Current Investments	-	-	0.00	0.00
Non- Current loans	-	-	747.81	747.81
Other non-current financial assets	-	-	20,900	20,900.00
Trade receivables	-	-	729.11	729.11
Cash and Cash Equivalents	-	-	3,281.86	3,281.86
Bank Balances other than Cash and Cash Equivalents	-	-	114,473.15	114,473.15
Current loans	-	-	1,780.46	1,780.46
Other Current Financial Assets	-	-	13,003.62	13,003.62
Total Financial Assets	-	-	154,916.02	154,916.02
Financial Liabilities				
Non current Borrowing	-	-	283.41	283.41
Current Borrowing	-	-	-	-
Trade Payables	-	-	1,158.82	1,158.82
Other Current Financial Liabilities	-	-	2,715.35	2,715.35
Total Financial Liabilities	-	-	4,157.58	4,157.58

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 (for example, traded bonds, over-the-counter derivatives) 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).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

C. Fair Value of financial assets and liabilities measured at amortised cost:

(Rs. in lakhs)

	As at 31 March 2017		As at 31 March 2016		As at 1st April 2015	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets						
Non-Current Investments	0.00	0.00	0.00	0.00	0.00	0.00
Non- Current loans	618.93	618.93	682.24	682.24	747.81	747.81
Other non-current financial assets	-	-	500.00	500.00	20,900.00	20,900.00
Trade receivables	870.27	870.27	1,000.60	1,000.60	729.11	729.11
Cash and Cash Equivalents	4,924.19	4,924.19	3,536.57	3,536.57	3,281.86	3,281.86
Bank Balances other than Cash and Cash Equivalents	163,461.94	163,461.94	153,118.83	153,118.83	114,473.15	114,473.15
Current loans	1,913.76	1,913.76	1,970.94	1,970.94	1,780.46	1,780.46
Other Current Financial Assets	12,923.98	12,923.98	12,940.29	12,940.29	13,003.62	13,003.62
	184,713.07	184,713.07	173,749.47	173,749.47	154,916.02	154,916.02
Financial Liabilities						
Non current Borrowing	-	-	141.65	141.65	283.41	283.41
Current Borrowing	24.50	24.50	-	-	-	-
Trade Payables	2,048.16	2,048.16	2,187.16	2,187.16	1,158.82	1,158.82
Other Current Financial Liabilities	1,837.46	1,837.46	1,832.49	1,832.49	2,715.35	2,715.35
	3,910.12	3,910.12	4,161.30	4,161.30	4,157.58	4,157.58

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances, other current financial assets and liabilities are considered to be the same as their fair value, due to their short term nature.

The fair value of loans were calculated based on cash flows using MCLR/ base rate of SBI. They are classified as level 3 fair values in their fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit.

53 CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued equity capital, capital grant from Government of India treated as other equity.

54 FIRST TIME ADOPTION OF IND AS

These financial statements, for the year ended 31 March 2017 have been prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and Generally Accepted Accounting Principles (GAAP) in India. Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March, 2017, together with the comparative period data as at and for the year ended 31 March, 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheets at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.

Exemptions and Exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

A. Ind AS optional exemptions

(i) Deemed Cost

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets as per their previous GAAP carrying value.

(ii) Investment Joint Venture:

Ind AS 101 provides an exemption for changing from proportionate consolidation to the equity method. As per the exemption, when changing from proportionate consolidation to the equity method, an entity should recognise its investment in the joint venture at transition date to Ind AS. That initial investment should be measured as the aggregate of the carrying amounts of the assets and liabilities that the entity had previously proportionately consolidated, including any goodwill arising from acquisition. The balance of the investment in joint venture at the date of transition to Ind AS, determined in accordance with the above is regarded as the deemed cost of the investment at initial recognition. The Company has elected to apply this exemption for its joint venture

B. Ind AS mandatory exceptions

(i) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is an objective evidence that those estimates were in error. The Company has not made any changes to estimates made in accordance with previous GAAP.

