



# APPAREL EXPORT PROMOTION COUNCIL

Inauguration of



## Bharat tex 2024

Global Textile Expo  
New Delhi | Feb 26-29

TEXTILES  
FASHION  
SUSTAINABILITY

The Largest Global Textile Event in India

Shri Narendra Modi  
Hon'ble Prime Minister

Ministry of Textiles  
Government of India

Inauguration of



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The Largest Global Textile Event in India

by

Shri Narendra Modi  
Hon'ble Prime Minister

26<sup>th</sup> February, 2024

Bharat Mandapam, New Delhi



# ANNUAL REPORT

2023-2024



**ANNUAL  
REPORT  
2023-2024**





















# **CONTENTS**

**45th ANNUAL REPORT**

**2023-2024** =====

■ ■■	Notice	1-7
■ ■■	Executive Committee report	8-64
■ ■■	Auditor's report	65-71
■ ■■	Annexure to Auditor's report	72-74
■ ■■	Balance sheet	75
■ ■■	Income & Expenditure Account	76
■ ■■	Cash flow Statement	77
■ ■■	Note - 2 to 22	78-92
■ ■■	Note 1	93-97
■ ■■	Note - 23 to 41	97-110



# EXECUTIVE COMMITTEE



**SUDHIR SEKHRI**

R. RAMU

H.K.L MAGU

HARISH AHUJA

LALIT THUKRAL

ANIL PESHAWARI

VIRENDER UPPAL

LALIT GULATI

RAKESH VAID

GAUTAM NAIR

NARENDRA GOENKA

ASHOK G. RAJANI

VIJAY KUMAR AGARWAL

RAVI PODDAR

R.B.GOENKA

PREMAL H UDANI

PRAVIN KUMAR AGARWAL

DILIP B.TRIVEDI

SAMIR NARAYAN BHUTA

ANIL BUCHASIA

Dr. A SAKTHIVEL

AJAY AGARWAL

P.P.K PARAMASIVAM

K.M. SUBRAMANIAN

B SHANMUGASUNDARAM

RAJEEV S. GOENKA

P.BALASUBRAMANIAN

V. ELANGO VAN

VIJAY JINDAL

**CHAIRMAN**

VICE-CHAIRMAN

CO-OPTED MEMBER

CO-OPTED MEMBER

CO-OPTED MEMBER

CO-OPTED MEMBER

RESERVED CATEGORY-  
WOMEN ENTREPRENEURRESERVED CATEGORY-  
WOMEN ENTREPRENEURRESERVED CATEGORY-  
YOUNG ENTREPRENEUR**SECRETARY GENERAL**

MITHILESHWAR THAKUR

**SECRETARY**

SUMIT GUPTA

**LEGAL ADVISOR**

KULJEET RAWAL

RAJESH RAWAL

**AUDITOR**

SCV &amp; Co.LLP

**BANKERS**

AXIS BANK LTD

INDIAN OVERSEAS BANK

INDUSIND BANK

UNION BANK OF INDIA

STATE BANK OF INDIA

HDFC BANK

IDFC FIRST BANK LTD

ICICI BANK LTD

IDBI BANK

CANARA BANK

YES BANK LTD.

UCO BANK

BANK OF BARODA

CENTRAL BANK OF INDIA

**REGISTERED OFFICE**A-223, OKHLA INDUSTRIAL AREA, PHASE 1,  
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SECTOR-44, GURUGRAM – 122003,  
HARYANA**OTHER OFFICES AT**

NEW DELHI TIRUPUR

NOIDA BENGALURU

JAIPUR KOLKATA

LUDHIANA MUMBAI

CHENNAI

**NOTES:**

1. Council members are requested to keep the soft copies of the Annual Report handy during the meeting, as the Annual Report 2023-24 will only be send through E-Mail to all Members.
2. Members having any queries on accounts are requested to send them in advance to the Council to enable to collect the relevant information.



## NOTICE

Notice is hereby given that the 45<sup>th</sup> Annual General Meeting of the Council will be held on 27<sup>th</sup> September 2024, Friday at 11:00 A.M., through Video Conferencing/Other Audio Video Means ("VC/OAVM") Facility to transact the following business:-

1. To consider and adopt the Audited Balance Sheet and Income & Expenditure Account of the Council for the year ended 31<sup>st</sup> March, 2024, along with the report of the Auditors and the Executive Committee of the Council.
2. To elect & so appoint a Member to the Executive Committee, in place of Shri Virender Uppal from Northern Region, who retires by rotation and is eligible for re-election.
3. To elect & so appoint a Member to the Executive Committee, in place of Shri Harish Ahuja from Northern Region, who retires by rotation and is eligible for re-election.
4. To elect & so appoint a Member to the Executive Committee, in place of Shri Lalit Gulati from Northern Region, who retires by rotation and is eligible for re-election.
5. To elect & so appoint a Member to the Executive Committee, in place of Shri R. B. Goenka from Western Region, who retires by rotation and is eligible for re- election.
6. To elect & so appoint a Member to the Executive Committee, in place of Shri Ashok G Rajani from Western Region, who retires by rotation and is eligible for re- election.
7. To elect & so appoint a Member to the Executive Committee, in place of Shri Dilip B Trivedi from Western Region, who retires by rotation and is eligible for re- election.
8. To elect & so appoint a Member to the Executive Committee, in place of Shri V Elangovan from Southern Region, who retires by rotation and is eligible for re- election.
9. To elect & so appoint a Member to the Executive Committee, in place of Shri Rajeev S Goenka from Southern Region, who retires by rotation and is eligible for re- election.
10. To elect & so appoint a Member to the Executive Committee, in place of Shri P Balasubramanian from Southern Region, who retires by rotation and is eligible for re- election.

By order of the Executive Committee

Sumit Gupta  
(Secretary)

Place: Mumbai

Date: 02.09.2024

Registered Office:

A-223, Okhla Industrial Area, Phase-1

New Delhi-110020

## INSPECTION

All material and documents of the above mentioned resolutions, except for resolution no 1, are available for inspection at the Registered Office of the Council between 11.00 a.m. to 1.00 p.m. on all working days and can also be inspected electronically by sending a request at [sumit.gupta@aepecindia.com](mailto:sumit.gupta@aepecindia.com). All material and documents of the resolution no 1 is available for inspection at the Head Office of the Council between 11.00 a.m. to 1.00 p.m. on all working days and can also be inspected electronically by sending a request at [sumit.gupta@aepecindia.com](mailto:sumit.gupta@aepecindia.com)

## NOTES:

[a] "A MEMBER ENTITLED TO VOTE IN THE GENERAL MEETING OF AEPC WOULD BE CASTING VOTE ELECTRONICALLY BY WAY OF REMOTE E-VOTING/ E-VOTING THROUGH AN ELECTRONIC VOTING SYSTEM.

IN THE PROCESS OF E-VOTING/REMOTE-E VOTING A MEMBER IS NOT REQUIRED TO APPOINT ANY PROXY TO ATTEND THE MEETING AND VOTE BECAUSE PURSUANT TO THE CIRCULAR NO. 14/2020 DATED APRIL 08, 2020, ISSUED BY THE MINISTRY OF CORPORATE AFFAIRS, THE FACILITY TO APPOINT PROXY TO ATTEND AND CAST VOTE FOR THE MEMBERS IS NOT AVAILABLE FOR THIS AGM. HOWEVER, THE BODY CORPORATES ARE ENTITLED TO APPOINT AUTHORIZED REPRESENTATIVES TO ATTEND THE AGM THROUGH VC/OAVM AND PARTICIPATE THERE AND CAST THEIR VOTES THROUGH E-VOTING.

[b] The Register of Members of the Council will be closed from 21.09.2024 to 27.09.2024 (both days inclusive)

By order of the Executive Committee

Place: Mumbai  
Date: 02.09.2024

Sumit Gupta  
(Secretary)

## Registered Office:

A-223, Okhla Industrial Area, Phase-1  
New Delhi-110020



## IMPORTANT NOTES:-

### 1. General instructions for accessing and participating in the 45<sup>th</sup>AGM through VC/OAVM Facility and voting through electronic means for all resolutions including remote e-Voting:-

- a) Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 2/2022 dated May 5, 2022 issued by the Ministry of Corporate Affairs followed by Circular No. 9/2023 dated September 25, 2023 and other applicable circulars issued by Ministry of Corporate Affairs, physical attendance of the Members to the AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
- b) Members may join the 45<sup>th</sup> AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 10:45 AM. IST i.e. 15 minutes before the time scheduled to start the 45<sup>th</sup> AGM and the Council will close the window for joining the VC/OAVM Facility 15 minutes after the scheduled time to start the 45<sup>th</sup> AGM i.e 11:15 AM.
- c) Members may note that the VC/OAVM Facility, provided by NSDL, allows participation of at least 1,000 Members on a first-come-first-served basis. The Executive Committee Members, Statutory Auditors, Key Managerial Personnel, the Chairpersons of the Sub-Committees can attend the 45<sup>th</sup> AGM without any restriction on account of first-come-first-served principle.
- d) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- e) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, May 05<sup>th</sup> 2022 and September 25, 2023 and other applicable circulars issued by Ministry of Corporate Affairs, the Company is providing facility of remote e-voting/ e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM i.e evoting will be provided by NSDL.
- f) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the notice calling the AGM along with Executive Committee Report 2023-24 and the Financial Statements for the year 2023-24 is being sent by electronic mode

only to those Members whose e-mail addresses are registered with the Council and the same has been uploaded on the website of the Council at [www.aepcindia.com](http://www.aepcindia.com) and website of NSDL (agency for providing the Remote e-Voting/ e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- g) If any member wants to register or update their E-mail ID with the Council, they can write an E-mail at [aepc.agm.2024@aepcindia.com](mailto:aepc.agm.2024@aepcindia.com).
- h) AGM is being convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020, MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020, MCA Circular No.02/2021 dated January 13, 2021, MCA Circular 2/2022 dated May 05, 2022, MCA Circular 09/2023 dated September 25, 2023 and other applicable circulars issued by the Ministry of Corporate Affairs ("MCA Circular/s").

## **2. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

- a) The remote e-voting period begins on 24.09.2024 at 09:00 A.M and ends on 26.09.2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.
- b) The details of the process and manner for remote e-Voting are explained herein below  
Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>  
Step 2: Cast your vote electronically on NSDL e-Voting system.

### **Details on Step 1 is mentioned below:-**

How to Log-in to NSDL e-Voting website?

On receipt of an e-mail from NSDL (National Securities Depository Limited) an Agency appointed by Council, as per Rule 20 of the Companies (Management & Administration) Amendment Rules 2015) by member relating to e-voting on all resolution, please take the following action:-

- i. Open e-mail and also open PDF viz. "Apparel Export Promotion Council.pdf" with your Membership ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting.
- ii. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- iii. Open the internet browser by typing the following URL: <https://www.evoting.nsdl.com>
- iv. Click on "Shareholder/Member – Login".
- v. After you click on the "Login" button, Home page of e-Voting will open
- vi. Please enter the user ID and password provided in the PDF file attached with the e-mail.

