

51st
ANNUAL REPORT
2019-20



THE HANDLOOM EXPORT PROMOTION COUNCIL

MEMBERS OF THE EXECUTIVE COMMITTEE

Chairman:	<p>Shri T.V. Chandrasekaran M/s. Rakhava Impex, Karur. (From 29/03/2020 upto 28/03/2022)</p> <p>Dr. K.N. Prabhu, M/s. Paradigm International, Karur. (From 29/03/2018 to 28/03/2020)</p>
Vice Chairman:	<p>Shri T.V. Chandrasekaran, M/s. Rakhava Impex, Karur. (From 29/03/2018 to 28/03/2020)</p>

EX-OFFICIO CENTRAL GOVT. NOMINEES

1. Development Commissioner for Handlooms, Ministry of Textiles, Govt. of India, New Delhi.
2. Joint Secretary (Exports), Ministry of Textiles, Govt. of India, New Delhi.
3. Executive Director, Handloom Export Promotion Council, Chennai.

ELECTED MEMBERS

1. Dr. K.N. Prabhu, M/s. Paradigm International, Karur.
2. Shri T.V. Chandrasekaran, M/s. Rakhava Impex, Karur.
3. Shri V. Kumar, M/s. The Standard Textiles, Karur.
4. Shri R. Rajendiran, M/s. Trident Home Furnishing (P) Ltd, Chennai.
5. Shri P. Gopalakrishnan, M/s. Metro Fabrics, Karur.
6. Shri M. Charles, M/s. JVS Export, Madurai.
7. Shri M. Thirumurthy, M/s. Unity Exports, Karur.
8. Shri K.M. Saleem, M/s. K.A.S. Zainulabdin & Co, Chennai.
9. Shri K. Kumaravel, M/s. Ponni Fab, Karur.
10. Shri Ramesh Verma, M/s. Diamond Exports, Panipat
11. Shri V.C. Selvan, M/s. American Textile Company, Karur.
12. Shri P. Arjuna, M/s. Manju Exports, Karur.
13. Shri A. Sethupathi, M/s. Master Linens Inc., Karur.
14. Shri Lalit Goel, M/s. Riviera Home Furnishing Pvt Ltd., Panipat.
15. Shri Kuldeep Raj Wattal, M/s. Chinar International, Noida.
16. Shri Gagan Rai, M/s. Seth Kumar Rai International, New Delhi.
17. Shri R. Paramasivam, M/s. Sri Arasu Tex, Karur.
18. Shri Rajiv Agrawal, M/s. Silko Internationaal, Varanasi.

CO-OPTED MEMBERS

1. Shri V. Lakshmi Narasimhan, M/s. Sri Laxmi Export, Karur.
2. Vacant

Executive Director:	Dr. S.B. Deepak Kumar, IAS
Auditors:	M/s. S. Narasimhan & Co., Chennai
Bankers:	State Bank of India, Greams Road Branch, Chennai.

THE HANDLOOM EXPORT PROMOTION COUNCIL

No.34, Cathedral Garden Road, Nungambakkam, Chennai – 600 034.

NOTICE

Notice is hereby given that the fifty first Annual General Meeting of the Handloom Export Promotion Council will be held at 12.00 noon on Wednesday the 30th December 2020, through video Conference to transact the following business.

1. To receive and to adopt the Annual Report of the Council for the year ended 31st March 2020, the Audited Balance Sheet, the Income & Expenditure Account for the year ended 31st March 2020, the report of the Auditors thereon and the report of the Executive Committee.
2. To appoint Auditor for auditing the accounts of the Council for the year 2020-21 and fix their remuneration.
3. To elect members to the Executive Committee in the place of members retiring by rotation.
4. To approve the amendments of Articles of Association of the Council.
5. To transact any other business.

(By order)

Sd/-

Date: 08.12.2020

Shri T.V. Chandrasekaran
Chairman

Registered Office:

No. 34, Cathedral Garden Road, Nungambakkam,
Chennai – 600034.

NOTE

1. No TA/DA is admissible for attending the Annual General Meeting.
Members/RTEs who require clarifications in respect of any matter connected with the Annual Report/ Audited Accounts are requested to send their queries so as to reach the Council at least ten days in advance of the meeting to enable the office to get the details available.
2. Council's Members/RTEs are requested to bring their copies of the Annual Report with them as spare copies will not be available at the meeting.
3. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote Instead of himself and a **proxy need not be a member.**

EXPLANATORY STATEMENT

ITEM NO.2: To Appoint Auditor for Auditing the Accounts of the Council for the Year 2020-21 and Fix their Remuneration.

At the 50th Annual General Meeting held on 30.09.2019, M/s S. Narasimhan & Co., Chennai were appointed as Auditor of the Council for the year 2019-20 at a remuneration of Rs.50000/- per annum.

The General Body may kindly consider the appointment of Auditor for auditing the accounts of the Council for the year 2020-21 and also fix their remuneration.

ITEM NO.3: To Elect Members to the Executive Committee in the Place of Members Who Retire by Rotation.

Product Groups

Handloom Floor Coverings

1. Shri Kuldeep Raj Wattal,
M/s. Chinar International, Noida.
2. Shri Lalit Goel,
M/s. Riviera Home Furnishing Pvt Ltd, Panipat.
3. Shri Gagan Rai,
M/s. Seth Kumar Rai International, New Delhi.

The election has to be held for the following categories:

Product Groups	Vacancies to be filled
1. Handloom Floor Coverings	3
Total	3

The procedure as laid down in Clauses 37(g) & (h) and other relevant clauses of the Articles of Association of the Council and Election Rules will be followed for the nomination of candidates.

ITEM NO.4. To approve the Amendments of Articles of Association of the Council

Pursuant to Office Order dated August 2020, given by Ministry of Textiles, Government of India, the Articles of Association of the Council is being amended to give effect to the said Office Order. The changes being made in the AoA is highlighted in the draft Articles and is available for inspection by the Members during working hours of the Council. The amendments in the Articles would be implemented on approval of the Registrar of Companies and the Members in the ensuing General Meeting.

REPORT OF THE EXECUTIVE COMMITTEE FOR THE YEAR 2019-20

MEMBERSHIP OF THE COUNCIL

The total number of Members / RTEs of the Council at the end of the year 2019-20 were 1521

As on 1st April, 2019	1517
DEDUCT: Number of Members/RTEs removed from membership roll on account of default in payment of subscription, Resignation, change in constitution, etc.,	236
ADD: Number of Members/RTEs restored	34
ADD: Number of RTEs included in membership roll on account of fresh enrolment	206
As on 31.03.2020	1521

CONSTITUTION OF THE EXECUTIVE COMMITTEE

CHAIRMAN

Shri T.V. Chandrasekaran,
M/s. Rakhava Impex, Karur.

from 29/03/2020

Dr. K.N. Prabhu,
M/s. Paradigm International, Karur.

from 29/03/2018 to 28/03/2020

VICE CHAIRMAN

Shri T.V. Chandrasekaran,
M/s. Rakhava Impex, Karur

from 29/03/2018 to 28/03/2020

CENTRAL GOVERNMENT NOMINEE MEMBERS

1. The Development Commissioner for Handlooms, Ministry of Textiles, Government of India, New Delhi.
2. The Joint Secretary (Exports), Ministry of Textiles, Government of India, New Delhi.
3. The Executive Director, Handloom Export Promotion Council, Chennai.

CO-OPTED MEMBERS

1. Shri V. Lakshmi Narasimhan
M/s. Sri Laxmi Export, Karur. (from 21.02.2020 upto AGM)
2. Vacant

ELECTED MEMBERS

Handloom Fabrics/Lunghies/Real Madras Handkerchiefs

1. Shri M. Thirumurthy,
M/s. Unity Exports, Karur. (Elected on 30.09.2019)
2. Shri K.M. Saleem,
M/s. K.A.S. Zainulabdin & Co, Chennai. (Elected on 29.09.2018)

Handloom Floor Coverings

1. Shri Ramesh Verma, **(Elected on 29.09.2018)**
M/s. Diamond Exports, Panipat.
2. Shri Kuldeep Raj Wattal, **(Elected on 22.09.2017)**
M/s. Chinar International, Noida.
3. Shri Lalit Goel, **(Elected on 22.09.2017)**
M/s. Riviera Home Furnishings Pvt. Ltd., New Delhi
4. Shri Gagan Rai, **(Elected on 22.09.2017)**
M/s. Seth Kumar Rai International, New Delhi

Handloom Made ups

1. Shri V. Kumar, **(Elected on 29.09.2018)**
M/s. The Standard Textiles, Karur.
2. Dr. K.N. Prabhu, **(Elected on 29.09.2018)**
M/s. Paradigm International, Karur.
3. Shri A. Sethupathi, **(Elected on 30.09.2019)**
M/s. Master Linens Inc., Karur.
4. Shri R. Rajendiran, **(Elected on 29.09.2018)**
M/s. Trident Home Furnishings (P) Ltd., Chennai.
5. Shri P. Gopalakrishnan, **(Elected on 29.09.2018)**
M/s. Metro Fabrics, Karur
6. Shri T.V. Chandrasekaran, **(Elected on 29.09.2018)**
M/s. Rakhava Impex, Karur.
7. Shri M. Charles, **(Elected on 30.09.2019)**
M/s. JVS Export, Madurai.
8. Shri K. Kumaravel, **(Elected on 30.09.2019)**
M/s. Ponni Fab, Karur.
9. Shri P. Arjuna **(Elected on 30.09.2019)**
M/s. Manju Exports, Karur.
10. Shri V.C. Selvan, **(Elected on 29.09.2018)**
M/s. American Textile Company, Karur.

Others including Handloom Clothing Accessories

1. Shri R. Paramasivam, (Elected on 30.09.2019)
M/s. Sri Arasu Tex, Karur.
2. Shri Rajiv Agrawal, (Elected on 30.09.2019)
M/s. Silko Internationaal, Varanasi.