(ii) Classification and measurement of financial assets

Classification and measurement of financial assets shall be made on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Company has evaluated the facts and circumstances existing on the date of transition to Ind AS for the purpose of classification and measurement of financial assets and accordingly has classified and measured financial assets on the date of transition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

C. Reconciliation between Previous GAAP and Ind AS

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Indian GAAP to Ind AS in accordance with Ind AS 101:

Reconciliation of Equity

(Rs. in lakhs)

Particulars	Footnote No.	As at 01.04.2015			As at 31.03.2016		
		Amount as per Indian GAAP	Adjustments due to transition	Amount as per Ind AS	Amount as per Indian GAAP	Adjustments due to transition	Amount as per Ind AS
ASSETS							
Non-current assets							
1) Property, plant and equipment	1 (a)	11,249.74	(15.80)	11,233.94	10,981.79	0.95	10,982.74
2) Capital Work in Progress		559.48	-	559.48	617.92	-	617.92
3) Other Intangible Assets		0.67	-	0.67	0.42	-	0.42
4) Intangible Assets Under Development		62.00	-	62.00	-	-	-
5) Investment in Joint Venture		-	180.84	180.84	-	164.65	164.65
6) Financial Assets							
a) Investments		-	0.00	0.00	-	0.00	0.00
b) Loans	1 (c)	749.68	(1.87)	747.81	677.93	4.31	682.24
c) Other Financial assets		-	20,900.00	20,900.00	-	500.00	500.00
7) Other Non-Current Assets	1 (c)	364.50	69.42	433.92	366.84	50.76	417.60
		12,986.07	21,132.59	34,118.65	12,644.90	720.67	13,365.56
Current Assets							
1) Financial Assets							
a) Investments	1 (d)	29.72	31.00	60.72	33.94	24.51	58.45
b) Trade Receivables		734.06	(4.95)	729.11	1,003.33	(2.73)	1,000.60
c) Cash and Cash Equivalents		138,799.09	(135,517.23)	3,281.86	157,324.16	(153,787.59)	3,536.57
d) Bank Balances other than Cash and Cash Equivalents		-	114,473.15	114,473.15	-	153,118.83	153,118.83
e) Loans	1 (c)	24,950.12	(23,169.66)	1,780.46	28,585.02	(26,614.08)	1,970.94
f) Other Financial assets		-	13,003.62	13,003.62	-	12,940.29	12,940.29
2) Other Current Assets		8,184.96	10,020.95	18,205.91	8,886.28	13,534.59	22,420.87
		172,697.95	(21,163.12)	151,534.83	195,832.73	(786.18)	195,046.55
Total Assets		185,684.02	(30.53)	185,653.48	208,477.63	(65.51)	208,412.11
EQUITY AND LIABILITIES							
A. Equity							
1) Equity Share Capital		25.00	-	25.00	25.00	-	25.00
2) Other Equity	1(a,b,c,d)	159,929.08	(406.07)	159,523.01	177,933.13	(483.94)	177,449.19
Non- Controlling Interests		10,514.03	117.72	10,631.75	11,903.87	12.05	11,915.92
		170,468.11	(288.35)	170,179.76	189,862.00	(471.89)	189,390.11
B. Liabilities							
I. Non-Current Liabilities							
1) Financial Liabilities							
a) Borrowing		524.93	(241.52)	283.41	356.13	(214.48)	141.65
2) Provisions		1,734.21	(28.00)	1,706.20	1,862.09	(29.32)	1,832.77
3) Other non-current Liabilities		520.58	-	520.58	933.39	-	933.39
		2,779.72	(269.52)	2,510.19	3,151.61	(243.80)	2,907.81
II. Current Liabilities							
1) Financial Liabilities							
a) Trade Payables		1,158.56	0.26	1,158.82	2,209.27	(22.11)	2,187.16
b) Other Financial Liabilities		-	2,715.35	2,715.35	-	1,832.49	1,832.49
2) Other Current Liabilities		7,690.91	(2,188.27)	5,502.64	7,009.22	(1,160.21)	5,849.01
3) Provisions		3,586.72	-	3,586.72	6,245.53	0.01	6,245.53
		12,436.19	527.34	12,963.53	15,464.02	650.18	16,114.19
Total Equity and Liabilities	-	185,684.02	(30.53)	185,653.48	208,477.63	(65.51)	208,412.11