### Details on Step 2 is given below:-

- i. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- ii. After click on Active Voting Cycles, you will be able to see “EVEN” (E-Voting Event Number) of Apparel Export Promotion Council.
- iii. Select “EVEN” (E-Voting Event Number) of Apparel Export Promotion Council. Now you are ready for remote e-voting as Cast Vote page opens.
- iv. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted. Upon confirmation, the message “Vote cast successfully” will be displayed.
- v. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- vi. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### 3. GENERAL GUIDELINES FOR MEMBERS

- i. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsd.com](http://www.evoting.nsd.com) to reset the password.
- ii. The voting rights of members shall be one person one vote as on cut-off date i.e 20.09.2024 (Friday). A person, whose name is recorded in the register of members on the cut-off date and registered exporters who fulfill the criteria provided in the model-Bye Laws issued by the Department of Commerce on 25-07-2024, only shall be entitled to avail the facility of remote e-voting/ e-voting or any other means.
- iii. Mr.Kumar Gaurav, Under Secretary, Ministry of Textiles, Govt. of India has been appointed as the Scrutinizer to scrutinize the E-voting and remote e-voting process in a fair and transparent manner.
- iv. Any person, who becomes member of the Council after dispatch of the Notice as on the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using “Forgot User Details / Password” option available on [www.evoting.nsd.com](http://www.evoting.nsd.com) or call NSDL toll free no.- 1800-222-990.



- v. The Scrutinizer shall, immediately after the conclusion of E-voting at the general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Council and shall make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
- vi. The results declared along with the Scrutinizer's Report shall be placed on the Council's website [www.aepcindia.com](http://www.aepcindia.com) and on the website of NSDL after the declaration of result by the chairman or person authorized by him in writing.
- vii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders/Members and e-Voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). or contact Mr. Amit Vishal, Senior Manager or Ms. Pallavi Mhatre, Manager, National Securities Depository Ltd., Trade World, "A" Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400013, at the designated email IDs: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [AmitV@nsdl.co.in](mailto:AmitV@nsdl.co.in) or [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in) or at telephone nos. : +91-22-2499 4360 or +91 22 2499 4545, who will also address the grievances connected with the voting by electronic means.

#### **4. THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

- i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- ii. Only those Members, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- iii. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- iv. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

#### **5. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:-**

- i. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at



<https://www.evoting.nSDL.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

- ii. Members are encouraged to join the Meeting through Laptops for better experience.
- iii. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. Member who would like to express their views/ask questions during the meeting may register themselves as a speaker and may send their request mentioning their name, membership No, email id, mobile number at [sumit.gupta@aepecindia.com](mailto:sumit.gupta@aepecindia.com) at least 48 hours in advance before the start of the 45<sup>th</sup> AGM i.e. by 25.09.2024 by 11:00 A.M..
- vi. Members who would like to express their views/have questions relating to proposed resolutions, may send their questions in advance mentioning their name Company Name, membership Number, email id, mobile number at [sumit.gupta@aepecindia.com](mailto:sumit.gupta@aepecindia.com). The same will be replied by the Council suitably.
- vii. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

By order of the Executive Committee

Place: Mumbai  
Date:02.09.2024

Sumit Gupta  
(Secretary)

**Registered Office:**

A-223, Okhla Industrial Area, Phase-1  
New Delhi-110020  
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Email: [sumit.gupta@aepecindia.com](mailto:sumit.gupta@aepecindia.com)  
Website: [www.aepecindia.com](http://www.aepecindia.com)  
Telefax: 011-40501798

# EXECUTIVE COMMITTEE'S REPORT FOR THE FINANCIAL YEAR 2023-24

The Executive Committee of the Council has great pleasure in presenting the 45<sup>th</sup> Annual report along with the Income & Expenditure Account, Balance Sheet and the Auditor's Report for the Year ended 31<sup>st</sup> March, 2024.

## REVIEW OF EXPORTS – PERFORMANCE IN 2023-24.

India's Readymade Garment (RMG) export to World for the financial year 2023-24 were to the tune of USD 14545

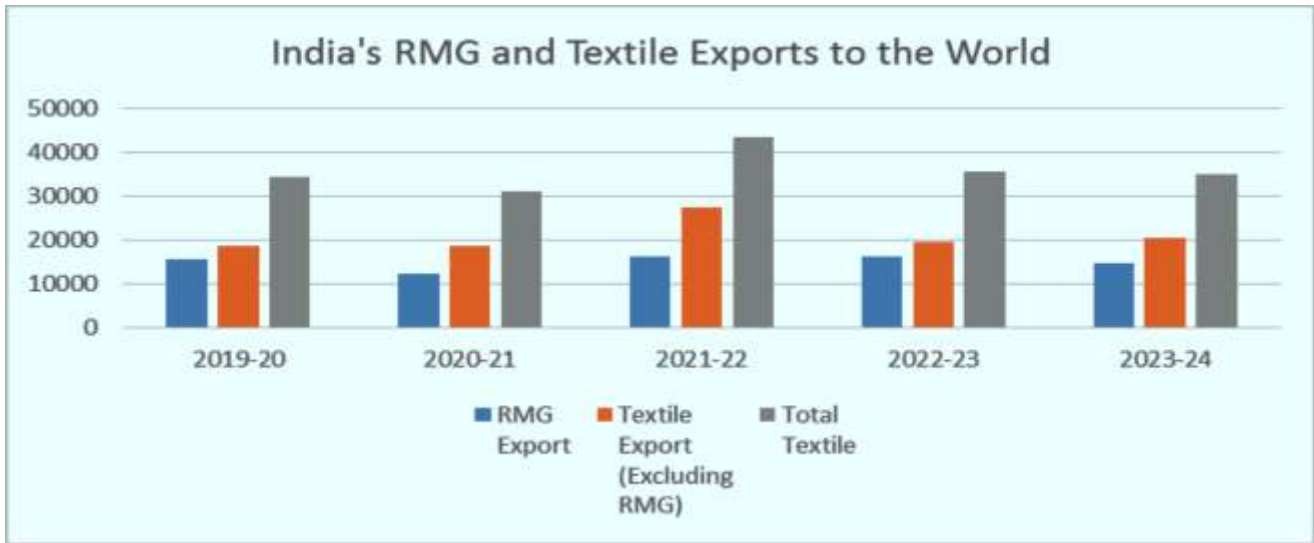
Million (mn.) It has decreased by 10.2 % in dollar terms, as compared to the same period of previous financial year in 2022-23. During 2022-23, India's apparel exports were to the tune of USD 16205 mn.

In Rupee (Rs.) terms, RMG export for the period of 2023-24 was Rs. 120410.9 Crore (Cr.) as against Rs. 129985.2 Cr. in 2022-23. During 2023-24, RMG exports have decreased by 7.3 % in Rupee terms, as compared to same period of previous year.

The Table 1 below depicts India's RMG & Textile Exports to the World:-

Financial Year	Value in USD Mn.			RMG Share in India's Total Textile & Clothing Export to World in %	Share in % In India's All Commodity Export		Y-O-Y Growth in %	
	RMG Export	Textile Export (Excluding RMG)	Total Textile		RMG Export	Textile & Clothing Export	RMG Export	Textile & Clothing Exports
2019-20	15510	18712	34222	45	4.9	10.9	-4.0	-12.3
2020-21	12290	18615	30904	40	4.2	10.6	-20.8	-0.5
2021-22	16021	27417	43438	37	3.8	10.3	30.4	47.3
2022-23	16205	19462	35667	45	3.6	7.9	1.2	-29.0
2023-24	14545	20292	34837	42	3.3	8.0	-10.2	4.3

*Source: DGCI&S, Kolkata 2024*



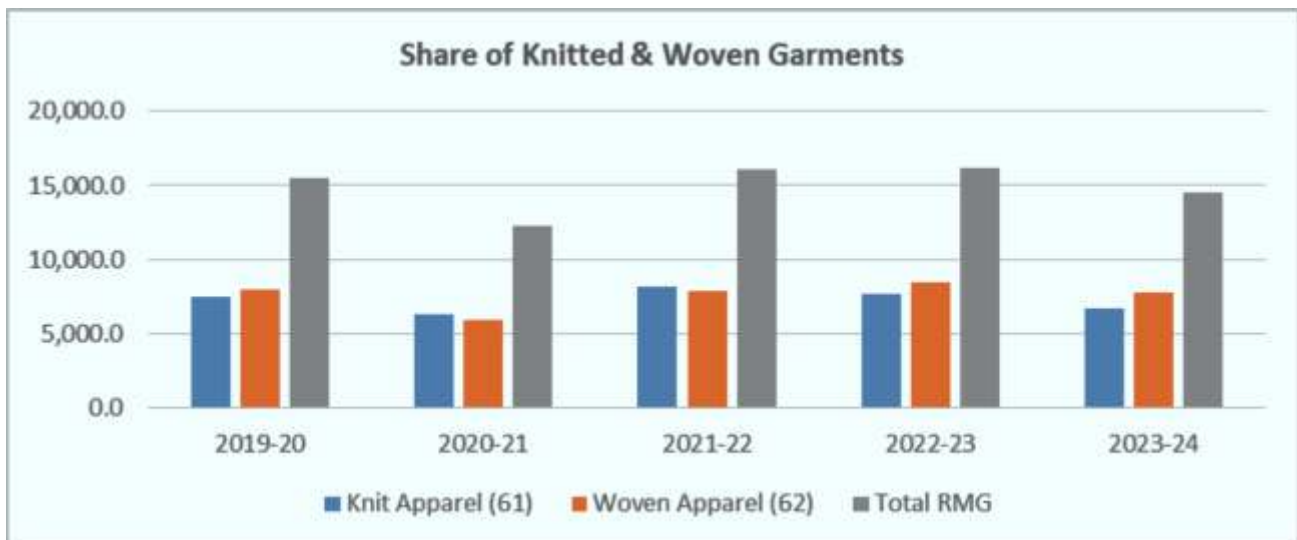
### Share of Knitted & Woven Garments

Export of Knitted Garment from India were USD 6,740.6 mn. in 2023-24 in comparison to USD 7,704.9 in 2022-23. It registered a decline of 12.5 % in comparison to same period of previous financial year. Knitted garments share was 46.3% in India's total RMG exports.

Export of Woven Garment from India were USD 7,804.4 mn. in 2023-24 in comparison to USD 8,500.17 in 2022-23. It registered a decline of 8.2 % in comparison to same period of previous financial year. Woven garments share was 53.7 % in India's total RMG exports.

**Table 2: Share of Knitted & Woven Garments**

	2019-20	2020-21	2021-22	2022-23	2023-24
Knit Apparel (61)	7,514.8	6,348.0	8,175.1	7,704.9	6,740.6
Woven Apparel (62)	7,994.8	5,941.8	7,845.6	8,500.2	7,804.4
Total RMG	15,509.6	12,289.9	16,020.7	16,205.1	14,545.0



## World RMG Trade

Global RMG trade was USD 515.5 billion in 2023, out of which India's exports were only USD 14.5 billion, while China's exports were USD 153.9 billion,

Bangladesh's exports were USD 47.4 bn., Vietnam exports were USD 36.4 bn.