1. Meetings of the Council:

- a) The 50th Annual General Meeting of the Council was held on 30.09.2019 at Council's premises.
- b) Meetings of the Executive Committee
 - 21.08.2019 218th Executive Committee Meeting
 - 16.11.2019 219th Executive Committee Meeting
 - 21.02.2020 220th Executive Committee Meeting

FINANCE

The total revenue for 2019-20 was Rs.1150.54 Lakh comprising of

Subscription and entrance fee of Membership	Rs. 99.42 Lakh
Miscellaneous receipts including Participation fee	Rs. 938.92 Lakh
MDA & MAI Grant from Government including Grant for member exporters	Rs. 112.20 Lakh

The total expenditure was Rs. 938.99 Lakh was classified such as Participation in Fairs/Exhibitions/BSMs abroad,

Publicity abroad and Publication in etc., and Disbursement of grant to member exporters	Rs. 581.23 Lakh
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The expenditure on non-code activities including Depreciation on assets	Rs. 357.76 Lakh
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As on 31st March 2020 the total investment of Rs.189.06 lakh under Fixed Deposit in Nationalized Banks and Government.

EXPORT PROMOTION ACTIVITIES 2019-20

EXHIBITIONS ABROAD:

1. Hong Kong International Home Textiles & Furnishing Fair, Hong Kong, (20-23, April 2019)

Council participated in the 10th edition of the Hong Kong International Home Textiles & Furnishing Fair at Hong Kong organized by Hong Kong Trade Development Council (HKTDC) at Hong Kong Convention & Exhibition Centre, Hong Kong from 20-23, April 2019.

HEPC participated in this fair with 18 member exporters taking a total space of about 180 sq.mtr at Hall 3B and had put up a central promotional stall at the fair. As per the feedback received from exhibitors, 241 visitors had visited their stalls and spot order of Rs.0.49 crore and business enquiries worth Rs. 5.16 crore were generated during the event.

Council organized participation in this event with grant under National Handloom Development Program (NHDP) scheme of O/o Development Commissioner of Handlooms, Ministry of Textiles, Govt of India.

2. Global Indian Festival, Kuala Lumpur, Malaysia, (1-9, June 2019))

Council participated in the 17th edition of Global Indian Festival held at Mid Valley Exhibition Centre, Kuala Lumpur, Malaysia with 18 participants (12 registered holders of India Handloom Brand (IHB) & 6 from North Eastern States). This fair was organized by ACS Agenda Suria Communication, Malaysia during 1-9, June 2019. The fair was jointly inaugurated by Shri Mridul Kumar, High Commissioner of India in Malaysia & Dr. Xavier Jayakumar, Minister of Water, Land and Natural Resources of Malaysia on 4th June 2019.

Council booked total space of 171 sqm and had put up a central promotional stall at the fair. As per feedback received from the participants, 4500 -5000 visitors visited their stalls and business worth Rs.0.28 crore was generated during the fair.

The event was organized with grant under National Handloom Development Program (NHDP) scheme of O/o Development Commissioner (Handlooms), Ministry of Textiles, Govt. of India.

3. India Home furnishing Fair / India Garment Fair, Osaka, Japan (17-19, July 2019)

Council participated with 19 participants in the 30th edition of India Home Furnishings Fair (IHF), 40th edition of India Garment Fair (IGF) and 2nd edition of India Silk Fair (ISF) at Hall 2BCD organized as concurrent events by India Trade Promotion Organization (ITPO) at Mydome, Osaka, (Japan) from July 17-19, 2019.

Council has been participating in this event for more than a decade. For the current edition, Council had hired an area of 204 sq mtrs and had also put up a central promotion stall. As per the

feedback received from the participants, 180 visitors visited their stalls, spot order worth Rs.4.15 crore and business enquiries worth Rs.8.47 crore were generated during the fair.

The event was organized with grant under Market Access Initiative (MAI) scheme of Department of Commerce, Government of India.

4. Hometextile Sourcing/Apparel Sourcing Expo, New York, USA (22-24, July 2019)

Council participated with 18 participants in the Summer 2019 edition of Hometextile Sourcing/Apparel Sourcing Expo, New York, USA (22-24, July 2019), co-located with Texworld USA and Apparel Sourcing USA organized by Messe Frankfurt Inc, USA. The three days event was held in a new hall at the Javits Convention Center.

For the current edition, Council had hired an area of 156 sq mtrs and had also put up a central promotion stall. As per the feedback received from the participants, 153 visitors visited their stalls, spot order worth Rs.0.67 crore and business enquiries worth Rs.6.46 crore were generated during the fair.

The event was organized with grant under National Handloom Development Program (NHDP) scheme of Ministry of Textiles, Govt. of India.

5. India Trend Fair, Tokyo (24-26, July 2019)

Council participated with 20 participants in the 5th edition of India Trend Fair, Tokyo organized by Japan- India Industry Promotion Association (JIIPA) at Belle Salle Shibuya Garden, Tokyo, Japan from 24-26 July, 2019.

For the current edition, Council had hired an area of 192 sq mtrs and had also put up a central promotion stall. As per the feedback received from the participants, 490 visitors visited their stalls, spot order worth Rs.2.46 crore and business enquiries worth Rs.34.03 crore were generated during the fair.

The event was organized with grant under Market Access Initiative (MAI) scheme of Department of Commerce, Government of India.

6. Sourcing at Magic, Las Vegas, USA (11-14, August 2019)

Council participated for the second time in Sourcing at Magic with 20 member exporters. The fair was held at Las Vegas Convention Center and was organized by Magic International from 11 to 14 August 2019. Council had also put up a central promotional stall in the fair.

Apart from HEPC during the current edition, Apparel Export Promotion Council (AEPC), Wool & Woollens Export Promotion Council (WWEPC), Export Promotion Council for Handicrafts (EPCH) and Council for Leather Exports (CLE) also participated in the event. Council had hired an area of 180 m² including central promotional stall. As per feedback received from member participants, 243 business visitors visited their stalls, spot order to the tune of Rs. 5.70 crore and business

enquiries worth of Rs. 7.19 crore were generated during the event.

The event was organized with grant under National Handloom Development Program (NHDP) of O/o The Development Commissioner (Handlooms), Ministry of Textiles, Govt. of India

7. Who's Next, Paris (6-9, September 2019)

Council organised participation in WHO's NEXT (Spring / Summer edition) for the 10th time in succession since 2010. The event was held at Parc Des Expositions, Port De Versailles, Paris and was organized by WSN Developpement during September 6-9, 2019.

During the current edition, 21 exhibitors (20 exhibitors – subsidised category; 1 exhibitor-non-subsidised category) in an area of 216 sq mtrs (including central promotion stall) exhibited in this event under the aegis of Council. H.E.Mr.Vinay Mohan Kwatra, Ambassador of India at Paris visited the event and interacted with the participants.

As per feedback from the exhibitors, 415 visitors had visited their stalls, spot order worth Rs. 3.42 crore and business enquiries worth Rs.4.55 crore were generated during the event. The event participation was organised with the financial grant under MAI Scheme of Ministry of Commerce & Industry, Govt. of India.

8. Heimtextil Russia (17-19, September 2019)

Council for the first-time organized participation in the 21st edition of Heimtextil Russia. The event was organized by Messe Frankfurt RUS, MOSCOW at IEC Crocus EXPO, Moscow from September 17th to 19th 2019.

During the current edition, 19 exhibitors in an area of 129 sq mtrs (including central promotion stall) exhibited in this event under the aegis of Council. The Indian Pavilion was inaugurated by Deputy Chief Mission of Indian Embassy Mr.B.S.Pradhan.

As per feedback received from participants, 689 visitors visited their stalls, spot order worth Rs.1.98 crore and business enquiries worth Rs.5.99 crore were generated during the fair. The event participation was organised with grant under National Handloom Development Program of O/o The Development Commissioner (Handlooms), Ministry of Textiles, Govt. of India.

9. International Sourcing Expo (ISE), Melbourne, Australia (12-14, November 2019)

Council organized participation of 20 members in the International Sourcing Expo held during November 12-14, 2019 at Melbourne Convention and Exhibition Center, Melbourne, Australia. The fair was organized by International Exhibition & Conference Group Pty Ltd. Council hired an area of 207 sq.m. besides putting up a Central Promotion stand.

Apart from HEPC, Federation of Indian Export Organisations (FIEO), Apparel Export Promotion Council (AEPC), Council for Leather Exports (CLE), Jute Products Development & Export Promotion Council (JPDEPC), The Indian Silk Export Promotion Council (ISEPC), Export Promotion Council for Handicrafts (EPCH) and National Jute Board (NJB) participated in the event.

As per feedback received from participants, there were 304 business visitors to their stalls, spot order worth Rs.0.24 crore and business enquiries worth Rs.3.41 crore were generated during the event.

The event participation was organised with grant under National Handloom Development Program of O/o. The Development Commissioner (Handlooms), Ministry of Textiles, Govt. of India.

10. Heimtextil, Frankfurt, Germany (7-10, January 2020)

Heimtextil is the biggest international trade fair for home and contract textiles and the global benchmark for quality design textiles of innovative functionality. With its foremost global orientation, the event attracts visitors / exhibitors from all over the world. The event was organized by Messefrankfurt. Council has been participating in this event for more than two decades.

Council had hired space of 1125 sq.mtrs and provided opportunity for 56 member exporters in this 50th edition of Heimtextil. The space was hired in hall 10.3 (780 sq.mtrs) and hall 6.2 (345 sq.mtrs) accommodating 41 exhibitors in hall 10.3 and 16 exhibitors in hall 6.2.

As a repeat of last year practice, Council offered both raw space (905 sq.mtrs) as well as standard booth (220 sq.mtrs) for member participants. The exhibitors under HEPC were from all over the country representing all product ranges catering to hometextile segments. Nearly 410 exhibitors from India exhibited in this event including HEPC participants, direct participants, and participants through other organizations.

Being 50th edition, Council had undertaken extensive on-site marketing activities. As a single largest Joint stand organiser from India, HEPC had the honor of attending Texpertise meet hosted by Detlef Braun Member of the Executive Board, Messe Frankfurt and Olaf Schmidt, Vice president Textile&Textile Technologies Messe Frankfurt. The meeting was attended by Dr.K.N.Prabhu, Chairman and Shri. T.V.Chandrasekaran, Vice Chairman of HEPC.