*The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

Reconciliation of other equity

(Rs. in lakhs)

Particulars	Footnote No.	As at 01.04.2015	As at 31.03.2016
Equity as per IGAAP		159,929.08	177,933.13
Adjustments:			
Add: Changes due to prior period income reinstated as per Ind AS 8	1 (a)	(437.07)	(26.83)
Add: Income by way of Amortisation of Grant received from ASIDE			18.46
Share of Other Comprehensive Income of Joint Venture accounted for using the equity method			(0.08)
Add: Fair value gain/(loss) on investment in mutual fund	1 (d)	31.00	(6.49)
Less: Amortisation of Grant Received from Aside			(18.46)
Add: Remeasurement of Net Defined Benefit Plan			1.00
Less: Provisions written off(Joint venture accounted as per Equity Method)			(45.48)
Total Adjustments:		(406.07)	(77.88)
Net impact brought forward from opening balance sheet			(406.07)
Equity as per Ind AS		159,523.01	177,449.19

Reconciliation of total comprehensive income for the year ended 31March 2016

(Rs. in lakhs)

Particulars	Footnote No.	Amount as per Indian GAAP	Adjustments due to transition	Amount as per Ind AS
Income				
Revenue from Operations		28,156.70	(121.57)	28,035.13
Other Income	1 (c)	14,526.23	(135.57)	14,390.66
Total Income		42,682.93	(257.14)	42,425.79
Expenses				
Employee Benefits Expenses	1 (c)	9,094.09	24.24	9,118.33
Depreciation and Amortization Expenses		972.99	(1.10)	971.89
Other Expenses	1 (a)	11,263.56	(155.00)	11,108.56
Total Expenses		21,330.64	(131.86)	21,198.78
Excess of Income over Expenditure before Exceptional items and Tax		21,352.29	(125.28)	21,227.01
Exceptional Items		(1,912.90)	3.53	(1,909.37)
Excess of Income over Expenditure before Tax		19,439.39	(121.75)	19,317.64
Tax Expenses		-	-	-
Excess of Income over Expenditure before share of net income of investments accounted for using equity method and tax		19,439.39	(121.75)	19,317.64
Add: Share of net income of joint venture accounted for using equity method		-	(16.27)	(16.27)
Surplus for the period (A)		19,439.39	(105.48)	19,301.37
Other comprehensive income				
(i) Items that will not be reclassified to profit or loss				
Remeasurement of net defined benefit (liability)/ asset		-	29.41	29.41
Share of Other Comprehensive Income of Joint Venture accounted for using the equity method		-	0.08	0.08
Total Other comprehensive income for the period, net of income tax (B)		-	29.49	29.49
Total Comprehensive Income for the year (A+B)		19,439.39	(75.99)	19,330.86

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

Reconciliation of total comprehensive income for the year ended 31 March 2016		(Rs. in lakhs)
Particulars	Footnote No.	Amount
Profit after tax as per IGAAP		19,439.39
Adjustments		
Add: Changes due to prior period income reinstated as per Ind AS 8	1 (a)	(92.75)
Add: Fair value gain/(loss) on investment in mutual fund	1 (d)	(6.49)
Add: Recognition of financial assets at amortised cost		-
Less: Remeasurement of net defined benefit (liability)/asset		(29.48)
Add: Income by way of Amortisation of Grant Received from Aside		36.19
Less: Provisions written off (Joint venture accounted as per Equity Method)		(45.48)
Total Adjustments:		(138.02)
Profit after Tax as per Ind AS		19,301.37
Other Comprehensive Income		
Add: Remeasurement of net defined benefit (liability)/asset		29.41
Share of Other Comprehensive Income of Joint Venture accounted for using the equity method		0.08
Total Comprehensive Income for the year		19,330.86