India is the 8<sup>th</sup> largest apparel exporter in the world with 2.7 % share. The top three suppliers are China (29.6%), Bangladesh (9.1%) and Vietnam (7.0%).

The position of India vis-à-vis major competing countries in the global RMG exports is given in the Table-3

S. No.	Country	Export in USD Bn.					2023 over 2022 Change in %	% Share				
		2019	2020	2021	2022	2023		2019	2020	2021	2022	2023
	<b>World</b>	<b>472.0</b>	<b>418.1</b>	<b>505.5</b>	<b>558.5</b>	<b>515.5</b>	-7.7	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
1	China	138.0	124.5	156.6	167.8	153.9	-8.3	29.23	29.72	30.89	30.2	29.62
2	Bangladesh	40.4	35.9	45.3	57.4	47.4	-17.5	8.56	8.57	8.94	10.34	9.12
3	Viet Nam	30.0	27.0	29.4	34.0	36.4	7.0	6.36	6.45	5.8	6.12	7.01
4	Italy	24.2	20.8	25.2	26.8	28.0	4.6	5.12	4.98	4.97	4.81	5.39
5	Germany	23.8	22.6	25.7	26.3	27.4	4.4	5.04	5.4	5.07	4.73	5.28
6	Turkey	16.1	15.0	18.3	19.5	18.3	-6.0	3.41	3.58	3.61	3.51	3.52
7	France	12.0	10.4	12.5	13.9	15.3	9.9	2.55	2.48	2.47	2.5	2.93
<b>8</b>	<b>India</b>	<b>16.2</b>	<b>12.2</b>	<b>15.2</b>	<b>16.7</b>	<b>14.5</b>	<b>-13.0</b>	<b>3.44</b>	<b>2.92</b>	<b>3.00</b>	<b>3.00</b>	<b>2.79</b>
9	Spain	14.3	11.6	15.4	15.7	14.3	-9.0	3.03	2.77	3.04	2.83	2.75
10	Netherlands	11.2	11.1	13.8	13.9	14.0	0.6	2.37	2.64	2.73	2.5	2.69

Source: UN Comtrade, 2024

## India's Top 10 RMG Export Destinations in 2023-24

In 2023-24, USA has maintained top position in India's RMG exports destination with USD 4,719.1 mn. exports (with a share of 32% in India's total RMG exports); registering a decline of 12.8 % as compared to the year 2022-23.

India's RMG exports to UK (2<sup>nd</sup> largest export destination) amounted to USD 1,328.8 mn. in 2023-24 as compared to USD 1,228.6 mn in 2022-23 (with a share of 9.1% in India's total RMG exports) showing an increase of 8.2 %.



**Table 4: India's Top 10 RMG Export Destinations**

S.No.	Countries	Export in USD mn.			%Change (2023-24 over 2022-23)	% Share		
		2021- 2022	2022- 2023	2023-24		2021- 2022	2022- 2023	2023-24
		<b>Total RMG Export</b>	<b>16020.9</b>	<b>16205.1</b>	<b>14543.9</b>	<b>-10.3</b>	<b>100</b>	<b>100</b>
	<b>Sum of Top 10</b>	<b>12,287.6</b>	<b>12,157.6</b>	<b>10,890.5</b>	<b>-10.4</b>	<b>76.7</b>	<b>75.0</b>	<b>74.9</b>
1	USA	5,343.0	5,411.4	4,719.1	-12.8	33.4	33.4	32.4
2	UK	1,393.3	1,228.6	1,328.8	8.2	8.7	7.6	9.1
3	UAE	1,824.9	1,470.2	1,150.2	-21.8	11.4	9.1	7.9
4	Germany	941.2	988.6	784.5	-20.6	5.9	6.1	5.4
5	France	632.3	694.7	643.6	-7.3	3.9	4.3	4.4
6	Netherland	547.4	627.9	632.1	0.7	3.4	3.9	4.3
7	Spain	586.2	644.1	599.5	-6.9	3.7	4.0	4.1
8	Saudi Arab	381.5	412.1	380.2	-7.7	2.4	2.5	2.6
9	Italy	361.7	377.4	331.5	-12.2	2.3	2.3	2.3
10	Australia	276.0	302.7	321.0	6.1	1.7	1.9	2.2
	<i>Others</i>	<i>3,253.9</i>	<i>4,047.5</i>	<i>3,653.5</i>	<i>-9.7</i>	<i>20.3</i>	<i>25.0</i>	<i>25.1</i>

*Source: DGCI&S, Kolkata 2024*

## India's Region wise Export destination in 2023-24

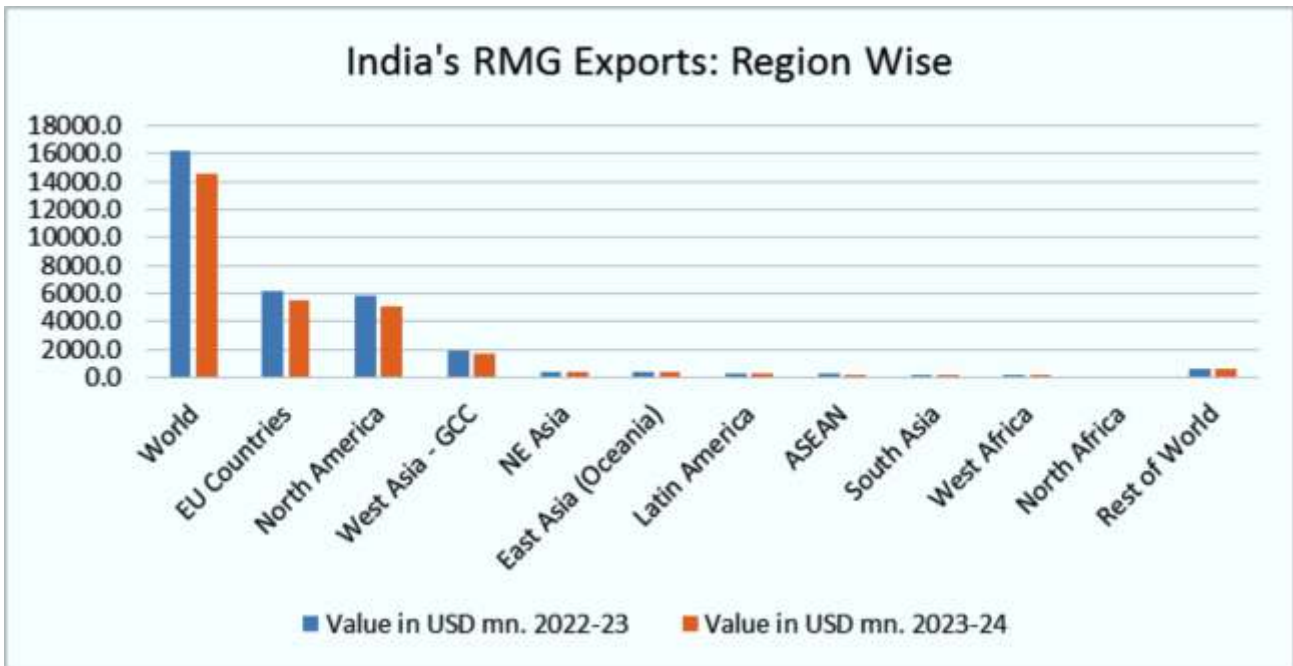
EU emerged as top region for India's RMG exports with 37.8% share with a value of USD 5504.0 Mn. which decreased by 10.5% as compare to FY 2022-23. North America became India's 2<sup>nd</sup> largest region

with a share of 35.3% and value of USD 5129.4 Mn. which also decreased by 12.7% compared to FY 2022-23. Despite a decline of 6.5% compare to 2022-23, West Asia – GCC remain the 3<sup>rd</sup> largest export region for India which has a share of 12.0% of India's total RMG exports.

**Table 5 - India's RMG Exports: Region Wise**

S. No.	Countries	Value in USD mn.		% Change	% Share	
		2022-23	2023-24		2022-23	2023-24
	<b>World</b>	<b>16205.1</b>	<b>14543.9</b>	<b>-10.3</b>	<b>100</b>	<b>100</b>
1	EU Countries	6148.1	5504.0	-10.5	37.9	37.8
2	North America	5877.0	5129.4	-12.7	36.3	35.3
3	West Asia - GCC	1867.5	1745.5	-6.5	11.5	12.0
4	NE Asia	382.2	392.3	2.7	2.4	2.7
5	East Asia (Oceania)	353.0	369.9	4.8	2.2	2.5
6	Latin America	309.1	274.8	-11.1	1.9	1.9
7	ASEAN	240.8	210.5	-12.6	1.5	1.4
8	South Asia	212.4	177.7	-16.3	1.3	1.2
9	West Africa	151.1	141.0	-6.7	0.9	1.0
10	North Africa	72.8	28.2	-61.3	0.4	0.2
	Sum of top 10	15613.9	13973.3	-10.5	96.4	96.1
	Rest of World	591.1	570.7	-3.5	3.6	3.9

*Source: DGCI&S, Kolkata 2024*



**Note:**

- European Union – Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherland, Poland, Portugal, Romania, Slovak Rep, Slovenia, Spain, Sweden
- North America – Canada, Mexico, USA
- North East Asia – China, Japan, North Korea & South Korea, Taiwan, Hong Kong, Macao, Mongolia
- East Asia – Australia, Fiji Island, Kiribati Rep, Nauru Rep, New Zealand, Papua New Guinea, Timor Leste, Solomon Island, Tonga, Tuvalu, Vanuatu Rep, Samoa
- Latin America – 43 Countries
- West Asia GCC – Bahrain, Kuwait, Oman, Qatar, Saudi Arabia & United Arab Emirates
- ASEAN – Brunei, Cambodia, Indonesia, Lao PDRP, Malaysia, Myanmar, Philippines, Singapore, Thailand, Vietnam
- South Asia – Afghanistan, Bangladesh, Bhutan, Maldives, Nepal, Pakistan, Sri Lanka
- West Africa – 22 Countries
- North Africa – Algeria, Egypt, Libya, Morocco, Sudan, Tunisia
- RoW – Rest of the World.