The Chairman, HEPC visited the event as a member of the delegation from the Ministry led by Shri. Vijoy Kumar Singh, AS&FA, Ministry of Textiles, Govt. of India and the delegation was represented by other members namely Shri. Sibin.C, Director, Industry & Commerce, Govt. of Punjab, Shri. Mihir Parekh, Director Textiles, Govt. of Telengana, Dr. Srinivasan, Chairman, TEXPROCIL. The visit of the delegation was coordinated by Consulate General of India in Frankfurt.

As per the feedback received from exhibitors, there were 1280 business visitors to their stalls, spot orders worth of Rs.40.62 crore and business enquiries worth Rs. 71.01 crore were generated during the event.

Council organized participation in this event with grant under Market Access Initiative scheme of Ministry of Commerce & Industry, Government of India.

11. Domotex, Hannover, Germany (10-13, January 2020)

Council organized participation of 21 exporters (20 +1 under non subsidized category) in DOMOTEX 2020 held at Hannover, Germany during 10-13, January 2020. The event was organized by Deutsche Messe, Hannover/Germany. India as a dominant player in the carpet, rugs and floor coverings product segment had a participation of 298 exhibitors in total which included participants under the aegis of HEPC (21 Nos), CEPC (116 Nos), Coir Board (20 Nos) and National Jute Board (3 Nos) and the rest as direct participants.

Council had hired 297 sq.mtrs for the event and 10 participants (168 m2) exhibited in their custom designed booth by hiring raw space from the Council and 11 participants (117 m2) exhibited under standard built in booth. Council had put up its central promotion stall in a space of 12m2.

The HEPC pavilion was inaugurated by Shri. Vijoy Kumar Singh, AS&FA, Ministry of Textiles, Govt. of India and Shri.Madan Lal Raigar, Consul General, Consulate General of India, Hamburg, Germany. Shri.Sibin.C. Director, Industry & Commerce, Govt. of Punjab was also present at the inauguration.

As per feedback received from member participants, 476 visitors had visited their stalls, spot order to the tune of Rs.2.10 crore and business enquiries to the extent of Rs.7.71 crore were generated at the event.

The event participation was organised with grant under National Handloom Development Program of O/o. The Development Commissioner (Handlooms), Ministry of Textiles, Govt. of India.

12. Who's Next Fair, Paris, France (17-20, January 2020)

Council participated in the winter edition of Who's Next Fair with 22 Member Exporters (20 exhibitors – subsidised category; 2 exhibitors-non-subsidised category) during 17-20, January 2020. The event was organized by WSN Developpement at Porte de Versailles Exhibition Centre in Paris. Council had 241 sq.m. for the event and also put up a promotional booth at the event.

19 exhibitors were placed in Hall 6 - FROM segment and 3 exhibitors were placed in Hall No.5.2 – Premiere Classe segment for Designer collection for garments as per their product profile. Mr.Ankan Banerjee, Deputy Chief of Mission, Embassy of India at Paris inaugurated the event and interacted with the participants.

As per feedback from member exporters, 430 visitors had visited their stalls, spot order secured were Rs. 3.57 crore and business enquiries generated were Rs. 5.47 crore through participation in the event.

The event participation was organised with grant under National Handloom Development Program of O/o. The Development Commissioner (Handlooms), Ministry of Textiles, Govt. of India.

13. Ambiente, Frankfurt, Germany (7-11, February 2020)

Council for the second time in succession participated in Ambiente, Germany with 19 Member Exporters during 7-11, February 2020. The event was organized by Messe Frankfurt at Messe Frankfurt Exhibition GmbH in Germany.

The event had a participation of around 520 exhibitors in total from India under various segments. There were 19 participants under HEPC pavilion, 58 exhibitors under EPCH pavilion and 11 exhibitors under Coir Board pavilion. The pavilion under HEPC was put up in an area of 241 sq.mtrs in Hall 10.1.

Council had put up a promotional booth at the event. HEPC Pavilion at Ambiente 2020 was inaugurated by Smt.Pratibha Parkar, Consul General of India, Frankfurt in the presence of Smt.Mudita Mishra, Addl.Dev. Commissioner (Handicrafts) and Dr. K.N.Prabhu, Chairman, HEPC.

Due to COVID-19 pandemic issues, Ambiente had less turnout of visitors and drop out of exhibitors. Council's exhibitors were placed in global sourcing area in Hall 10.1 along with Chinese and other country exhibitors. Visitors had apprehensions in visiting the hall 10.1 and other halls where there was large scale presence of Chinese exhibitors to avoid any virus infection. Storm Ciara, which affected many EU countries also disturbed the travel plan of many buyers to the event on 3rd and 4th day of the event due to cancellation of many flights.

As per feedback from member exporters, 394 visitors had visited their stalls, spot order to the tune of Rs.6.04 crore and business enquiries worth Rs.12.49 crore were generated at the event.

The event participation was organised with grant under National Handloom Development Program of O/o. The Development Commissioner (Handlooms), Ministry of Textiles, Govt. of India.

14. Texworld, Paris, France (10-13, February 2020)

Council participated in Texworld, Paris, France with 10 Member Exporters during 10-13, February 2020 at Hall No. 2, Paris Le Bourget. The event was organized by Messe Frankfurt France. The pavilion under HEPC was put up in an area of 111 sq.mtrs. Council had put up a promotional booth at the event. Council's participants were located at Apparel Sourcing & Shawls & Scarves section. Apart from HEPC, Texprocil, ISEPC and Indian Chamber of Commerce also participated in the fair with their exhibitors.

Shri Paramanand Jothy, First secretary, Embassy of India, inaugurated Indian pavilion and interacted with exhibitors. Regular participants of Texworld felt that, this year, the visitors flow was not satisfactory, when compared with previous years due to Corona virus issue. As per feedback from member exporters, 86 visitors had visited their stalls, spot order to the tune of Rs.0.74 crore and business enquiries worth Rs.3.88 crore were generated at the event.

Council organized participation in this event with grant under Market Access Initiative scheme of Ministry of Commerce & Industry, Government of India.

Special events:

1. Alluring India 2019, Kiscelli Museum in Budapest, Hungary (26th September, 2019)

On 26th September, 2019 Embassy of India in Hungary organised its second edition of textile & apparel fashion event, 'Alluring India 2019', a scintillating fashion show at historic Kiscelli Museum in Budapest, amongst a glittering crowd of fashionistas, diplomats and high level dignitaries.

The event was done in collaboration with Gait-N-Grace Impressario, a leading fashion & lifestyle company in India which has organised mega fashion events all over the world. The event was supported by Ministry of Textiles, Handloom Export Council of India and Tourism Office, Paris (Incredible India). There were several event partners who contributed in providing Indian & Hungarian models, garments, jewellery, handicrafts and cuisine like Herend, Kalosca & ModArt Academy from Hungary, Handloom House, Rajkot Palace, Craft Buzz, Jo N Trendy and many other from India.

The event was presided over by the Ambassador of India in Hungary Mr. Kumar Tuhin who emphasised on this year celebrating not only 150 years of Mahatma Gandhi's birth anniversary but also 70 years of India-Hungary diplomatic relations. The show therefore highlighted handwoven fabrics from India and Hungary, and several collaborations that would cement the relations between India and Hungary. Brand names like Herend (porcelain) and Kalosca (hand embroidery) from Hungary added gravitas to the event and made the venture successful. Hosting the event at Kiscelli Museum was also a well thought over gesture to encourage heritage sites in Hungary for Indian events adding grandeur to the occasion. O/o. The Development Commissioner (Handlooms) supported the event

2. World Cotton Day held at World Trade Organization, Geneva, Switzerland (7th October 2019)

The Ministry of Textiles, Government of India organized the World Cotton Day celebration at Geneva on 7th October 2019. Handloom Export Promotion Council participated under National Handloom Development Programme of O/o. Development Commissioner for Handlooms to celebrate 150th Birth Anniversary of Mahatma Gandhi. The event was organized in coordination with Permanent Mission of India to the World Trade Organisation (WTO) in collaboration with WTO Secretariat, Secretariats of FAO, UNCTAD and ICAC.

The WTO launch event for World Cotton Day celebrated the many advantages of cotton, from its qualities as a natural fiber, to the benefits people obtain from its production, transformation, trade and consumption. The event also served to shade light on the challenge faced by cotton industries around the world, and particularly in Least- Developed Countries.

Smt. Smriti Zubin Irani, Hon'ble Minister of Textiles, Govt. of India visited the World Cotton Day celebrations event . HMoT addressed the gathering at Special High level Meeting (Opening Ceremony). HMoT inaugurated India Pavilion by ribbon cutting along with Shri J.S. Deepak, Ambassador/ Permanent Representative of India to the WTO. HMoT appreciated the display of India Handloom Products & live demonstration of charkha by Artisan. HMoT gifted Charkha to WTO Secretariat on 7th evening. HMoT presented Charkha to Mr. Roberto Azevedo, Director General, World Trade Organisation.

Display of Handloom Products by a professional designer was undertaken under the guidance of Smt. Aditi Das Rout, Trade Adviser, Ministry of Textiles, Govt. of India. Council arranged Handloom Products from different Clusters/Places for display during World Cotton Day. On theme "Weaves & Colours - Cottons of India" Handloom Products of renowned designers viz. Ms. Madhu Jain, Mr. Sunil Sethi, Abraham & Thakore, Akaaro, Raw Mango, Pero, Prama by Pratima Pandey, Pinnacle by Shruti Sancheti & collection of Handloom products arranged from various clusters by the Council were displayed. Council had also arranged live demonstration of Spinning & Winding on Charkha by Shri Pitta Ramulu, (National Awardee 2015) during the event. Live demonstration of Charkha was the key attraction & all the visitors appreciated the spinning & winding demonstration shown by Artisan & products displayed in the stall. The delegation was lead by Smt. Aditi Das Rout, Trade Adviser, Ministry of Textiles, Govt. of India and the delegation was represented by the officials from HEPC, TEXPROCIL & CCIC.