Reconciliation of Statement of Cash Flows for the year ended 31 March 2016			(Rs. in lakhs)
Particulars	Amount as per Indian GAAP	Adjustments due to transition	Amount as per IND AS
Net cash flow from operating activities	5,832.75	(38,619.85)	(32,787.10)
Net cash flow from investing activities	12,861.14	20,399.80	33,260.94
Net cash flow from financing activities	(168.80)	(50.32)	(219.12)
Net increase/(decrease) in cash and cash equivalents during the year	18,525.09	(18,270.38)	254.71
Cash and Cash equivalents at the beginning of the year	138,799.09	(135,517.23)	3,281.86
Cash and Cash equivalents at the end of the year	157,324.18	(153,787.61)	3,536.57

Footnotes to the reconciliations:

1(a) Prior Period Errors

Under previous GAAP (i.e. IGAAP), prior period errors were reported in Statement of Profit and Loss for the period in which the error arises as a result of errors or omissions in the preparation of financial statements of one or more prior periods. Under Ind AS, prior period error is corrected through retrospective restatement as if a prior period error had never occurred.

1(b) Retained Earning

Retained Earning as at 1st April 2015 has been adjusted for prior period expenses recorded in financial statements for the Financial year 2015-16 and 2016-17 for period related to before 31.03.2015.

Balance sheet as at 1st April, 2015	As reported	Restatement for Ind AS Adjustments	Restated balances
Retained earnings	152,398.95	(73.44)	152,325.51

1(c) Loans

The loans given to employees are classified as financial assets at amortised cost. The interest rate on such financial assets is lower than the market rate, these financial assets have been discounted to present value. For employee loans, the effect of the adjustments is reflected in deferred payroll expense under non-current and current assets.

1(d) Investment in Mutual funds

The investment by ITPO in UTI mutual funds has been valued at fair value (i.e. market rate).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

55 DISCLOSURE AS PER IND AS 112 'DISCLOSURE OF INTEREST IN OTHER ENTITIES'

a) Subsidiaries

The group's subsidiaries as at 31.3.2017 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
		31/3/2017	31/3/2016	1/4/2015	31/3/2017	31/3/2016	1/4/2015	
Karnataka Trade Promotion Organisation	India	51%	51%	51%	49%	49%	49%	Trade Promotion
Tamilnadu Trade Promotion Organisation	India	51%	51%	51%	49%	49%	49%	Trade Promotion

b) Summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amount disclosed for each subsidiary are before inter-company eliminations.

Summarised Balance Sheet	Karnataka Trade Promotion Organisation			Tamilnadu Trade Promotion Organisation		
	31/3/2017	31/3/2016	1/4/2015	31/3/2017	31/3/2016	1/4/2015
Current Assets	10,066.06	4,441.83	3,894.27	18,335.33	15,483.54	14,631.30
Current Liabilities	283.52	170.41	201.09	1,084.76	1,057.81	2,135.76
Net Current Assets	9,782.54	4,271.42	3,693.18	17,250.58	14,425.73	12,495.54
Non Current Assets	2,699.32	2,477.36	2,279.22	4,228.28	4,248.17	4,401.80
Non Current Liabilities	-	-	-	18.75	239.63	472.75
Net Non Current Assets	2,699.32	2,477.36	2,279.22	4,209.54	4,008.54	3,929.05
Net Assets	12,481.86	6,748.78	5,972.40	21,460.11	18,434.27	16,424.58
Attributable to Non Controlling Interest	6,116.11	3,306.90	2,926.48	10,515.46	9,032.79	8,048.05

Summarised Statement of Profit and Loss	Karnataka Trade Promotion Organisation		Tamilnadu Trade Promotion Organisation	
	31/3/2017	31/3/2016	31/3/2017	31/3/2016
Revenue	799.94	798.90	4,749.50	4,222.96
Profit for the year	5,316.35	776.38	3,155.59	2,155.18
Other Comprehensive Income	-	-	(2.23)	1.82
Total Comprehensive Income	5,316.35	776.38	3,153.35	2,157.00
Attributable to Non Controlling Interest	2,605.01	380.43	1,545.14	1,056.93