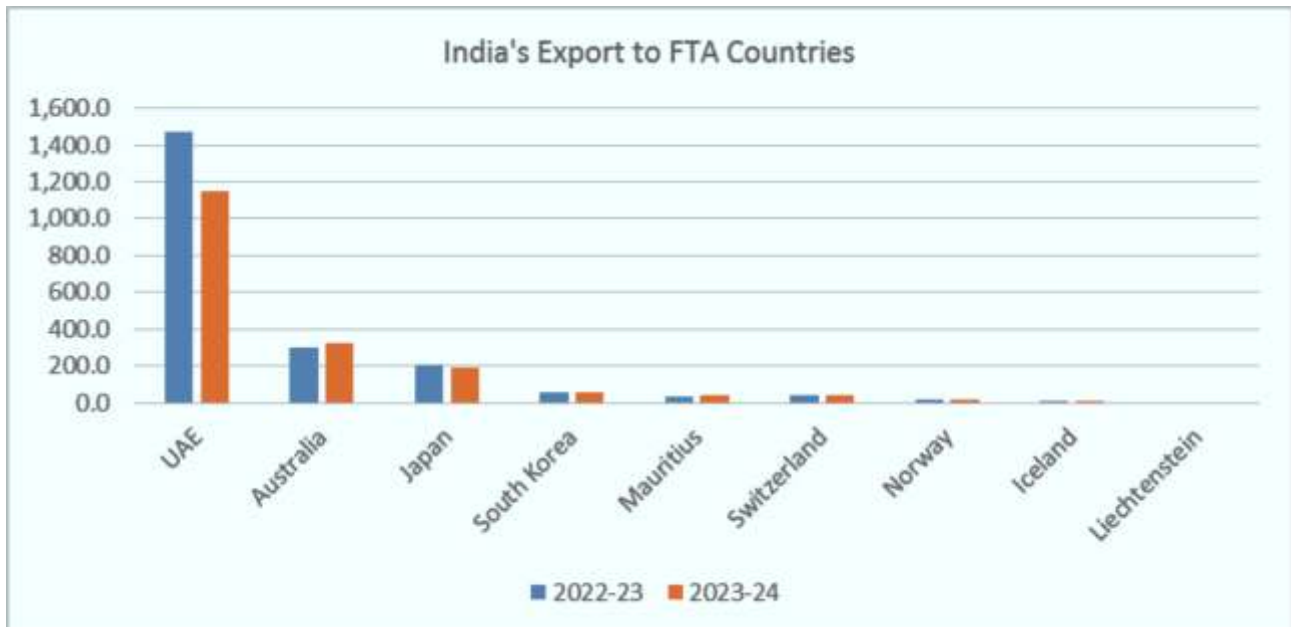
## India's RMG Exports with FTA Countries in 2023-24

UAE emerged as top FTA partner country for India's RMG exports with a value of USD 1,150.2 Mn., however India's export to UAE decreased by 21.8 % in 2023-24,

as compare to FY 2022-23 which was USD 1,470.2 Mn. Recent FTA with Australia helped India to grow its export by 6.1% to USD 321.0 Mn., followed by Japan as 3<sup>rd</sup> largest export destinations amongst India's FTA partner countries.

India's Export to FTA Countries				
S. No.	Countries	Value in USD mn.		
		2022-23	2023-24	% Change
	<b>Total RMG Export</b>	<b>16204.0</b>	<b>14545.0</b>	<b>-10.2</b>
1	UAE	1,470.2	1,150.2	-21.8
2	Australia	302.7	321.0	6.1
3	Japan	207.3	192.0	-7.4
4	South Korea	59.1	55.9	-5.4
5	Mauritius	35.0	38.5	10.1
6	Switzerland	37.4	37.0	-1.1
7	Norway	19.8	18.6	-6.1
8	Iceland	0.4	0.3	-25.0
9	Liechtenstein	0.0	0.0	NA

*Source: DGCI&S, Kolkata 2024*



## **Initiatives and activities undertaken by AEPC along with important issues/request addressed to Govt. of India, during the year.**

### **1. AEPC requested Hon'ble Chief Minister of Gujarat for New Textile Policy**

The Chairman AEPC vide letter dated 06.04.2023 requested Hon'ble Chief Minister of Gujarat for announcing new Textile Policy for Gujarat. In his letter, Chairman AEPC mentioned that, the Government of India had announced PLI Scheme for Manmade Garments, Manmade Fabrics and Technical textiles and recently seven PM MITRA parks have also been announced, one of which is located in the state of Gujarat. Gujarat has always been at the forefront of the Indian manufacturing story and is almost the leader in the yarn and fabric manufacturing. Chairman AEPC requested the early announcement of Textile Policy for Gujarat covering entire segment of the textile value chain as the new Textile Policy will give a boost to new investments and employment generation.

### **2. Drawback Committee meets Apparel Exporters in Chennai**

Drawback Committee Meeting was held at Chennai on 18.04.2023 in order to review the Drawback rates. The Drawback Committee comprised of Sh. G.K. Pillai, Chairman, Sh. Y.G. Parande, Member and Sh. Gautam Ray, Member.

From the industry Dr. A. Sakthivel, Past Chairman AEPC, Sh. K.M. Subramanian, President Tirupur Exporters Association (TEA), Sh. Mithileshwar Thakur, SGAEPCC along with other members from AEPC & TEA attended the meeting. Issues raised were clarified.

### **3. AEPC attended CEOs Business Interactive Session in France & Italy**

The Chairman AEPC along with senior EC members were invited to a trade delegation to France and Italy led by Sh. Piyush Goyal, Hon'ble Minister for Commerce & Industry, between 10-13 April 2023. The agenda was to promote exports from India and to bring more investment into India, so that the schemes like PLI and PM MITRA is leveraged to the desired extent.

### **4. AEPC meets SAI delegation in Gurugram**

The Chairman AEPC chaired a meeting held between AEPC and Social Accountability International (SAI) on 21.04.23 at Apparel House, Gurugram. SAI briefed about the Social Accountability 8000 (SA8000) & informed that for promoting SA 8000 they are meeting with different stakeholders as well as Councils. SAI informed that in collaboration with AEPC, they want to conduct training programmes with the companies and brands to sensitize them about the relevance and requirement of SA 8000 certification.

## 5. AEPC awarded under the valued business partner category.



V.O.Chidambaranar Port Authority commemorating the REPUBLIC DAY, honours the best performing port user by presenting “BEST PERFORMANCE AWARDS” in different category to Port Users of V.O.Chidambaranar Port Authority, Tuticorin for the financial year 2021-22.

AEPC was selected for the awards under the category Valued Business Partner. The felicitation function was organized by them on 1st April, 2023 at Tuticorin. Shri Sudhansh Pant, IAS, Secretary, Ministry of Ports, Shipping & Waterways presented the award in the presence of Shri T.K. Ramachandran, IAS, Chairman, V.O. Chidambaranar Port Authority, Tuticorin alongwith other Port officials. On behalf of the Council, Mr. C.Eswarasundar, Jt. Director, Tirupur received the award.

## 6. AEPC organized roadshow for USA Market

For promotion of Indian apparels in the US market, AEPC have conducted Road shows in three cities: Gurugram on 11th April, 2023, Jaipur on 13th April, 2023 and Tirupur on 17th April, 2023. Mr. Bob Berg, Intl. Sales Director of Magic fair authority

presented a detailed presentation regarding the US market, opportunities for Indian apparels in the US market. Exhibitors present in these cities were happy and expressed their keen interest to participate in the Sourcing at Magic show.

## 7. AEPC requested CBIC on applicability of rebate restriction under Rule 96(10) of the CGST Rules, 2017.

The Chairman AEPC vide letter dated 20.04.2023 requested Chairman, CBIC to issue a suitable clarification on applicability of rebate restriction under Rule 96(10) of the CGST Rules, 2017, in respect of procurements made under Advance Authorisation. The restriction on the claim of refund of IGST paid on export of goods introduced under sub-rule (10) of rule 96 vide Notification No.54/2018-Central Tax dated 09.10.2018, should apply only to the extent of those goods exported by availing the benefit under Notification No 79/2017 –Customs dated 13.10.2017 and not to any of the other goods exported by the exporter.

## 8. Amnesty scheme for one-time settlement of default in export obligation by Advance and EPCG authorization holders.

The DGFT has issued Public Notice No. 2/2023 dated 1st April 2023 read with Public Notice 7/2023 dated 18th April 2023 and Policy Circular No. 1/2023-24 dated 17.04.2023 regarding the “Amnesty Scheme for One Time Settlement of Default in Export obligation by Advance and EPCG Authorization holders”. AEPC has circulated the details to the members of the trade and industry vide circular no. 163 on 25.04.2023.



## 9. AEPC participated in Saurashtra Tamil Sangamam at Rajkot



The Ministry of Textiles organized Saurashtra Tamil Sangamam at Rajkot on 21.04.2023 in presence of Hon'ble Minister for Commerce & Industry and Hon'ble Minister of State for Textiles. The session was attended by Chairman AEPC along with other Senior EC Members and Sh. Mithileshwar Thakur, SG AEPC, DSG AEPC. The Hon'ble Minister also presided over the sixth interactive meeting of Textile Advisory Group (TAG) to review the progress of initiatives for cotton value chain. He noted the progress in the project on Traceability, Certification and Branding of Kasturi Cotton India and lauded that branding of Indian Cotton will add great value to the entire cotton value chain from farmers to end users. Hon'ble Minister advised to form a working group of experts, representative from industry, respective Ministries & other stakeholders to have detailed plan of action to boost organic cotton production on cluster based approach.

## 10. AEPC writes to CBIC on notices getting issued for non-payment of Service Tax

The Chairman AEPC written to Chairman,

CBIC on notices getting issued for non-payment of Service Tax for the job works carried out by the garment manufacturing units. He requested to give suitable direction/necessary clarification to the field level GST Authorities, so that readymade garment exporters could be saved from this undue hardship.

## 11. AEPC attends 1<sup>st</sup> Trade and Technology Council meeting in Brussels, Belgium

Sh. Gautam Nair, the then Chairman-Export Promotion, AEPC attended the first meeting of the Trade and Technology Council (TTC) between India and the EU Commission held in Brussels, Belgium. Indian delegation was led by Hon'ble Union Minister for Commerce & Industry. He also attended the stakeholders meetings on Trade, Investment and Global Value chain and Clean Technology and Digitalization.

## 12. AEPC requested DGFT to waive pre-import condition under SAAS

AEPC vide letter dated 29.05.2023 has requested DGFT to waive pre-import condition under Special Advance Authorization Scheme (SAAS). Special Advance Authorization Scheme (SAAS) for import of fabrics against export of garments has been especially designed for the Apparel sector. However, there are certain conditions attached to the availment of this scheme, which includes the condition of 'Prior Import'. The Council has requested that the Scheme may be liberalized and the pre-import condition may be waived with the condition that duty exempt material shall not be diverted to the domestic market.



### **13. AEPC launches digitally Export Facilitation Desk**

In order to facilitate seamless and smooth trade for its members, Apparel Export Promotion Council was planning to provide trade facilitation services to all the members through Digital Export Facilitation Desk. Members may log in AEPC website [www.aepcindia.com](http://www.aepcindia.com) and then access the link: <https://facilitation.aepcindia.com/>

### **14. AEPC requested Hon'ble CIM to remove cap on Interest Equalization Scheme**

The Chairman AEPC vide letter dated 13.06.2023 requested Hon'ble Union Minister for Commerce & Industry to intervene and get the cap on annual interest subvention amount under Interest Equalization Scheme removed.

### **15. AEPC writes to the Revenue Secretary on the issue of exporters getting the Summons from ED.**

The Chairman AEPC has written a letter dated 19.06.2023 to the Secretary (Revenue), Ministry of Finance on the issue of Exporters getting the Summons from ED under Section 37 of the FEMA.