Exhibitions in India:

1. Weaves 2019 held at Texvalley, Erode (27th to 30th November 2019)

HEPC participated the in 2nd edition of Weaves 2019 organised at Texvalley Erode during 27-30, November 2019 by putting up an information booth to disseminate the activities of the Council and also create awareness on India Handloom Brand. Inaugural session was held on 27th November 2019 and the following from the industry addressed the gathering:

1. Shri. Nitin Mittal, CEO, Standard Chartered Research and Technology
2. Padmashri Dr. A.Sakthivel, Vice Chairman , AEPC
3. Shri.T.Rajkumar, Chairman , Confederation of Indian Textile Industry
4. Shri. Hari Thiagarajan, Vice Chairman, CII , Tamil Nadu State Council & Executive Director , Thiagarajar Mills Pvt Ltd
5. Dr. Prakash Vasudevan, Director, SITRA.

The event had around 199 exhibitors from all over India. It is understood from the organiser that as per the unaudited report, around 5000 trade visitors from all over India visited. The event also had the visit of around 150 overseas trade visitors including NRIs.

Seminars /Domestic Events

1.Council participated in seminars organised by WSC, Salem to create on awareness on India Handloom Brand, Handloom Mark and to disseminate information on opportunities for handloom exporters among the Weavers/Societies/Handloom Exporters at Karur on 04.02.2020, Tirupur on 05.02.2020 and Salem on 07.02.2020.

2.Council participated in one day awareness Programme on “Export Awareness / Motivation Program” organised by MSME Development Institute, Guindy, Tamilnadu on 12.02.2020 at Dhalavaipuram, Rajapalayam, Virudunagar to disseminate information on opportunities for handloom exporters.

3.Council participated in one day awareness Programme on “Procurement and Marketing Support (PMS) for export-oriented industries organised by MSME Development Institute, Salon, Himachal Pradesh on 22.02.2020 at Conference Hall CSIR-IHBT Palampur to disseminate information on opportunities for handloom exporters.

4.Council participated in 3rd Edition of Emerging North East organised by The Associated Chambers of Commerce and Industry of India on 27.02.2020 at Maniram Dewan Trade Centre, Guwahati to disseminate information on opportunities for handloom exporters.

5.Council participated in Weaves 2019 held at Texvalley , Erode during 27th to 30th November 2019 to disseminate information on “opportunities and benefits for handloom exports”.

6.Council participated in HGH India (Home Décor -Gifts-Houseware), Mumbai during 3rd to 5th July 2019 to disseminate information on “opportunities and benefits for handloom exports”.

7.Council in association with Japan India Industry Promotion Association (JIIPA) has organised a seminar on 04.06.2019 at Hotel Residency, Karur on Fashion Forecast for Japanese Market to provide expert services in the areas of fashion trends and pattern of Japanese Market to promote the forthcoming 5th India Trend fair, Japan from 24th to 26th July 2019.

8.Council in association with Japan India Industry Promotion Association (JIIPA) has organised a seminar on 05.06.2019 at Panipat on Fashion Forecast for Japanese Market to describe about the market entry strategies, business opportunities and methods of display in an exhibition in Japan and to promote the forthcoming 5th India Trend fair, Japan from 24th to 26th July 2019.

9.Council participated in Workshop on Exports of Handlooms & Handicrafts products of Manipur on 15.06.2019 at Classic Grande Hotel, Manipur to disseminate information on opportunities for handloom exporters and the event organised by Directorate of Handloom and Textiles, Manipur.

Meetings

1. Executive Director attended the meeting on 08.04.19 organized by the O/o DCHL
2. Joint Director attended the meeting organized by Foreign Service Institute & MAI meeting, Ministry of Commerce & Industry on 08.04.19.
3. Executive attended the meeting under the Chairmanship of Trade Adviser (TA), MOT in connection of preparation to commemorate 150th Birth Anniversary of Mahatma Gandhi on 11.04.19.
4. Executive Director attended the meeting on 15.04.19 organized by the O/o DCHL.
5. Joint Director attended the meeting with India Argentina Friendship Society to promote business between India & Argentina on 24.04.19.
6. Joint Director attended the meeting with ITPO officials for finalizing ITSF venue & other fairs on 25.04.19.
7. Joint Director attended Regional Advisory Committee Meeting on 26.04.19 regarding Off-Farm Sector organized by NABARD.
8. Joint Director attended selection committee meeting on 26.04.19 for formation of marketing development cell organized by Director of Handloom & Textiles, Govt. of Tamilnadu.
9. Deputy Director & Executive attended the meeting on e-SANCHIT chaired by JS (E&MDA), DoC on 29.04.19.
10. Deputy Director attended the meeting with Domotex, Hannover fair authority on 08.05.19.
11. Executive attended the meeting under the Chairmanship of Ms. Nidhi Mani Tripahti, JS (FT-Europe) on 28.05.19 in connection with plans and preparation for India's participation in Thessaloniki International Fair, 2019, Greece.
12. Executive attended the meeting with DPIIT on Export Promotion Via E-commerce under the chairmanship of Shri Shailendra Singh, Addl. Secretary, Dept. of Industry & International Trade on 29.05.19.
13. Sr. Executive has attended 63rd meeting of the Managing Committee of NCDPD on 30.05.19.
14. Joint Director attended the Seminar organised by JIIPA on Fashion Forecast of Japanese market at Karur on 04.06.2019.
15. Assistant Director attended the Seminar organised by JIIPA on Fashion Forecast of Japanese market at Panipat on 05.06.2019

16. Joint Director along with TFO, Guwahati has visited Manipur Apex Handloom Weavers Handicraft Artisans Co-operative Society Ltd and has discussed with Chairperson and Board Director of Manipur Awas about new project Proposal for creating a handloom park in Imphal under NERTPS or DCHL-TIES scheme on 13.06.19.
17. Assistant Director attended the meeting with Addl Chief Secretary to Govt/ Rural Development & Panchayat Raj/ MSME Dept/Chairman, M-TIPB to discuss Job creation in MSME Sector on 14.06.19.
18. Joint Director has visited NHDC Yarn depot along with DGM, NHDC, Guwahati (RO) on 14.06.19 to ascertain the possibility of producing exportable product from Imphal.
19. Joint Director attended the Workshop on Exports of Handlooms & Handicrafts products of Manipur organised by Directorate of Handloom and Textiles, Manipur., Shri P. Vaiphei, Principal Secretary (Textiles, Commerce & Industry, Govt of Manipur) was the chief guest of the Seminar on 15.06.2019.
20. Executive Director attended the meeting under the Chairmanship of HMOT/Secretary to discuss challenges faced by Textile Industries on 27.06.19
21. Executive Director & Vice Chairman attended the meeting under the Chairmanship of Hon'ble Minister of Textiles, Hon'ble Minister of Commerce & Industry on 01.07.19 to discuss the challenges faced by Textile Industries.
22. Vice Chairman, EC Members & exporters attended the meeting chaired by Shri Som Prakash, Hon'ble Minister of State for Commerce and Industries to interact with industry groups and identify initiatives to boost exporter and reduce import on 02.07.2019.
23. Joint Director has visited HGH India (Home Décor -Gifts-Houseware) to disseminate information on "opportunities and benefits for handloom exports" on 03.07.2019.
24. Executive visited India International Garment Fair at Greater Noida organised by International Garment Fair Association on 05.07.2019.
25. Sr. Executive & Executive visited 7th India International Silk Fair at Pragati Maidan, New Delhi organised by Indian Silk Export Promotion Council on 16.07.2019.
26. Joint Director has attended the meeting of Weavers award selection Committee meeting under the chairmanship of Director of Handloom and Textiles, Tamilnadu on 01.08.2019.
27. TFO, Guwahati attended the 5th Handloom day celebration at Ziro, Arunachal Pradesh organized by WSC, Guwahati on 07.08.19.
28. Sr. Executive attended the 5th Handloom day celebration at Udalguri, BTC Assam organized by WSC, Guwahati on 07.08.19.

29. Chairman attended MoU Signing Ceremony presided by Hon'ble Minister of Textiles on 14.08.19.
30. Assistant Director has visited Bhagalpur to disseminate information on “opportunities and benefits available for handloom exports” on 26.08.19.
31. Assistant Director has visited Varanasi to disseminate information on “opportunities and benefits available for handloom exports” on 28.08.19.
32. Chairman attended meeting of High-Powered Committee (HPC) to promote FDI in textile sector in India under Chairmanship of Secretary (Textiles) on 30.08.19.
33. Chairman & Executive Director attended the meeting under the chairmanship of Secretary (Textiles) to discuss action plan to materialize the export opportunities arising out of US-China trade war on 09.09.19.
34. Executive Director attended the meeting under the chairmanship of Secretary (Textiles) to discuss road map for 1st meeting of India- Bangladesh Textile Industry Forum (IBTIF) on 20.09.19.
35. Deputy Director attended the meeting under Chairmanship of Secretary (Textiles) to discuss role of EPCs to promote women entrepreneurship and uplift SMEs on 27.09.2019.
36. Executive attended the meeting under the Chairmanship of ADC Handloom on modules being prepared by Project Management Unit (PMU) on 16.10.19.
37. Joint Director attended the meeting under the Chairmanship of Secretary (Textiles) on Inter-ministerial meeting regarding issues related to Turkey, Bangladesh and Sri Lanka on 17.10.19.
38. Executive Director attended the meeting under the Chairmanship of Secretary (Textiles) to organize an Annual Mega Event on 18.10.19.
39. Executive Director attended the meeting under the Chairmanship of Secretary (Textiles) on Brain-storming on the development of the Handloom sector on 19.10.19.
40. Deputy Director attended the meeting under the Chairmanship of JS(LAC) on MAI Proposals for LAC region under the MAI Scheme of the Department of Commerce for undertaking export promotion activities during the financial year 2020-21 on 21.10.19.
41. Deputy Director attended the meeting under Chairmanship of Joint Secretary, DoC to discuss MAI proposals for 2020-21 in respect of ASEAN countries on 14.11.19.
42. Shri Ramesh Verma, EC Member, HEPC attended the meeting under the Chairmanship of DCHL to give feedback/inputs/suggestions of various stakeholders of Handloom on 15.11.19.