Summarised Cash Flow	Karnataka Trade Promotion Organisation		Tamilnadu Trade Promotion Organisation	
	31/3/2017	31/3/2016	31/3/2017	31/3/2016
Cash flow from Operating Activities	(5,531.78)	(302.40)	1,452.45	(460.27)
Cash flow from Investing Activities	5,534.44	302.49	554.12	640.08
Cash flow from Financing Activities	-	-	(217.84)	(211.02)
Net increase/(decrease) in cash and cash equivalents	2.66	0.08	1,788.72	(31.21)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

c) Interests in Joint Venture

Name of Entity	Place of Business	Ownership Interest held by the Group			Accounting Method	Carrying Amount		
		31/3/2017	31/3/2016	1/4/2015		31/3/2017	1/4/2016	1/4/2015
National Centre For Trade Information	India	50%	50%	50%	Equity Method	166.11	164.65	180.84

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	31/3/2017	31/3/2016	1/4/2015
Aggregate carrying amount of individually immaterial joint venture	166.11	164.65	180.84
Particulars	31/3/2017	31/3/2016	
Aggregate amount of Group's share of:			
Profit for the year	3.32	(16.27)	
Other comprehensive Income	(1.86)	0.08	
Total Comprehensive Income	1.46	(16.19)	

Vide 84th Board Meeting of NCTI held on 7th July'17, it has been decided that the winding up formalities may be initiated and communicated to both the promoters and the Department of Commerce for seeking necessary approvals at their end.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)**56 SEGMENT REPORTING FOR THE YEAR ENDED 31ST MARCH 2017**

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.

Operating Segments**A. Information about products and services**

Group primarily operates in one service, therefore service wise revenue disclosure is not applicable.

B. Information about geographical areas**(1) Information about Primary Geographical Segments**

	Trade promotion Activities in India	Trade promotion Activities Abroad	Unallocated	Total
Revenue-External	31,491.43	3,514.42	-	35,005.85
	(25,883)	(3,034)	-	(28,917)
Inter-segment	-	-	-	-
Total revenue	31,491.43	3,514.42	-	35,005.85
	(25,883)	(3,034)	-	(28,917)
Result				
Segment result	9,295.13	-1,224.14	4,261.40	12,332.40
	(8,103.24)	(-889.89)	(-1155.09)	(6,058.26)
Unallocated expenditure net of unallocated income				
Interest/Dividend income	-	-	13,071.70	13,071.70
	-	-	(13,272.60)	(13,272.60)
Surplus before taxation				25,404.10
	-	-	-	(19,330.86)
Excess of income over expenditure				25,404.10
				(19,330.86)
Other information				
Segment assets	56,076.82	590.60	180,771.15	237,438.57
	(33,201.58)	(846.05)	(174,364.49)	(208,412.11)
Segment liabilities	27,041.48	455.25	11,188.16	38,684.89
	(21,672.09)	(676.64)	(8,589.20)	(30,937.93)
Capital expenditure	695.43	-	-	695.43
	(520.37)	-	-	(520.37)
Depreciation & Amortisation	1,191.95	-	-	1,191.95
	(971.89)	-	-	(971.89)

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.

(2) The Group does not have secondary segment.**C. 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 Groups's total revenue.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

57 RELATED PARTY DISCLOSURES ARE GIVEN BELOW

(a) LIST OF RELATED PARTIES

Name of Related Parties	Principal Place of Operation	Nature of relationship
ITPO Employess Provident Fund Trust	India	Post -Employment Benefit Plan of ITPO
ITPO Employess Gratituty Fund Trust	India	Post -Employment Benefit Plan of ITPO