### **16. AEPC writes to Drawback Directorate for duty drawback on Garment of blend of more than one MMF with Cotton.**

AEPC vide its letter dated 06.06.2023 requested to Joint Secretary (Drawback) for amendment in the description of goods from "Readymade Garments of Blend containing Cotton and Man-Made Fibre" to "Readymade Garments of Blend

containing Cotton and Man-Made Fibre/Fibers" at appropriate places in the Drawback Schedule. It is requested that the term "Fibre", wherever appearing in the General Note 15 of the Drawback Schedule, may be replaced with "Fibre/Fibers" and also requested that since these proposed changes are in the nature of correction/ removal of anomaly, it should be given retrospective effect.

### **17. AEPC submitted inputs/comments in response to the Finance Ministry's communication to examine the need for continuation of customs duty exemption on import of trimmings and embellishments used in the garments exported**

The Ministry of Finance through the Ministry of Textiles sought inputs/comments from the Apparel Export Promotion Council on the need for continuation of exemption of customs duty on trimmings and embellishments after 31.3.2024. In this regard, SG-AEPC in his letter strongly recommended for continuation of duty exemption in respect of items listed at serial 257 and 257B in Notification No. 50/2017-Cus.

### **18. AEPC requests Textiles Ministry to extend the ROSCTL scheme**

The Chairman AEPC vide letter dated 04.07.2023 has requested Ms. Rachna Shah, Secretary (Textiles) to extend the ROSCTL scheme. The Chairman AEPC mentioned that Ministry of Textiles had introduced RoSCTL Scheme for Apparel/garments and Made-ups vide Notification No. 14/26/2016-IT (VOL.II) dated 07.03.2019. The continuation of this Scheme upto 31st March 2024 has been

announced by the Ministry of Textiles vide Notification no. 12015/11/2020-TTA dated 13.08.2021. The Chairman AEPC requested that the Scheme should be extended for a minimum period of three years. Accordingly Ministry of Textiles now vide Notification dated 8.2.2024 has notified continuation of Scheme for Rebate of State and Central Taxes and Levies (RoSCTL) upto 31.03.2026.

#### **19. AEPC requests Commerce Ministry to direct ECGC to place Russia under Low/Moderate risk category**

The Chairman AEPC vide letter dated 30.06.2023 requested Commerce Secretary to direct ECGC to place Russia under 'Low/moderate risk category', so that Indian entrepreneurs are able to harness the trade potential with Russia to the fullest.

#### **20. AEPC requests DPIIT to expedite the signing of MOU between CONCOR and RZD**

The Chairman AEPC vide letter dated 29.06.2023 requested Additional Secretary, DPIIT to take up with the relevant authorities to ensure faster implementation of the MoU between Container Corporation of India (CONCOR) and Russian Railways Logistics Joint Stock Company (RZD) and greater utilization of the International North–South Transport Corridor (INSTC), so that the transit time of cargo between Indian and Russia is minimized.

#### **21. AEPC submits suggestions to Drawback Committee review of AIR of Duty Drawback for the year 2023**

The Chairman AEPC vide letter dated 22.06.2023 submitted the details to Sh. G.K. Pillai, Chairman (Drawback Committee) for consideration of appropriate Duty Drawback Rates for the year 2023 for readymade garment industry for chapter 61 & 62.

The Government of India, Ministry of Finance, Department of Revenue vide Notification dated 20.10.2023 has announced the Duty Drawback Rates effective from 30.10.2023.

#### **22. AEPC writes to Drawback Directorate on Drawback/RoSCTL rates**

Sh. Mithileshwar Thakur, Secretary General AEPC vide letter dated 18.07.2023 requested Capt (Mrs.) Kapil Chaudhary, Joint Secretary (Drawback) for allowing specific rates of entitlement under Drawback/RoSCTL for individual export items when shipped together. In his letter SG, AEPC mentioned that in some of the Customs Commissionerates, the exporters of Readymade Garments on export of two different products as 'set' are not being given drawback and RoSCTL individual item-wise despite availability of specific rates, when shipped together. The Drawback and ROSCTL in such cases are being allowed at lower rate of duty drawback and RoSCTL admissible to "Others category" of the individual items. Packaging of export goods together depends on buyer's requirements and convenience and it should not adversely impact the drawback and RoSCTL entitlement, he mentioned. It is requested that this anomaly may be looked into and appropriately addressed.

### **23. AEPC writes to CBIC on issues to be faced while implementation of advisory issued by the NIC**

Sh. Mithileshwar Thakur, Secretary General AEPC wrote a letter dated 18.08.2023 to Sh. Shashank Priya, Member GST, Central Excise, Service Tax and Legal, CBIC, Ministry of Finance regarding challenges likely to be faced in the implementation of advisory issued by the National Informatics Centre (NIC) in respect of generation of e-invoices not later than 7 days from the date of reporting. It is requested that the advisory may kindly be amended to remove the time limit prescribed for reporting of invoices on IRP not later than 7 days. He also requested to amend the time period to 30 days instead of 7 days for reporting of invoices on IRP.

### **24. Centre extends date of inviting applications under PLI Scheme in Textiles**

The Ministry of Textiles has decided to extend the date of inviting fresh applications under the PLI scheme of Textiles for MMF Apparel, MMF Fabrics and products of Technical Textiles for further 2 months i.e. up to 31st October 2023. The decision was taken in view of the requests from the Industry stakeholders'. Earlier, the Ministry had decided to re-open the PLI Portal till 31st August 2023 for inviting fresh applications from interested companies under the Scheme. Trade Members were advised to take full benefit of this opportunity by applying on the PLI portal for availing the benefit of the Scheme. AEPC circulated the details to the trade vide circular no. 176 on 01.09.2023.

### **25. AEPC participates in B20 Summit India 2023 in New Delhi**

Sh. Sudhir Sekhri, Chairman, AEPC along with Sh. Virender Uppal, EC Member AEPC attended a B20 Summit in New Delhi on 26.08.2023. The meeting was chaired by Sh. Piyush Goyal, Hon'ble Union Minister for Commerce & Industry, Textiles, Consumer Affairs, Food & Public Distribution.

### **26. AEPC's webinar on Fashion Trends in Spain**

AEPC in association with Pearl Academy organized a webinar on the current fashion trends in Spain on 14.09.2023 for the participants of India Apparel & Accessories fair (BSM), Madrid. The exhibitors participated in the Apparel & Accessories fair (BSM), Madrid, Spain attended the Webinar and understood the fashion trends in the Spanish market. The queries raised by the exhibitors were clarified by Ms. Divya Kapoor, Fashion Consultant from Pearl Academy.

### **27. AEPC participates in 2nd India-Belarus JWG**

The 2<sup>nd</sup> India Belarus Joint Working Group (JWG) was held virtually on 18.09.2023. Sh. Mithileshwar Thakur, Secretary General, AEPC represented the Council in the meeting. During the meeting it was discussed that the Indian Government could look into the possibility of encouraging Belarusian apparel companies to source from India. Since its major sourcing is from Turkey, Uzbekistan, China, Lithuania and Ukraine, etc. we need to look into formulating effective strategies to enhance India's share. Some of the Belarusian apparel brands like Kalinka,

Elema, 8 Marta, Nadex, Eliz, Komintern, Slavyanka, Bugalux, Alesya, Polesie, Elma, Svitanok, Kupalinka, Lubawa, Mark Formelle, Milavitsa, Serge, Conte, Brest Hosiery Factory etc. can be encouraged to source from India.

## **28. 18<sup>th</sup> International Conference on Apparel & Home Textiles**



The Okhla Garment & Textile Cluster (OGTC) in association and support of AEPC organized 18<sup>th</sup> International Conference on Apparel & Home Textiles (ICAHT 23) at Apparel House, Gurugram on 23rd September 2023. As the Chief Guest, Sh. Sudhir Sekhri, Chairman, AEPC inaugurated the conference. During the conference some eminent personalities highlighted strengths & opportunities of the Indian apparel industry.

## **29. Opening of i-TUFS portal for submission of JIT request under the ATUFS**

The Ministry of Textiles vide circular dated 20.09.2023 has decided to open window on i-TUFS portal inviting JIT requests and commence inspection of the condoned

cases. As further relaxation will not be allowed, the concerned units are requested to submit the JIT request in i-TUFS portal within the prescribed timeline i.e. on or before 19.12.2023. AEPC has circulated the details vide Circular No. 177 dated 21.09.2023 to the trade.

## **30. AEPC attends Chintan Shivir chaired by Commerce Minister**

The Chairman AEPC attended Chintan Shivir - Unleashing the power of India's Manufacturing Industry chaired by Sh. Piyush Goyal, Hon'ble Union Minister for Commerce & Industry at Bharat Mandapam, New Delhi on 12.10.2023. The Hon'ble Minister highlighted the various reforms and programmes the government has implemented to support the manufacturing ecosystem and welcomed suggestions to help speed up the process of achieving economies of scale.

## **31. AEPC submits pre-budget proposal 2024-25**

The Department of Commerce sought Pre-Budget proposals from all Councils for 2024-25. Accordingly, AEPC sought suggestions/ feedback from members and based on the feedback of members, Council submitted the pre-budget proposals for 2024-25 to the Department of Commerce.

## **32. Ministry of Finance revises Duty Drawback Rates**

The Department of Revenue, Ministry of Finance, Government of India vide its Notification No. 77/2023-CUSTOMS (N.T.) dated 20.10.2023 has revised the rates for the Duty Drawback. This



notification shall come into force with effect from 30<sup>th</sup> October 2023. The duty drawback rates have gone up in respect of most of the apparel products and accordingly exporters will now be able to take advantage of enhanced duty drawback rates for these items. The AEPC has circulated the details to the members of the trade and industry on 23.10.2023 vide circular no. 178.

### **33. Clarification regarding drawback in Garment of blend containing cotton and man-made fibre/fibres**

AEPC has been raising the issues of apparel exporters with the Government from time to time. AEPC vide its letter dated 06.06.2023 had requested the Drawback Directorate, Ministry of Finance to make an amendment in the Drawback Schedule in the description of goods from “Readymade Garments of Blend containing Cotton and ManMade Fibre” to “Readymade Garments of Blend containing Cotton and Man-Made Fibre/ Fibres” to prevent the possibility of Garment of blend of more than one man-made fibre with cotton getting classified under residual category leading to disbursement of drawback at reduced rate.

The request of the Council has been acceded to and requisite clarification by the Ministry of Finance vide Circular No 26/2023-Customs dated 26.10.2023 has been issued. The AEPC has circulated the details to the trade on 27.10.2023 vide circular no. 179.

### **34. AEPC in association with Department of MSME conducts a national workshop at Balotara, Rajasthan.**

AEPC has conducted various Export Promotion activities during the previous years like Reach-Out Seminar, Fashion Forecast Seminars and Membership Drive etc. In this regard, Department of MSME has organized a National Workshop on “Business, Export & Technology Opportunities in Textile & Engineering” at Balotara, Rajasthan in Association with, AEPC, Government of Rajasthan, IIHT, EPCH, NIFT & Lead Banks on 27<sup>th</sup> September, 2023 at Balotara.