43. Deputy Director & Executive attended the meeting under India-Chile rules of origin on 22.11.19.
44. Deputy Director & Executive attended the meeting to organize a Textiles India 2020 on 22.11.19.
45. Joint Director attended the meeting the Director of Handloom and Textiles, Tamilnadu on 28.11.19 to scrutinize and finalize the NHDP proposals of Marketing Incentive Schema 2019-20, 4 New block level handloom clusters and setting up of Common facility center at Arni – I Block
46. Joint Director attended the meeting under Chairmanship of Joint Secretary, DoC to consider MAI proposals of Textiles EPCs for 2020-21 on 06.12.19 .
47. Joint Director attended meeting under Chairmanship of DCHL to give feedback/inputs/suggestions of various stakeholders of Handloom on 06.12.19.
48. Joint Director attended the meeting under Chairmanship of Secretary, Textiles for the process of formation of producer companies in Handloom & handicrafts on 17.12.19
49. Executive attended the meeting on 18.12.19 under the Executive Director on organizing Mega Shopping Festival at Ahmedabad.
50. Executive attended the meeting under the Executive Director on organizing Mega Shopping Festival at Ahmedabad on 23.12.19.
51. Joint Director attended the Sub-Committee of MAI meeting under Chairmanship of Joint Secretary, DoC on 30.12.19 for the proposal of ITPO for organising Annual Shopping Festival- 2020 at Ahmedabad during Jan-Feb 2020 and then at Bangalore March 2020.
52. Joint Director attended the Sub-Committee of MAI meeting under Chairmanship of Joint Secretary, DoC on 30.12.19 for setting up of Overseas Display /warehouse Centres for export promotion activities in Srilanka.
53. Joint Director & Executive attended the meeting under Chairmanship Joint Development Commissioner, MSME on Sub-committee for Export Promotion and indigenisation in Handicrafts/Textiles/Wood/Toys/Sport Goods/Coir related to MSME sector on 30.12.19.
54. Executive attended the meeting under the Chairmanship of Addl. DGFT stakeholder consultation on 08.01.20 for the Rules of Origin under the India-EU Bilateral Trade and Investment Agreement (BTIA).
55. Executive attended the meeting under the Executive Director on organizing Mega Shopping Festival at Ahmedabad on 13.01.20

56. Executive attended the meeting with DS, EP(TEX) to discuss on Decrease in Export and Increase in Import to respective Textiles EPCs on 17.01.20
57. Chairman, Deputy Director & Executive attended the meeting under the Chairmanship of DCHL on 28.01.20 to make the Power point Presentation on Big Ticket Events on 28.01.20
58. Executive attended the first meeting of Coordinating committee under the Chairmanship of SG, AEPC to review the preparedness of Textiles India 2020 on 29.01.20
59. Trade Facilitation officer (TFO) at Guwahati attended the meeting of Formation of Handloom Producer Company by WSC, Guwahati at IIHT, Guwahati on 31.01.20
60. Joint Director attended the meeting under the Chairmanship of DCHL on India Handloom Brand (IHB) retail Stores on 17.02.20
61. Joint Director & Executive attended the meeting under the Chairmanship of Secretary (Textiles) on strategic Branding of India Textiles on 17.02.20
62. EC Members Shri Gagan Raj, Shri Lalit Goel, Shri Ramesh Verma along with Joint Director attended the meeting under Chairmanship Hon'ble Minister of Textiles & Secretary Textiles on a Symposium on Emerging Opportunities for Indian Textiles & Crafts on 19.02.20.
63. Joint Director & Executive attended the Empowered-Committee Meeting of MAI on 20.02.20 to consider proposals for assistance during 2020-21 under the Chairmanship of Secretary Commerce.
64. Joint Director & Executive visited to Hunar Haat event at India Gate Lawns, New Delhi organized by Ministry of Minority Affairs, Govt. of India on 20.02.20.
65. Executive attended the meeting on 21.02.20 conveyed by E&MDA Division , DoC at India Gate Lawns in order to market the products of Indian artisans/crafts who have participated in Hunar Haat organised by Ministry of Minority Affairs, Govt. of India
66. Executive attended the meeting under the Chairmanship of Addl. DFGT on Rules of Origin on 24.02.20
67. Executive attended the meeting under the Chairmanship of Joint Secretary (EP-Textiles), DoC to boost India's export to Russia on 26.02.20
68. Assistant director attended the meeting under the chairmanship of Secretary, MSME on 03.03.20 for identification of clusters under SFURTI scheme of M/o MSME.
69. Assistant director attended the meeting on disruption In Global Supply Chain meeting under the chairmanship of Shri Som Prakash, Hon'ble Minister of State for Commerce and Industry on 12.03.20.

70. Executive attended the meeting on 17.03.20 for Mega shopping festival under the chairmanship of ED, ITPO.
71. Assistant director attended selection of creative agency for branding of Indian Textiles under the chairmanship of Secretary (Textiles) on 17.03.20.

INDEPENDENT AUDITOR'S REPORT

To the Members of Handloom Export Promotion Council

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **HANDLOOM EXPORT PROMOTION COUNCIL** which comprise the Balance Sheet as at March 31, 2020, the Statement of Income and Expenditure and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the income over expenditure and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit matters

We have determined that there are no key audit matters to communicate in our report.

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

The Company's Committee of Administration is responsible for the preparation of the other information. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Based on the work we have performed, no material misstatement with regard to the other information.

Management's Responsibility for the Standalone Financial Statements

The Company's Committee of Administration is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Company's Committee of Administration is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

- ¹: As required by Section 143(3) of the Act, based on our audit we report that :
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Statement of Income and Expenditure and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the Members of Committee of Administration as on March 31, 2020 taken on record by the Committee of Administration, none of the Members of Committee of Administration is disqualified as on March 31, 2020 from being appointed as Member of Committee of Administration in terms of Section 164 (2) of the Act.
- f) As this company is registered as Company Limited by Guarantee under Companies Act and under section 12A of Income Tax Act, 1961, the reporting requirement on the Companies (Auditor's Report) Order, 2016 issued by the Central Government in terms of Section 143(11) of the Companies Act 2013 and internal financial controls under section 143(3)(i) of Companies Act 2013 is not applicable as per MCA Notification.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any.

For S.NARASIMHAN & Co.
Chartered Accountants
Firm Regn. No.02349S

S.NARASIMHAN
PARTNER
Mem No. 020875
UDIN: 20020875AAAAFU5072

Place: Chennai
Dated: 05 12 2020

HANDLOOM EXPORT PROMOTION COUNCIL
PART I - BALANCE SHEET AS AT 31ST MARCH 2020

S. No.	PARTICULARS	NOTE NO.	(IN RUPEES)	
			FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31 ST MARCH 2020	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31 ST MARCH 2019
I	EQUITY AND LIABILITIES			
1	<u>SHAREHOLDERS FUNDS</u>			
	(a) RESERVES AND SURPLUS	A	14,60,23,196	12,61,16,030
	(b) MONEY REC. AGST. SHARE WARRANTS		NIL	NIL
	TOTAL(1)		14,60,23,196	12,61,16,030
2	<u>NON-CURRENT LIABILITIES</u>	B		
	(a) OTHER LONG-TERM LIABILITIES		17,22,268	17,22,268
	TOTAL(2)		17,22,268	17,22,268
3	<u>CURRENT LIABILITIES</u>			
	(a) TRADE PAYABLES	C	92,62,708	87,45,996
	(b) OTHER CURRENT LIABILITIES	D	2,06,55,858	2,50,56,841
	(c) SHORT TERM PROVISIONS	E	75,13,273	59,68,193
	TOTAL(3)		3,74,31,839	3,97,71,030
	TOTAL(1+2+3)		18,51,77,303	16,76,09,328
II	ASSETS			
1	<u>NON-CURRENT ASSETS</u>			
	(a) FIXED ASSETS	F		
	(i) TANGIBLE ASSETS		4,06,99,493	4,64,73,971
	(ii) INTANGIBLE ASSETS		NIL	NIL
	(iii) CAPITAL WORK-IN-PROGRESS		NIL	NIL
	(iv) INTANGIBLE ASSETS UNDER DEV.		NIL	NIL
	(b) NON-CURRENT INVESTMENTS		NIL	NIL
	(c) DEFERRED TAX ASSETS (NET)		NIL	NIL
	(d) LONG-TERM LOANS AND ADVANCES	G	1,08,570	6,62,267
	(e) OTHER NON-CURRENT ASSETS		NIL	NIL
	TOTAL(1)		4,08,08,063	4,71,36,238

HANDLOOM EXPORT PROMOTION COUNCIL
PART I - BALANCE SHEET AS AT 31ST MARCH 2020

S. No.	PARTICULARS	NOTE NO.	(IN RUPEES)	
			FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31 ST MARCH 2020	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31 ST MARCH 2019
2	<u>CURRENT ASSETS</u>			
	(a) INVENTORIES	H	-	-
	(b) TRADE RECEIVABLES		NIL	NIL
	(c) CASH AND CASH EQUIVALENTS	I	3,90,83,150	3,27,76,774
	(d) SHORT-TERM LOANS AND ADVANCES	J	1,27,22,815	1,44,47,620
	(e) OTHER CURRENT ASSETS	K	9,25,63,275	7,32,48,696
	TOTAL(2)		14,43,69,240	12,04,73,090
	TOTAL(1+2)		18,51,77,303	16,76,09,328

The accompanying notes are integral part of the financial statements

As per our report of even date

For S Narasimhan & Co.