(b) KEY MANAGEMENT PERSONNEL

Name	Position held
Holding Company- ITPO	
1 Sh. Lakhmi Chand Goyal	Chairman & Managing Director
2 Smt. Shubra Singh (till 09.02.2017)	Executive Director
3 Sh. Rajneesh (w.e.f. 10.02.2017 till 24.05.2017)	Executive Director
4 Sh. J K Dadoo	Nominee director
5 Sh. Manoj Joshi	Nominee director
6 Sh. Sanjay Chadha	Nominee director
7 Sh. K Nagaraj Naidu	Nominee director
8 Sh. P N Vijay (w.e.f. 10.06.2016)	Independent Director
9 Sh. Devender Mohan Sharma	CFO
10 Sh. Smurti Ranjan Sahoo	Company Secretary
Group Company- Tamilnadu Trade Promotion Organisation	
1 S Visakan	Managing Director
Group Company- Karnataka Trade Promotion Organisation	
1 Sh. T Halaswamy	Managing Director
2 Sh. J Rangaramu	Managing Director

(c) NAME & NATURE OF RELTIONSHIP WITH GOVERNMENT

Name of Government	Relationship with ITPO
Government of India	100% Shareholder of the company

(d) COMPENSATION FOR KEY MANAGEMENT PERSONNEL

Name Of Person	Designation	Salary & Allowances	Perks	Total Remuneration
(i) Short Term Employee Benefits				
Holding Company- ITPO				
1 Sh. Lakhmi Chand Goyal	Chairman & Managing Director	25.96	4.29	30.24
2 Smt. Shubra Singh	Executive Director	26.26	2.25	28.51
3 Sh. Rajneesh	Executive Director	-	-	-
4 Sh. Smurti Ranjan Sahoo	Company Secretary	15.37	0.09	15.46
5 Sh. Devender Mohan Sharma	CFO	17.75	-	17.75
Group Company- Tamilnadu Trade Promotion Organisation				
1 Sh. S Visakan	Managing Director	14.69	0.35	15.04
Group Company- Karnataka Trade Promotion Organisation				
1 Sh. T Halaswamy	Managing Director	4.14	-	4.14
2 Sh. J Rangaramu	Managing Director	9.45	-	9.45
(ii) Other Benefits				NIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

(e) TRANSACTIONS WITH RELATED PARTIES	2016-17	2015-16	
ITPO Employess Provident Fund Trust			
Contribution by the Company	569.83	566.60	
ITPO Employess Gratituty Fund Trust			
Contribution by the Company	1,387.85	267.79	
(f) OUTSTANDING BALANCES WITH RELATED PARTIES			
Particulars	31.03.2017	31.03.2016	
(i) Payable by Company			
ITPO Employess Provident Fund Trust	NIL	11.42	
ITPO Employess Gratituty Fund Trust	1,607.53	240.20	
(ii) Balances due to KMP			
Sh. T Halaswamy	Managing Director	0.08	-
Sh. J Rangaramu	Managing Director	0.26	1.03

The Group has business transactions with the state governments and entities controlled by the Govt. of India. Transactions with these entities are carried out at market terms on arms-length basis. Therefore, party-wise details of such transactions have not been given since such transactions are carried out in the ordinary course of business at normal commercial terms. Departments & agencies of Government that do not control, jointly control or significantly influence the Group are not related party in accordance with Para 11(c)(iv) of Ind AS-24.

58 PREVIOUS YEAR FIGURES

The Previous year's figures have been regrouped/ reclassified/ recast, wherever considered necessary.

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

Sd/-
(D.M.Sharma)
Chief Financial Officer

Sd/-
(Deepak Kumar)
Executive Director

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

As per our report annexed
For Grover, Lalla & Mehta,
Chartered Accountants
FRN - 002830N

Sd/-
(Alok Goyal)
Partner
M. No. : 501529

Place: New Delhi
Dated: 29.08.2017



Swachh Bharat activities at ITPO



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



Contribution to "Clean Ganga Fund", Govt. of India under CSR



INDIA TRADE PROMOTION ORGANISATION
Pragati Bhawan, Pragati Maidan, New Delhi - 110001