### **35. AEPC Organized roundtable discussion on Textile & Apparel with sourcing heads of prominent brands at Bengaluru.**

An exclusive roundtable discussion on Textile & Apparel with sourcing heads of prominent Brands was organized at Bengaluru on 15<sup>th</sup> December, 2023 (Friday). The Meeting was chaired by Ms. Rachna Shah, Secretary, Ministry of Textiles and Shri Rohit Kansal, Additional Secretary, Ministry of Textiles along with Shri Naren Goenka, Past Chairman, Shri Sudhir Sekhri, Chairman & Shri Mithileshwar Thakur, Secretary General, AEPC among others. The Textile Secretary appealed to the brands to very actively engage with the Indian Textile Industry and repose faith in the new India of business-friendly eco-system. Brand leaders requested to give due emphasis on the promotion of the Indian Textile story with regard to Sustainability, Circularity

and Traceability during Bharat Tex event. A presentation on Bharat Tex has been made by DSG-AEPC. More than 50 participants from brands attended the meeting. The roundtable discussion was very informative & encouraging.

### **36. Textiles Minister Presents 23 'AEPC Excellence Honours' Awards for RMG Export Performance for 2021-22 & 2022-23.**



Shri Piyush Goyal, the Union Minister for the Commerce & Industry, Consumer Affairs, Food & Public Distribution and Textile, Government of India presented the AEPC prestigious exports awards to the RMG exporters on 8<sup>th</sup> December 2023 in New Delhi. The 'AEPC Excellence Honours' was conferred for the year 2021-22 and 2022-23. The awards recognize extraordinary contributions made by Indian Apparel exporters in building our modern export enterprises and in helping to further develop a unique Indian export culture.

The AEPC Excellence Honours are the Indian Apparel industry's most prestigious awards. Extending across diverse product categories and including both experienced and start up representation, the awards were a celebration of the

contributions exporters at made to the industry and in turn, the national economy. AEPC have instituted these awards with an aim to encourage the Indian Apparel exporters to increase their export capacities and at the same time, enhance the competitiveness among the firms to capture the global markets.

### **37. AEPC attends UP's State Export Award and Councils Seminar**

A delegation of AEPC, participated in Uttar Pradesh State Export Award Distribution and Councils Seminar held on 04.01.2024 in Yojana Bhawan, Lucknow, UP. The event was inaugurated by Sh. Nand Gopal Gupta, Hon'ble Cabinet Minister, Industrial Development, Export Promotion, NRI & Investment Promotion, Govt. of Uttar Pradesh. Sh. Lalit Thukral, EC Member, AEPC & Dr. Saurabh Kumar, General Manager (Research & Policy Advocacy), AEPC represented the Council and gave presentation on the activities of the Council.

### **38. AEPC organizes Women Entrepreneurship Acceleration Program on 'Business Development & Growth in Readymade Garment Industry'**

AEPC in collaboration of Indira Gandhi Delhi Technical University for Women (IGDTUW) Anveshan Foundation conducted a training program during 5<sup>th</sup> - 16<sup>th</sup> February 2024 in the physical mode at IGDTUW Campus, Kashmere Gate, Delhi. This training program was aimed for Aspirant/ Young Women Entrepreneurs/ Promoters in Readymade Garment Industry.



### **39. AEPC attends Board of Trade Meeting in New Delhi**

Sh. Sudhir Sekhri, Chairman AEPC along with Sh. Mithileshwar Thakur, SG AEPC attended the Board of Trade meeting chaired by Sh. Piyush Goyal, Hon'ble Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles on 16.01.2024 in New Delhi.

### **40. AEPC attends 3<sup>rd</sup> TAG meeting for MMF**

Sh. Sudhir Sekhri, Chairman AEPC along with Sh. Mithileshwar Thakur, SG AEPC attended the 3rd Textiles Advisory Group meeting for MMF chaired by Sh. Piyush Goyal, Hon'ble Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles on 18.01.2024 in New Delhi.

### **41. AEPC attends meeting on export related Programmes and Schemes**

An exercise is being undertaken by government to evaluate and assess the efficacy of existing export related programmes and schemes. Further, a need is also being felt to assess and establish a meaningful framework for supporting new export products in promising international markets. In the light of this, a meeting was convened by Sh. Santosh Sarangi, DGFT on 19.01.2024. Sh. Mithileshwar Thakur, SG AEPC, Dr. Ajay Sahai, DG FIEO and Sh. Ajay Srivastava, Founder GTRI were invited in their personal capacities to offer the suggestion on introducing new WTO compatible export related programmes and schemes. SG, AEPC suggested that a scheme may be introduced for labour

intensive sectors like apparel, leather, etc based on the criteria of employment generation capability, which though applicable for the exporters, may not be contingent upon export performance and hence permitted under ASCM (Agreement on Subsidies and Countervailing Measures).

### **42. AEPC attends meeting with USITC team**



Sh. Mithileshwar Thakur, SG AEPC along with DSG AEPC on 20.02.2024 attended a meeting with Ms. Elizabeth from USITC, USA for apparel study in New Delhi.

Further, a team comprising USITC (United States International Trade Commission) and US Embassy visited at AEPC, Apparel House, Gurugram on 1st April, 2024 to discuss Apparel export competitiveness of certain foreign suppliers to the United States. Sh. Sudhir Sekhri, Chairman AEPC welcomed the delegation and briefed them about the Indian RMG export Industry and how India is evolving as a preferred sourcing destination and supplier of quality products. USITC is currently carrying out a Study regarding competitiveness of major apparel exporting countries like India, Bangladesh, Pakistan, Indonesia &

Cambodia. Shri Mithileshwar Thakur, Secretary General, AEPC explained to the delegation about Indian strength across the entire textile value chain, government's efforts to address the existing Cotton: MMF imbalance, emerging investment scenario in the apparel value chain, India's impressive textile fibre infrastructure, minimal import dependence, existing government policy framework, infrastructure, cost & price structure, labour cost, ESG compliance status, vertical integration, product differentiation, trade facilitation, logistics performance index & ease-in-doing-business, availability and stability of energy supply, India advantage etc. The visit was a follow-up to the hearing and detailed submission by each country before the Commission to ascertain the ground realities. India's case before the USITC was presented by Shri Mithileshwar Thakur, Secretary General, AEPC during the hearing and Q&A session on 11th March, 2024 before the USITC commissioners which included US Senate members as well. This was followed by detailed post-hearing submission on 22nd March, 2024.

#### **43. Request for inputs on NTB & Rules of Origin**

Ministry sought information regarding non-tariff barrier (NTB) issues (like Documentation/ Certification/ Quality/ Chemical/ Dyes/ Design/ Labelling/ Distribution restriction/ Traceability/ Rules of Origin/ Certificate of Origin) being faced by the RMG exporters while exporting. In this regard, AEPC organised a virtual meeting with member exporters on 17.01.2024 and asked the member

exporters to report any Non-Tariff Barrier (NTB) faced while exporting Readymade Garment (RMG). More than 85 exporters joined the virtual meeting.

#### **44. AEPC publicizes Key highlights of Union Budget 2024-25 for Apparel Exporters**

RoSCTL: Allocation of funds for Rebate of State and Central Taxes and Levies (RoSCTL) scheme has been increased from Rs. 8404.66 crores to Rs. 9246 crores.

ATUFS: Allocation of funds for Amended Technology Upgradation Fund Scheme (ATUFS) has remained the same at Rs. 675 crores.

PM MITRA: Allocation of funds for PM MITRA scheme has increased from Rs. 52.30 crores to Rs. 300 crores. Interest equalization scheme: Allocation of funds for Interest equalization scheme has been reduced from Rs. 3700 crores to Rs. 1700 crores.

MAI grants: Allocation of funds for MAI grants has decreased from Rs. 250 crores to Rs. 200 crores. National Technical Textile Mission: Allocation of funds for NTTM has been increased from Rs. 170 crores to Rs. 375 crores.

Textile Cluster Development Scheme: Allocation of funds for TCDS has been increased from Rs. 70 crores to Rs. 100 crores.

Integrated Processing Development Scheme: Allocation of funds for IPDS has been increased from Rs. 26 crores to Rs. 30 crores.

Raw Material Supply Scheme: Allocation

of funds for RMSS has been increased from Rs. 160 crores to Rs. 172.17 crores.

#### **45. AEPC organizes Sustainability Marathon 2023**

AEPC in collaboration with Brands and Sourcing Leaders Association (BSL) took its AISA (Apparel Industry Sustainability Action) initiative to the next step by organized Sustainability Marathon from 5<sup>th</sup> May to 12<sup>th</sup> May 2023 across 5 prominent garment clusters of Bangalore, Tirupur, Mumbai, Jaipur and Delhi-NCR.

The Sustainability Marathon road show culminated at Apparel House Gurugram on 12<sup>th</sup> May 2023. Delivering the opening remark Sh. Sudhir Sekhri, Chairman AEPC said, “The global garment production is expected to increase by 63% by 2030, with a huge contribution by the Indian garment industry. This spectacular growth brings with it an ever-growing global concern on the detrimental impact that this fashion industry brings on the environment.”

#### **46. Road Shows for Bharat Tex 2024.**

AEPC has organized road shows domestically and abroad for promoting the Bharat Tex 2024. AEPC organized roadshows in Australia, Spain and Dubai and across India in cities such as: New Delhi, Ludhiana, Bengaluru, Tirupur and Jaipur. There was huge enthusiasm and excitement from brands regarding participation for the show. It is especially important to highlight the role of Indian embassies overseas who all are promoting Bharat Tex with full strength and vigor.

## **WEBINARS CONDUCTED DURING THE YEAR**

### **1. AEPC organizes webinar on "Recent Changes in Advanced Authorisation Scheme: Analysis and Implications"**



AEPC in collaboration with Lakshmikumaran & Sridharan Attorneys organized a webinar on 30.05.2023 on "Recent Changes in Advanced Authorisation Scheme: Analysis and Implications". Sh. Mithileshwar Thakur, Secretary General AEPC gave the welcome address & opening remarks and briefed about Advanced Authorisation Scheme including Special Advance Authorisation Scheme and its relevance to the garment exporters. Sh. Viswanathan T, Principal Partner and Sh. Akhilesh Kangsia from Lakshmikumaran & Sridharan Attorneys gave a detailed presentation.

### **2. AEPC organizes webinar on Design Trends in Japan**

To understand the latest trend in Japan, AEPC in collaboration with JIIPA organized a webinar on Design Trends in Japan on 05.06.2023. Ms. Mayumi Amimura, Color & wellness life design & trend specialist showcased the latest and future trend for Japan. Approx. 100 exporters participated in the webinar.