Firm Regn. No.: 002349S

Chartered Accountants

FOR HANDLOOM EXPORT PROMOTION COUNCIL

sd/-

S Narasimhan

Partner

Membership No: 020875

sd/-

(S. B. DEEPAK KUMAR)
EXECUTIVE DIRECTOR

sd/-

(T.V. CHANDRASEKARAN)
CHAIRMAN

sd/-

EXECUTIVE
COMMITTEE
MEMBER

PLACE : CHENNAI

DATED : 05.12.2020

HANDLOOM EXPORT PROMOTION COUNCILNOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2020

NOTE NO.	S. No.	PARTICULARS	(IN RUPEES)	
			FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31 ST MARCH 2020	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31 ST MARCH 2019
A	1	<u>RESERVE & SURPLUS:</u>		
		<u>OTHER RESERVES</u>		
		OPENING BALANCE	12,61,16,030	10,52,24,894
		ADDITIONS DURING THE YEAR	1,99,07,166	2,08,91,136
		UTILIZATIONS DURING THE YEAR	-	-
		GRAND TOTAL	14,60,23,196	12,61,16,030
		Notes: No Reserve specifically earmarked for investments		
B		<u>OTHER LONG-TERM LIABILITIES:</u>		
		HEZ- THIRUVANNAMALAI	11,56,716	11,56,716
		DUE TO GOVT-SPECIAL ASSISTANCE FOR EXPORTS	5,65,552	5,65,552
		17,22,268	17,22,268	
C		<u>TRADE PAYABLES</u>		
		SUNDRY CREDITORS	92,62,708	87,45,996
		92,62,708	87,45,996	
D		<u>OTHER CURRENT LIABILITIES</u>		
	1	TDS PAYABLE	1,18,104	1,62,881
	2	<u>INCOME RECEIVED IN ADVANCE</u>		
		-MEMBERSHIP FEES	19,26,000	31,56,000
		-PARTICIPATION FEES	30,12,100	1,17,89,423
		-GRANT PAYABLE	10,919	-
		-GRANT PAYABLE TO EXPORTERS	1,54,26,335	91,72,681
3	SECURITY DEPOSIT	1,62,400	7,27,733	
4	PREPAID INCOME	-	48,123	
		2,06,55,858	2,50,56,841	

NOTE NO.	S. No.	PARTICULARS	(IN RUPEES)	
			FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31 ST MARCH 2020	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31 ST MARCH 2019
E		SHORT-TERM PROVISIONS		
		(a) PROVISIONS FOR EMPLOYEE BENEFITS	75,13,273	59,68,193
			75,13,273	59,68,193
F	(a)	FIXED ASSETS	4,06,99,493	4,64,73,971
			4,06,99,493	4,64,73,971
G	a	LONG TERM LOANS AND ADVANCES:		
		SECURITY DEPOSITS	1,08,570	6,62,267
			1,08,570	6,62,267
H	a	OTHER NON-CURRENT ASSETS	NIL	NIL
		INVENTORIES:		
	(b)	OTHERS;(STOCK OF BOOKS)	-	-
			-	-
I	a	CASH & CASH EQUIVALENTS :		
		(a) BALANCE WITH BANKS		
		<u>IN FIXED DEPOSITS</u>		
		EARMARKED BALANCES WITH BANKS HELD AS MARGIN MONEY AGAINST BORROWINGS,	6,15,622	5,65,552
		AND OTHER COMMITMENTS.	NIL	NIL
		MATURITY WITH MORE THAN 12 MONTHS	NIL	NIL
		OTHERS- FIXED DEPOSITS	1,82,90,419	2,28,23,439
		IN CURRENT ACCOUNTS:	1,08,08,695	38,59,137
		SAVINGS ACCOUNTS	93,61,846	55,22,190
		(b) CASH ON HAND	6,567	6,456
	FUNDS IN TRANSIT	-		
		3,90,83,150	3,27,76,774	

NOTE NO.	S. No.	PARTICULARS	(IN RUPEES)	
			FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31 ST MARCH 2020	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31 ST MARCH 2019
J	α	SHORT TERM LOANS & ADVANCES:		
		(1) ADVANCE TO PARTIES	13,02,627	32,71,190
		(2) RECIEVABLE FROM REVENUE AUTHORITIES	1,14,20,188	95,50,258
		(3) PRE DEPOSIT - SERVICE TAX APPEAL	-	15,87,722
		(4) RECEIVABLE	-	38,450
		1,27,22,815	1,44,47,620	
K	α	OTHER CURRENT ASSETS:		
		GRANT RECEIVABLE - FAIR PARTICIPATION	9,19,50,946	7,16,25,945
		INTEREST ACCRUED ON INVESTMENTS	6,12,329	16,22,751
		9,25,63,275	7,32,48,696	

HANDLOOM EXPORT PROMOTION COUNCILNOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2020

NOTE NO.	S. No.	PARTICULARS	(IN RUPEES)	
			FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31 ST MARCH 2020	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31 ST MARCH 2019
L		CONTINGENT LIABILITIES AND COMMITMENTS		
		(TO THE EXTENT NOT PROVIDED FOR)		
	i	CONTINGENT LIABILITIES	17,33,63,955	13,31,15,245
		(a) CLAIM AGAINST THE COMPANY NOT ACKNOWLEDGED AS DEBTS;	NIL	NIL
		(b) GUARANTEES;	NIL	NIL
		(C) OTHER MONEY FOR WHICH THE COMPANY IS CONTINGENTLY LIABLE.		
	ii	COMMITMENTS		
		(a) ESTIMATED AMOUNT OF CONTRACTS REMAINING TO BE EXECUTED ON CAPITAL ACCOUNT AND NOT PROVIDED FOR;	NIL	NIL
		(b) UNCALLED LIABILITY ON SHARES AND OTHER INVESTMENTS PARTLY PAID;	NIL	NIL
		(c) OTHER COMMITMENTS	NIL	NIL
M		THE AMOUNT OF DIVIDENDS PROPOSED TO BE DISTRIBUTED TO EQUITY AND PREFERENCE SHAREHOLDERS FOR THE PERIOD		
		AMOUNT PER EQUITY SHARE	NA	NA
N		ISSUE OF SECURITIES FOR SPECIFIC PURPOSE	NA	NA

NOTE NO.	S. No.	PARTICULARS	(IN RUPEES)	
			FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31 ST MARCH 2019	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31 ST MARCH 2018
○		DETAIL OF ANY ASSETS OTHER THAN FIXED ASSETS AND NON-CURRENT INVESTMENTS WHICH DO NOT HAVE A VALUE ON REALISATION IN THE ORDINARY COURSE OF BUSINESS AT LEAST EQUAL TO THE AMOUNT AT WHICH THEY ARE STATED.	NA	NA

As per our report of even date

For S Narasimhan & Co.

Firm Regn.No.: 002349S

Chartered Accountants

FOR HANDLOOM EXPORT PROMOTION COUNCIL

sd/-

S Narasimhan

Partner

Membership No: 020875

sd/-

(S. B. DEEPAK KUMAR)
EXECUTIVE DIRECTOR

sd/-

(T.V. CHANDRASEKARAN)
CHAIRMAN

sd/-

EXECUTIVE
COMMITTEE
MEMBER

PLACE : CHENNAI

DATED : 05.12.2020

Schedule for Fixed Assets for the financial year 2019-20

Sl.No	Asset Category	Gross Value 01 04 2019	Addition	Deletion	Gross Value 31 03 2020	Acc Dep 01 04 2019	Depreciation for the year	Dep Reversal	Acc Dep 31 03 2020	WDV 31 03 2020	WDV 31 03 2019
	Tangible:										
1	Land	29,80,144			29,80,144	-	-		-	29,80,144	29,80,144
2	Building	6,21,25,700			6,21,25,700	2,39,54,786	36,49,126		2,76,03,912	3,45,21,788	3,81,70,914
3	Generator	11,11,053			11,11,053	6,10,437	1,00,276		7,10,713	4,00,340	5,00,616
4	Furniture	54,84,603			54,84,603	42,44,401	3,30,691	580	45,74,512	9,10,091	12,40,202
5	M V Panel	5,85,792			5,85,792	5,56,358	144		5,56,502	29,290	29,434
6	Electrical Equipments	23,65,190			23,65,190	18,35,147	1,41,367		19,76,514	3,88,676	5,30,043
7	Office Equipments	12,99,486			12,99,486	8,93,426	1,84,246	4,900	10,72,772	2,26,714	4,06,060
8	Airconditioner	22,57,662			22,57,662	12,25,976	1,82,775	(7,34,227)	21,42,978	1,14,684	10,31,686
9	Fax	15,440			15,440	15,203	-	535	14,668	772	237
10	Cell Phone	1,24,599			1,24,599	78,870	19,809	1,589	97,090	27,509	45,729
11	Fan	23,070			23,070	18,060	-	(3,856)	21,916	1,154	5,010
12	Computer	12,41,543			12,41,543	10,53,627	1,02,644	3,702	11,52,569	88,974	1,87,916
13	Stabiliser	5,306			5,306	4,768	-	(273)	5,041	265	538
14	20 Kva Ups	5,15,497			5,15,497	4,89,595	-	(127)	4,89,722	25,775	25,902
15	Vehicles	23,72,574			23,72,574	10,61,917	4,10,306	18,033	14,54,190	9,18,384	13,10,657
16	Computerisation	12,98,697			12,98,697	12,89,814	-	56,052	12,33,762	64,935	8,883
		8,38,06,356	-	-	8,38,06,356	3,73,32,385	51,21,385	(6,53,092)	4,31,06,862	4,06,99,493	4,64,73,971

PART II - STATEMENT OF INCOME AND EXPENDITURE
HANDLOOM EXPORT PROMOTION COUNCIL
 INCOME AND EXPENDITURE STATEMENT AS AT 31ST MARCH 2020

S. No.	PARTICULARS	NOTE NO.	(IN RUPEES)	
			FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31 ST MARCH 2020	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31 ST MARCH 2019
	<u>REVENUE FROM OPERATIONS</u>			
I	REVENUE FROM OPERATIONS	1	11,19,85,644	9,30,95,211
II	OTHER INCOME	2	30,68,915	48,84,841
III	TOTAL REVENUE(I+II)		11,50,54,559	9,79,80,052
IV	<u>EXPENSES:</u>			
a	EMPLOYEE BENEFITS EXPENSES	3	2,17,18,193	2,03,77,124
b	FINANCE COSTS	4	29,832	20,423
c	DEPRECIATION AND AMORTIZATION EXPENSE	5	51,21,385	56,47,033
d	OTHER EXPENSES	6	6,70,30,425	5,08,95,437
	TOTAL EXPENSES		9,38,99,835	7,69,40,017
V	BEFORE EXCEPTION (PRIOR PERIOD)	7	2,11,54,724	2,10,40,035
			2,11,54,724	2,10,40,035
	LESS : PRIOR PERIOD EXPENSES		12,47,558	1,48,899
	INCOME OVER EXPENDITURE		1,99,07,166	2,08,91,136

As per our report of even date

For S Narasimhan & Co.