### 3. AEPC organizes webinar on Trade Financing for Apparel Exports



The AEPC in collaboration with Credlix organized a webinar on “Trade Financing (Factoring, Supply Chain Finance viz. Sales Bill Discounting, Anchor-based Finance & Vendor Finance) for Apparel Exports” on 04.07.2023. Sh. Mithileshwar Thakur, Secretary General AEPC welcomed all the participants and briefed them about the Trade Financing. Sh. Pramit Joshi from Credlix gave a detailed presentation on the following points and answered to the queries raised by the participants:-

- ◆ Export Factoring Concepts, benefits.
- ◆ Factoring in India vs. other countries (US, EU, China).
- ◆ Pre-shipment and post-shipment financing.
- ◆ How to achieve rapid growth in exports with Factoring?

More than 155 participants attended the webinar

### 4. AEPC organizes webinar on Russian Market for Indian Garment Exports

AEPC organized a webinar on 13.07.2023. The topic of webinar was 'Russia: An emerging export market for

Indian Garment Exports'. Ms. Valentina Mironova, CEO from Lady Shram and Mr. Gaurav Yadav from Myindia express gave insights on Russian market and the followings were also discussed during the webinar:

- ◆ Explore business opportunities with Russia and CIS countries
- ◆ Get connected with Russian brands and understand the market
- ◆ Government support for Russia

AEPC's support for upcoming event in Russia

The webinar was attended by more than 100 participants.

### 5. AEPC organizes a webinar on emerging NTB in the apparel export sector



AEPC in collaboration with Sarvada Legal organized a webinar on “Emerging non-tariff barriers in the apparel export sector” on 8th August 2023. The aim of the webinar was to sensitize the apparel industry about the issues relating to NTB.

Sh. Mithileshwar Thakur, Secretary General- AEPC welcomed all the participants and briefed them about the NTB issues impacting apparel trade. Mr. Seetharaman Sampath, Co-Founder –



Sarvada Legal gave a detailed presentation on the following:

- ◆ How TBT/NBT impact trade?
- ◆ NTB impact on Apparel export Sector through Case Studies,
- ◆ Rights of exporters under WTO Agreement.

The webinar was attended by more than 100 participants across the country.

### 6. AEPC organizes capacity building workshop for apparel exporters in Shahdara, Delhi



Apparel Export Promotion Council (AEPC) in collaboration with the office of the District Magistrate, Shahdara and Department of Industries, Government of the National Capital Territory of Delhi (GNCTD) organized a Capacity Building Workshop for promoting Shahdara as an Apparel Export Hub on 17th August 2023 at the Auditorium of Rajiv Gandhi Super Specialty Hospital, Delhi. The workshop was attended by around 60 participants which included apparel exporters, representatives from DGFT, BIS, Invest India, Delhi Skill and Entrepreneurship University, Indian Institute of Packaging, ATDC, SBI among others.

### 7. AEPC organizes webinar on prospects of growth for apparel exports in upcoming FTAs Markets.



AEPC in collaboration with Wazir Advisors Pvt. Ltd. & Symbiosis Institute of Management Studies (SIMS) organized a webinar on 14.09.2023 on the topic of “Prospects of Growth for Apparel Exports in Upcoming FTA Markets”. The speakers of the webinar were Mr. Mithileshwar Thakur, Secretary General, AEPC, Mr. Varun Vaid, Business Director, Wazir Advisors Pvt. Ltd. and Dr. Sanjay Kumar Mangla, Associate Professor, Economics and International Trade, SIMS.

### 8. AEPC organizes Budget viewing & discussion session



The AEPC organized the “Budget Viewing and Discussion Session” at Apparel House, Gurugram on the occasion of the Union Budget 2024-25 being presented by the Hon'ble Finance Minister, Smt. Nirmala Sitharaman, on 1<sup>st</sup> February 2024.

## 9. AEPC organizes Women Entrepreneurship Acceleration Program



AEPC in joint collaboration with Indira Gandhi Delhi Technical University for Women (IGDTUW) and Anveshan Foundation conducted a Women Entrepreneurship Acceleration Program on 'Business Development & Growth in Readymade Garment Industry' from 5th February till 16th February 2024 at the IGDTUW Campus, Kashmere Gate, Delhi. Total 22 women entrepreneurs from different parts of the country participated in the program. Topics covered during the training sessions were overview of RMG industry, entrepreneurial & startup ecosystem of India, incorporation of a company, global challenges, compliances, market research, major trends, understanding materials & machines for manufacturing, distribution of RMG, building contacts, networking management, industrial visit, etc.

## EXPORT PROMOTION

Export Promotion Department of the Council has been continuously working for export promotion of apparels from India through participation in overseas

fairs, business matching, organizing both Buyers Seller Meets (BSM) and Reverse BSM and focused trade delegation. Towards this endeavor, the AEPC has organized following global trade events in the last financial year 2023-2024.

## PHYSICAL TRADE EVENTS



### i) International Apparel and Textile Fair (IATF) Dubai UAE (1-3 May, 2023)

The Council participated in International Apparel and Textile Fair Dubai from 1-3 May, 2023 with 40 booths and 4000 buyers/visitors visited the fair. Business was generated worth USD 2.28 mn. The event was approved under the MAI scheme.

### ii) India Tex Trend Fair (ITTF), Tokyo, Japan (19-21 July, 2023)

The Council participated in India Tex Trend Fair, Tokyo, Japan held from 19-21 July, 2023 with 172 exhibitors (175 Booths) (150 booths with MAI and 25 booths without MAI) and 1283 buyers visited the Fair. Total Business generated worth USD 11.20 mn. The event was approved under MAI Scheme.



**iii) Sourcing at Magic, Las Vegas, USA (07 – 09 August, 2023)**



The Council participated in Sourcing at Magic, Las Vegas, USA held from 07 – 09 August, 2023 with 70 exhibitors (69 with MAI & 1 without MAI) booths and approx. 4000 buyers / visitors visited in the India Pavilion. Total Business generated worth USD 5.7411 mn. The event was approved under MAI Scheme.

**iv) India Apparel & Accessories Fair, Madrid, Spain (BSM) (18<sup>th</sup> -19<sup>th</sup> October, 2023)**



The Council participated in India Apparel & Accessories fair, Madrid, Spain (BSM)

held from 18<sup>th</sup> -19<sup>th</sup> October, 2023 with 33 exhibitors (32 booths with MAI and 1 booth without MAI) and approx. 100 visitors visited the Fair. Total business generated worth USD 0.165 mn. The event was approved under MAI Scheme.

**v) Ready to Show, Milan, Italy (11-13 July 2023)**



The Council participated in Ready to Show, fair which was held from 11-13 July 2023 with 18 booths and approx. 80 buyers / visitors visited in the India Pavilion. The event was approved under MAI Scheme.

**vi) Collection Premiere Moscow (CPM) Moscow (29<sup>th</sup> August -1<sup>st</sup> September, 2023)**

The Council participated in CPM Moscow which was held from 29<sup>th</sup> August to 1<sup>st</sup> September, 2023 with 22 booths. A good number of buyers visited during the fair. Total business generated worth USD 0.624 mn.

**vii) Global Sourcing Expo Melbourne, Australia (21 – 23 November, 2023)**

The Council participated in Global Sourcing Expo Melbourne, Australia held from 21 – 23 November, 2023 with 57



booths and more than 4160 buyers / visitors visited the fair. The event was approved under MAI Scheme. Total business generated worth USD 0.3528mn.

**viii) International Apparel and Textile Fair (IATF) Dubai UAE (27-29 November, 2023)**



The Council participated in International Apparel and Textile Fair Dubai from 27-29 November, 2023 with 50 booths (49 booths with MAI + 1 booth without MAI)

and 5000 visitors visited the fair. Business was generated worth USD 3.25 mn. The event was approved under the MAI scheme.

**ix) Sourcing at Magic, Las Vegas, USA (13 – 15 February, 2024)**



The Council participated in Sourcing at Magic, Las Vegas, USA held from 13 – 15 February, 2024 with 36 booths (34 with MAI & 2 without MAI) and approx. 2000 buyers/visitors visited in the India Pavilion. Total Business generated worth USD 2.583 mn. The event was approved under MAI Scheme.

**Trade Delegations**

**1) AEPC delegation visited Moscow & St. Petersburg**





To explore business opportunity, a trade delegation comprising Sh. Naren Goenka, the then Chairman AEPC along with Sh. Sudhir Sekhri, Chairman, AEPC, Sh. Gautam Nair, the then Chairman-Export Promotion, AEPC, Sh. Vijay Aggarwal, EC member, AEPC and Sh. Raju Goenka, EC Member, AEPC visited Russia during 19<sup>th</sup> - 23<sup>rd</sup> June 2023.

The objective of this visit was to explore the possibility of garment trade between India and Russia in current context, interact with prominent Russian brands, wholesalers, retail chains, importers, chambers, industry association, etc. to understand their perspective of sourcing garments from India, understand the basic issues and challenges faced by them and take up those issues with relevant authorities.

## 2) AEPC delegation visited Japan



AEPC participated in 12th edition of the India Tex Trends Fair, Japan held during 19-21 July 2023 at Tokyo, Japan with the largest number of exhibitors ever. The fair was inaugurated in the presence of Mr. Tsunenori Suzuki, Chairman, Japan Apparel Fashion Industry Council (JAFIC) & Chairman Onward Holdings Co., Ltd. and Mr. Norihisa Matsuo, CEO Matsuo

International, Mr Takahiko Miyke, Advisor of TSI Holdings and Chairman and Representative Director World Co., Mr. Naren Goenka, the then Chairman AEPC, Mr. Sudhir Sekhri, Chairman AEPC, Mr. Ashok Rajani, the then Chairman F&E and representatives from Brands, retail chains etc. B2B business delegation meetings were also held to strengthen understanding and collaborations on the sidelines of the India Tex Trends during the 3 days event.

AEPC trade delegation met prominent Japanese garment and trading companies including Shimamura, Onward Holdings, World Co, Matsuo International Co Ltd, Almond Eye, Adastria, MN International and Aeon Retail. AEPC is happy to report positive sentiments from each of these trading companies and importers who seem to have been handling most of their current sourcing from Bangladesh and China but were quite keen to diversify their sourcing in favour of India.

## 3) AEPC delegation to South Korea

AEPC was part of a business trade delegation to South Korea led by Sh. Rajesh Kumar Singh, Secretary (DPIIT) for investment and trade promotion roadshow in Seoul, South Korea during 16-18 October 2023. Sh. V. Elangovan, EC Member and Sh. Siva Ganapathi, EC Member represented the apparel sector from India.

## 4) AEPC delegation to Australia

AEPC delegation led by the Chairman, AEPC along with Additional Secretary, Ministry of Textiles and other EC members visited Australia, Melbourne between 21 –

23 November, 2023 to promote and mobilise participation from Australian companies to Bharat Tex 2024. In this context, the delegation met prominent Australian garment and trading companies including K Mart, Thomas Cook, Forever New one of the biggest single brand women's wear global retailers in Australia to pitch trade and investment opportunities in textile and apparel value chain in India and upcoming opportunities to explore India during Bharat Tex 2024. Appreciating that Australia acted as raw material supplier in terms of wool and cotton, team also had a detailed discussion with Australian Cotton CEOs, Australian Cotton Association, Wool Producers Australia, Australian Wool Exchange, Australian Council of Wool Processors and Exporters, Australian Wool Innovation, Shearer Contractors Association of Australia, Australian Cotton Shippers Association and Department of Agriculture, Fisheries and Forestry (DAFF). Delegation also explored the possibilities of collaborating with Australian design school. In this context, the delegates met School of Fashion & Textiles, RMIT University towards exploring engagement between NIFT and Australian Fashion Schools. This discussion led to signing of MOU between NIFT and RMIT during Bharat Tex 2024. Mr Rakesh Vaid, VC, ATDC and also part of the delegation explored the possibility of initiating a curriculum on Sustainability adoption amongst Indian garment manufacturers on lines of similar courses run by RMIT.