Firm Regn.No.: 002349S

Chartered Accountants

FOR HANDLOOM EXPORT PROMOTION COUNCIL

sd/-

S Narasimhan

Partner

Membership No: 020875

sd/-

(S. B. DEEPAK KUMAR)

EXECUTIVE DIRECTOR

sd/-

(T.V. CHANDRASEKARAN)

CHAIRMAN

sd/-

EXECUTIVE

COMMITTEE

MEMBER

PLACE : CHENNAI

DATED : 05.12.2020

HANDLOOM EXPORT PROMOTION COUNCIL

NOTES TO AND FORMING PART OF STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31ST MARCH 2020

NOTE NO.	PARTICULARS	(IN RUPEES)	
		FIGURES FOR THE CURRENT REPORTING PERIOD 31 ST MARCH 2020	FIGURES FOR THE PREVIOUS REPORTING PERIOD 31 ST MARCH 2019
1	a		
	<u>REVENUE FROM OPERATIONS</u>		
	-Membership Fees	99,42,000	98,83,000
	-Contribution towards participation for Trade Fair	8,41,26,035	6,82,07,135
	GRANT TO EXPORTERS		
	-NHDP SCHEMES	70,65,278	68,92,396
	-MAI SCHEMES	41,55,664	18,80,285
	RENT, AMENITY & MAINTENANCE	66,25,667	61,65,768
	SERVICE CHARGES	71,000	66,627
	NET REVENUE FROM OPERATIONS	11,19,85,644	9,30,95,211
2	b		
	<u>OTHER INCOME</u>		
	<u>INTEREST INCOME ON</u>		
	Fixed Deposits	10,93,239	19,26,706
	Saving Bank Accounts	5,14,489	5,40,596
Other Non Operating Income	14,61,187	24,17,539	
		30,68,915	48,84,841
	Notes;		
	Other Non Operating Income includes		
	a. Creditors for building written off- Rs.991499/-		
	b. Prior period income - Rs.274079/-		
	c. Advertisement charges - Rs.9000/-		
	d. Other Income - Rs.177108/-		
3	<u>EMPLOYEE BENEFITS EXPENSE</u>		
	<u>SALARY AND WAGES</u>		
	OFFICE STAFF SALARY	1,82,70,502	1,76,33,389
	DIRECTOR REMUNERATION	NIL	NIL
	<u>CONTRIBUTION TO PROVIDENT AND OTHER FUNDS</u>		

HANDLOOM EXPORT PROMOTION COUNCIL

NOTES TO AND FORMING PART OF STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED AS AT 31ST MARCH 2020

NOTE NO.	PARTICULARS	(IN RUPEES)	
		FIGURES FOR THE CURRENT REPORTING PERIOD 31ST MARCH 2020	FIGURES FOR THE PREVIOUS REPORTING PERIOD 31ST MARCH 2019
4	CONTRIBUTION TO PROVIDENT FUND	15,91,190	15,84,306
	CONTRIBUTION TO EMPLOYEES STATE INS. FUND	NIL	NIL
	CONTRIBUTION TO OTHER FUNDS- GRATUITY	14,01,728	6,69,269
	<u>OTHER EXPENSES</u>		
	WORKERS AND STAFF WELFARE	89,705	86,160
	BONUS	3,65,068	4,04,000
		2,17,18,193	2,03,77,124
	<u>FINANCIAL COSTS:</u>		
	a <u>INTEREST EXPENSE</u>		
	BANK CHARGES	29,832	20,423
INTEREST TO PARTIES/ DISTRIBUTORS(NET)	NIL	NIL	
INTEREST TO DEPOSITORS	NIL	NIL	
INTEREST TO BANK ON VEHICLE LOAN	NIL	NIL	
INTEREST ON TDS & OTHER TAXES	NIL	NIL	
b OTHER BORROWING COSTS	NIL	NIL	
c APPLICABLE NET GAIN/ LOSS ON FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS	NIL	NIL	
	29,832	20,423	
5	<u>DEPRECIATION AND AMORTIZATION EXPENSES:</u>		
	DEPRECIATION	51,21,385	56,47,033
	ADDITIONAL DEPRECIATION	51,21,385	56,47,033

HANDLOOM EXPORT PROMOTION COUNCIL

NOTES TO AND FORMING PART OF STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED AS AT 31ST MARCH 2020

NOTE NO.	PARTICULARS	(IN RUPEES)			
		FIGURES FOR THE CURRENT REPORTING PERIOD 31ST MARCH 2020		FIGURES FOR THE PREVIOUS REPORTING PERIOD 31ST MARCH 2019	
6	OTHER EXPENSES:				
A	ADMINISTRATIVE EXPENSE				
	CAR EXPENSES		3,06,057		3,23,318
	FESTIVAL CELEBRATION EXPENSES		15,010		9,287
	SUBSCRIPTION/MEMBERSHIP FEES		7,375		17,250
	ELECTRICITY EXPENSES (OFFICE)		5,98,855		6,41,967
	ENTERTAINMENT EXP.		2,99,040		1,41,163
	RATES & TAXES, OTHER FEES, INSURANCE		11,40,025		11,85,770
	GENERAL EXPENSES & interest		9,66,404		11,71,126
	LEGAL EXPENSES		3,32,500		60,000
	NEWS PAPER & PERIODICALS		21,678		14,381
	PAYMENT TO THE AUDITORS		82,600		60,000
	POSTAGE & COURIER EXP.		3,21,311		4,31,246
	PRINTING & STATIONERY		7,00,820		5,78,989
	REPAIR TO BUILDINGS & MAINTENANCE		10,23,557		7,53,497
	NHDP SCHEMES- EXHIBITIONS & OTHER PROJECTS	6,65,30,940		7,50,69,883	
	LESS: GRANT UTILIZED -EXHIBITIONS	5,44,72,597	1,20,58,343	6,08,01,335	1,42,68,548
	PROJECTS -				
	MAI SCHEMES- EXHIBITIONS	5,85,90,027		4,35,45,764	
	LESS; GRANT UTILIZED -EXHIBITIONS	2,37,46,888	3,48,43,139	2,56,51,228	1,78,94,536
	LIAISON OFFICE		73,651		1,57,496
	-MAI EXPORTER GRANT		41,55,664		18,80,285

HANDLOOM EXPORT PROMOTION COUNCIL

NOTES TO AND FORMING PART OF STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED AS AT 31ST MARCH 2020

NOTE NO.	PARTICULARS	(IN RUPEES)	
		FIGURES FOR THE CURRENT REPORTING PERIOD 31ST MARCH 2020	FIGURES FOR THE PREVIOUS REPORTING PERIOD 31ST MARCH 2019
	-TRAVEL GRANT TO EXPORTERS	70,65,278	68,92,396
	REPAIR & MAINTENANCE (GENERAL)- AMC	4,99,454	4,18,950
	TELEPHONE EXP.	1,83,792	2,55,869
	CONFERENCE EXPENSES & TA to COMMITTEE MEMBERS	4,34,317	8,27,560
	TRAVELLING EXPENSES TA to OFFICERS STAFF	11,67,243	15,04,656
	HONORARIUM & SALARY TO CONTINGENT STAFF	3,60,000	12,74,667
	SHORT PAYMENT IN GRANTS	-	55,421
	RENT RO OFFICE	48,000	44,000
	ADVERTISEMENT CHARGES	12,422	33,059
	INTEREST FOR REFUND OF GRANT	3,13,890	-
		6,70,30,425	5,08,95,437
	<u>SELLING & DISTRIBUTION EXPENSE</u>		
	ADVERTISEMENT EXPS.	NIL	NIL
	ADVERTISEMENT (MEDIA)	NIL	NIL
	CONFERENCE EXPENSES	NIL	NIL
	FREIGHT & CARTAGE(OUTWARD)	NIL	NIL
	DR./CR. W/O	NIL	NIL
	SALE COMMISSION & INCENTIVES	NIL	NIL
	PENALTIES	NIL	NIL
	TRAVELLING EXPENSES	NIL	NIL
	MARKETING STAFF TOUR EXPENSES	NIL	NIL
		NIL	NIL
	GRAND TOTAL	6,70,30,425	5,08,95,437

HANDLOOM EXPORT PROMOTION COUNCIL

ADDITIONAL INFORMATIONS TO AND FORMING PART OF STATEMENT OF
INCOME AND EXPENDITURE FOR THE YEAR ENDED 31ST MARCH 2020

NOTE NO.	PARTICULARS	(IN RUPEES)	
		FIGURES FOR THE CURRENT REPORTING PERIOD 31 ST MARCH 2020	FIGURES FOR THE PREVIOUS REPORTING PERIOD 31 ST MARCH 2019
a	PAYMENT TO THE AUDITORS AS AUDITOR		
	FOR TAXATION MATTERS	50,000	40,000
	FOR COMPANY LAW MATTERS		
	FOR MANAGEMENT SERVICES	20,000	20,000
	FOR OTHER SERVICES		-
	FOR REIMBURSEMENT OF EXPENSES		
	TOTAL	70,000	60,000
	VALUE OF IMPORTS CALCULATED ON C.I.F BASIS BY THE COMPANY DURING THE FINANCIAL YEAR IN RESPECT OF		
	I RAW MATERIALS;	NIL	NIL
	II COMPONENTS AND SPARE PARTS;	NIL	NIL
III CAPITAL GOODS;	NIL	NIL	
TOTAL	NIL	NIL	
b	EXPENDITURE IN FOREIGN CURRENCY DURING THE FINANCIAL YEAR ON ACCOUNT OF		
	ROYALTY	NIL	NIL
	KNOWHOW	NIL	NIL
	PROFESSIONAL AND CONSULTATION FEES	NIL	NIL
	INTEREST	NIL	NIL
	FOREIGN TRAVELLING	NIL	NIL
	FEES AND TAXES	NIL	NIL
	OTHER PROMOTIONAL EXPENSES OF HANDLOOM EXPORT		
	TOTAL	10,32,31,118	8,06,28,734

HANDLOOM EXPORT PROMOTION COUNCIL
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

PARTICULARS	31-Mar-20	31-Mar-19
Cash flows from Operating Activities:		
Profit/(Loss) Before Tax from Continuing Operations	1,99,07,166	2,08,91,136
Adjustments for:		
Depreciation/Amortization on continuing operation	57,74,477	56,47,033
Finance Cost	29,832	
Provision for Employee Benefit	15,45,080	
Interest income	-16,07,728	
Operating profit before working capital changes	2,56,48,827	2,65,38,169
Movements in Working Capital:		
Increase/(Decrease) in Trade Payables	5,16,712	
Increase/(Decrease) in other Current Liabilities	-44,00,982	-49,15,266
Decrease(Increase) in Inventories		3,95,377
Decrease(Increase) in Loans and advances	41,48,432	25,22,368
Decrease/(Increase) in Other Current Assets	-1,93,14,578	-2,76,58,315
Cash generated from/(used in) operations	65,98,411	-31,17,667
Less: Direct taxes paid/TDS(net of refunds)	18,69,930	
Net Cash Flow from/(used in) operating activities (A)	47,28,481	-31,17,667
B. Cash Flow from Investing Activities		
Payment for acquisition of Tangible/intangible assets		-18,18,901
Interest Received	16,07,728	
Net Cash Flow from/(used in) Investing Activities (B)	16,07,728	-18,18,901
C. Cash Flow from Financing Activities		
Interest Paid	-29,832	
Net cash flow from/(used in) in financing activities (C)	-29,832	0
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+ C)	63,06,376	-49,36,568
Cash and Cash Equivalents at the beginning of the year	3,27,76,774	3,77,13,342
Cash and Cash Equivalents at the end of the year	3,90,83,150	3,27,76,774

As per our report of even date

For S Narasimhan & Co.

Firm Regn.No.: 002349S

Chartered Accountants

sd/-

S Narasimhan

Partner

Membership No: 020875

PLACE : CHENNAI / DATED : 05.12.2020

sd/-

(S. B. DEEPAK KUMAR)

EXECUTIVE DIRECTOR

sd/-

(T.V. CHANDRASEKARAN)

CHAIRMAN

sd/-

EXECUTIVE

COMMITTEE

MEMBER

FOR HANDLOOM EXPORT PROMOTION COUNCIL

HANDLOOM EXPORT PROMOTION COUNCIL
NOTES FORMING PART OF ACCOUNTS AS AT 31st MARCH 2020

NOTES ON ACCOUNTS

1. Significant Accounting Policies:

1.01. Basis of preparation

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India, on the basis of going concern under the historical cost convention and also on accrual basis. These financial statements comply, in all material aspects, with the provisions of the Companies Act, 2013 (to the extent notified) read with the rule 7 of the Companies (Accounts) Rules 2014.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as less than 12 months for the purpose of current – noncurrent classification of assets and liabilities.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

1.02 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, as at the date of financial statements and reported amounts of revenue and expenses during the reporting period. Such estimates are on reasonable and prudent basis taking into account all available information; actual results could differ from estimates. Differences on account of revision of estimates, actual outcome and existing estimates are recognised prospectively once results are known/ materialised in accordance with the requirements of the respective accounting standard, as may be applicable.

1.03 Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses or gains, if any. The cost comprises purchase price, non refundable taxes, borrowing costs (if capitalization criteria are met) and directly attributable cost of bringing the asset to its present location and condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

1.04 Depreciation on tangible fixed assets

Depreciation on tangible fixed assets is provided on written down value method, at the rates and manner prescribed in part C of Schedule II to the Companies Act, 2013. The short provision of earlier years is shown under Prior period expenses.

1.05 Segment Reporting:

The company is principally engaged in the business of providing services to its members which is considered to be the only reportable segment as per the Accounting Standard 17 "Segment reporting" issued under the Companies Accounting Standard Rule 2006. As the company operates only in one geographical segment, disclosure under geographical segment is not applicable.

1.06 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

- (i) Revenue from operations:
The revenue from the members is recognized on receipt
- (ii) OTHER INCOME:
Revenue is recognized with respect to other income on accrual basis.

1.07 Employee Benefits:

- a. Defined Benefit/contribution plan:
 - i. The company operates a defined benefit plan for its employees i.e. Gratuity Liability covering all the employees. Provision for Gratuity is made on accrual basis, as per the Payment of Gratuity act on undiscounted basis.

Company contribution to Provident Fund are determined under the relevant schemes and or statute and charged to the statement of Profit & Loss in the period when the contributions are due.

- b. Short term employee benefits:
All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, bonus Ex-gratia, leave travel allowance, reimbursement of medical expenses are recognized in the period in which the employee renders the related services.

1.08 Income tax:

The current tax has not been determined on income for the year chargeable to tax since the council is registered under Section 8 of the Companies Act, 2013 and Sec 12A of Income Tax Act, 1961. Deferred tax is not recognized.

1.09 Provisions:

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

1.10 Contingent liabilities:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Contingent Liability is not provided in the books of accounts. The Income tax Department has raised demands against the Council as follows.

Demand Amount	Assessment year	Appeal pending before
Rs.1,34,63,453/-	2009-10	Commissioner of Income Tax Appeals.
Rs.1,65,62,811/-	2010-11	Commissioner of Income Tax Appeals.
Rs.2,22,35,150/-	2011-12	Appeal is preferred by DCIT before ITAT. Reverted back to AO
Rs.1,76,85,085/-	2012-13	Appeal is preferred by DCIT before ITAT. Reverted back to AO
Rs.2,69,57,480	2013-14	Appeal is preferred by DCIT before ITAT. Reverted back to AO
Rs.3,62,11,266/-	2014-15	Appeal is preferred by DCIT before ITAT. Reverted back to AO
Rs.4,02,48,710/-	2017-18	Commissioner of Income Tax Appeals.

The Contingent Assets are neither recognized nor disclosed in the Financial Statements.

Government Grant: Grant is accounted to confirm AS-12 issued by ICAI, and accordingly the grant is

- a) Deducted in reporting the related expenses
- b) Assets acquired out of grant are accounted net of specific grant received

GST: The Management is collecting GST on Membership fees and other service charges remitting to GST department.

2. Remuneration to Auditor:

Particulars	Current year ended 31.03.2020	Previous year ended 31.03.2019
Statutory Auditors	50,000	40,000
Internal Auditors	20,000	20,000
PF Auditors	Nil	Nil

3. Earning in Foreign Currency:

Particulars	Current year ended 31.03.2020	Previous year ended 31.03.2019
i. Export of Goods / Services calculated on FOB Basis	NIL	NIL
ii. Royalty, know-how, professional and consultancy fees	NIL	NIL
iii. Interest and Dividend	NIL	NIL
iv. Other Income	NIL	NIL

4. Expenditure in Foreign Currency:

Particulars	Current year ended 31.03.2020	Previous year ended 31.03.2019
i Royalty	NIL	NIL
ii. Know-how	NIL	NIL
iii. Professional Fees	NIL	NIL
iv. Consultancy Fees	NIL	NIL
v. Interest	NIL	NIL
vi. Other Promotional expenses of Handloom export	Rs.10,32,31,118/-	Rs. 8,06,28,734/-
vii.Amount remitted in foreign currency on account of dividend	NIL	NIL

5. Detail of Prior period adjustment:

Particulars	Current year ended 31.03.2020	Previous year ended 31.03.2019
Income	NIL	NIL
Expenditure	12,47,557/-	1,48,899/-
Excess provision made on Grant	-	55,421/-

6. Detail of Grant for the year 2019-20

Particulars	Ministry of Textiles	Ministry of Commerce & Industry
	Exhibitions including Grant to exporters and other projects	Exhibitions including Grant to exporters
Grant Received	65,97,502	2,98,39,937
Grant Receivable	5,49,51,292	1,08,62,615
Total Grant	6,15,48,794	4,07,02,552
Grant Utilized	6,15,37,875	2,79,02,552
Refunded to Ministry	-	1,28,00,000
Closing balance	10919	-

7. Details of Gratuity Fund

Opening balance	2019-20	2018-19
Opening balance	57,85,485.00	62,86,216.00
Less : Transfer to Gratuity Fund	-	11,70,000.00
Add: Provision for the year	14,01,728.00	6,69,269.00
Closing balance	71,87,213.00	57.85.485.00

8. Capital Commitment: Estimated amount of cost remaining to be executed on capital account (net of advances) and not provided for, in the accounts Rs. Nil (previous year Rs. Nil).

9. Previous year figure have been regrouped to confirm current year classification.

For S Narasimhan & Co.

Firm Regn.No.: 002349S

Chartered Accountants

sd/-

S Narasimhan

Partner

Membership No: 020875

sd/-

(S. B. DEEPAK KUMAR)

EXECUTIVE DIRECTOR

sd/-

(T.V. CHANDRASEKARAN)

CHAIRMAN

sd/-

EXECUTIVE

COMMITTEE

MEMBER

FOR HANDLOOM EXPORT PROMOTION COUNCIL

PLACE : CHENNAI

DATED : 05.12.2020

THE HANDLOOM EXPORT PROMOTION COUNCIL

No.34, Cathedral Garden Road, Nungambakkam, Chennai – 600 034.

PROXY

Registration Cum Membership Certificate (RCMC) No:

State:

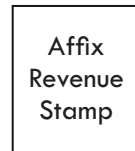
I/We.....of.....being a member of the HEPC here by appoint ofor failing him of as proxy to vote on my / our behalf at the 51st Annual General Meeting of the Council to be held on the 30th date of December 2020 and any adjournment thereof.

This proxy form is to be issued in favour of/against the Resolution No..... unless otherwise instructed the proxy will vote as he thinks it.

Signed at this.....date of.....2020.

Seal:

Signature



Note: The proxy must be lodged so as to reach the Registered Office of the Council not less than forty eight hours (excluding holidays) before the time for holding the aforesaid meeting.

Instructions: All blanks must be filled up, including the RCMC No.

THE HANDLOOM EXPORT PROMOTION COUNCIL

No.34, Cathedral Garden Road, Nungambakkam, Chennai – 600 034.

ATTENDANCE SLIP

Please complete the attendance slip and hand it over at the entrance of the meeting hall.

Name & Address of the member:
.....
.....

Membership No.

(to be filled in by Member/RTE/Authorised Representative/Proxy)

I certify that I am a Registered Member/RTE/Authorised Representative/Proxy for the Registered Member/RTE of the Council.

I hereby accord my presence, at the Fifty First Annual General Meeting of the Council to be held on 30th December 2020 at 12.00 Noon through video conference.

Signature (of the Registered Member/RTE/Authorised Representative/Proxy)