## DOMESTIC EVENTS

### 1. Bharat Tex 2024



Sh. Narendra Modi, Hon'ble Prime Minister of India inaugurated Bharat Tex 2024, one of the largest-ever global textile events organized in the country at Bharat Mandapam in New Delhi on 26.02.2024. The Prime Minister also took a walkthrough of the exhibition showcased on the occasion. Prime Minister welcomed everyone to Bharat Tex 2024 and said that the occasion is special because the event is taking place in two of the largest exhibition centers in India namely Bharat Mandapam and Yasho Bhoomi.

Sh. Piyush Goyal, Union Minister of Textiles, Consumer Affairs, Food and Public Distribution, and Commerce & Industry said that local supply chains need to be strengthened and greater emphasis is required for 3S - skill, speed and scale, to fulfil the vision of a 'Viksit Bharat'. He noted that robust supply chains will enable India to achieve a production target of \$250 billion along with exports worth \$100 billion by 2030.

The mega event was organised by a consortium of 11 Textile Export Promotion Councils and supported by the Ministry of

Textiles. Built on the twin pillars of trade and investment and with an overarching focus on sustainability, the 4-day event attracted besides policymakers and global CEOs, 3,500 Exhibitors, 3,000 Buyers from 111 Countries and over one lakh trade visitors. An exhibition spread across nearly 2 million sq ft of area and encompassing the entire textile value chain, including an artistically curated story of textiles- Vastra Katha were the highlights of the event.

All major textile organizations and brands from around the world were represented in the event including top level participants from companies including Coach, Tommy Hilfiger, Calvin Klein, Vero Moda, Jack n Jones, Toray, H&M, Target, Kohl's, K-Mart, IKEA, YKK, Lenzing, Anko, CIEL Group, Busana Group, Brandix Apparels, Teijin Ltd among others. All Indian leading players including Reliance, Aditya Birla, Welspun, Trident, Vardhman, Nahar, Indocount, Raymond SRF Industries among various other players were represented at the highest levels. Multilateral Organizations and Global Think Tanks including UNEP, IRENA, Laudes Foundation, GIZ, IDH, Cotton Connect, WGSN, Fashion for Good, Better Cotton Initiative, Responsible Sourcing Network, ITMF, International Apparel Federation, BGMEA, BKMEA, Cotton Egypt Association among others were part of the event. In addition, various Indian and global industry bodies and associations including CMAI, CITI, SIMA, SGCCI, TEA, GEMA, YESS, ITMF, ITME, ATMA, NIFT, among others overwhelmingly supported the event.

Leading textile states including Uttar Pradesh, Maharashtra, Gujarat, Madhya Pradesh, Telangana, Tamil Nadu and Karnataka were enthusiastic participants with dedicated pavilions and government representations. The Chief Minister of Uttar Pradesh, Shri Yogi Adityanath attended the event on the concluding day and visited the theme pavilion and UP State pavilion.

A global scale conference with 70 sessions and 112 international speakers saw engaging discussions on key textile issues of the day including Textile Mega Trends, Sustainability, resilient global supply chains and Manufacturing 4.0. Over 10000 artisans, weavers, design and fashion students, factory workers, NGOs and Producer companies visited and participated.

Bharat Tex also emerged as Launch Pad for various initiatives and Projects such as IndiaTEX, Launch of Textile Grand Innovation Challenge, Announcement of 63 MoUs including with international institutions focusing on collaboration in research, innovation, entrepreneurship, new product development, skilling and sustainability.

## 2. 69<sup>th</sup> India International Garment Fair





Sh. Piyush Goyal, Hon'ble Minister of Commerce & Industry and the then Ministry of Textiles inaugurated the 69<sup>th</sup> edition of India International Garment Fair (IIGF) at IEML Noida, on 26.06.2023. Dr. Mahesh Sharma, Member of Parliament, Gautam Buddh Nagar, Noida, Sh. Naren Goenka, the then Chairman AEPC, Sh. Sudhir Sekhri, Chairman, AEPC, Dr. A Sakthivel, Past Chairman AEPC, Sh. Lalit Thukral, the then Chairman, IGFA along with the large numbers of international buyers and exhibitors were present at the occasion. The Hon'ble Minister said, "Through these fairs we will be able to showcase India's capabilities on the global stage. The textiles exports will grow further and in the time duration of 5-6 years India's textiles export will touch 100 billion USD" and appealed to the RMG exporters to host the World's largest apparel show in India.

### 3) 50<sup>th</sup> India International Knit Fair



The 50<sup>th</sup> edition of (Golden Jubilee) India International Knit Fair for Spring/ Summer collection 2024 was organized by India Knit Fair Association under the umbrella of Apparel Export Promotion Council (Sponsored by Ministry of Textiles, Govt. of India) from 12<sup>th</sup> to 14<sup>th</sup> October, 2023 at IKF Complex, Tirupur. The main theme of

the fair was Active & Sportswear, Environmental Social Governance, Artificial Intelligence (AI) & Digitalization.

The fair was inaugurated by Mr. Peter Mcallister – Executive Director, Ethical Trading Initiative in the presence of Dr. A.Sakthivel, the then President, Federation of Indian Export Organisations (FIEO) & Chairman, India Knit Fair Association (IKFA), Shri. K.M Subramaniam, President, Tirupur Exporters Association (TEA), Shri. V.Elangovan President, Association of Buying Agent for Textile, AEPC & TEAEC Members & Office Bearers, IKFA Committee Members, Managing Committee Members of BSL, NIFTA, BAA, ABAT and Buying Agents, Exhibitors, Trade Members etc.

## HUMAN RESOURCES

### 1. Awareness Session on "Personal Health Tracker"

Under the wellness initiative, a web based mobile application "Visit-Health Benefit" was introduced to all the employees of the Council on 2nd June, 2023. It is an Artificial Intelligence Healthcare Assistant which offers a free access to the employees with inbuilt facilities like consultation with qualified medical doctors, facilities of Diet Management , Calories tracking and Fitness Management (including yoga/dance/workout online Sessions), Water tracker, Mental Wellness, Hospitalization claim tracker and Whatsapp\_bot. It was a familiarization session for the employees to understand the procedure involved in downloading



the application and invoking the stated facilities through their mobile phones.

## 2. International Day of Yoga Celebration



To celebrate the International Yoga day, a one hour yoga session was organized at Apparel House, Gurgaon on 21<sup>st</sup> June, 2023. A Hathe yoga specialist, masters in yoga from World's Yoga Capital, Rishikesh had facilitated the employees to learn many yoga kriyas in order to improve their physical strength, heart and mental condition body balance and flexibility, to get pain relief and to have a better sleep during night. The session was conducted in both offline and online modes where all the employees of the Council including Regional Offices had participated enthusiastically.

## 3. World Nature Conservation Day



On 28<sup>th</sup> July, 2023, in observance of World Nature Conservation Day, trees were planted in the Council offices to spread the word about the need for people to come together to protect the environment also to educate others about the need of using less plastic and other hazardous trash. Web banners and posters were displayed highlighting the messages of save the environment, plant trees and make the planet green – Conserve nature, environment and energy by following the mantra of reduce, recycle and reuse.

## 4. Independence Day Celebrations



To commemorate the 76th anniversary of India's Independence Day, the "Flag Hoisting" was done by the Chairman AEPC on 15<sup>th</sup> August, 2023, coinciding with the National Anthem sung by the gathering. Subsequently a kite flying competition and other fun games were hosted. Employees participated with great energy and excitement, prizes were to the winners. A special Selfie Corner was created in the office for the employees and visitors for clicking their pictures with Tiranga and upload in the social media. Refreshment was served before the gathering's dispersal. All the offices of the Council were illuminated with tricolor lights.

## 5. Ganesh Chaturthi Celebration



Head Office Employees in the Council joined together and celebrated “Ganesh Chaturthi” at Apparel House, Gurgaon on 19<sup>th</sup> September, 2023. To celebrate the event, Ganesh puja was held and Modaks were distributed.

## 6. Awareness Programme on “Protect Online Fraud”

An hour long online awareness program conveying how to protect Online Fraud was conducted on 4<sup>th</sup> October, 2023 by an expert from M/s. Policy bazaar. The session included briefing the gathering on the methods with which one can be conned online (personal/professional), how to check if our data is already compromised, measures to be taken to safeguard while undertaking transactions online, to know about the dark web in cyber security. All employees of the Council found the session informative and useful.

## 7. Navratri Celebration

To seek the blessings of Goddess Durga, on the occasion of Navratri festival, the Council had organized an hour long Garba Dance session on 18<sup>th</sup> October, 2023. A professionally trained dancer made the gathering learnt the garba dance steps



during the session. All the employees had participated with full enthusiasm and passion. Employees had great fun and found the same super excited.

## 8. Swachhata Pakhwada - 2023



The Council had observed Swachhata Pakhwada from 1<sup>st</sup> November to 15<sup>th</sup> November, 2023 and to encourage larger participation circulated a mass mail to all its member exporters urging them to observe Swachhata Pakhwada in their respective units and motivate their employees to improve hygiene conditions at their respective premises. Additionally Council's officials had visited more than 50 units/organizations across various clusters, Pan India and organized the Swachhata Shapath ceremony. Swachhata Pakhwada theme Web Banner highlighting “Say No to single - use plastic and re-cycle your e-Waste”, was developed and displayed in the council's



website during the stated period. Standees and Posters were designed and displayed in all the offices of the Council.

### 9. Diwali Celebrations

The employees in the Council's offices had celebrated Diwali with enthusiasm on 10<sup>th</sup> November, 2023. SG AEPC along with DSG and other senior officials had lit the ceremonial lamp and performed puja to seek blessings of Lord Ganesha and Goddess Lakshmi on the occasion.

### 10. Republic Day Celebrations



The Republic Day was celebrated with complete enthusiasm and high spirit on 26<sup>th</sup> January 2024 in the Council. The national flag was unfurled by the Chairman AEPC simultaneously with the nation anthem sung by the gathering. To honour the day, tricolor balloons representing all the three colours of the Indian national flag, were flown by the Chairman, AEPC and SG. To add the patriotic flavor employees sung the flag waving songs. Office premises of the Council were illuminated with tricolor lights.

### 11. 46th Foundation Day Celebration



AEPC had celebrated its 46th Foundation day on 22<sup>nd</sup> February, 2024. The celebration started with greeting and meeting with the invitees and staff members. Additionally a thanks giving advertisement was published in the Delhi, Mumbai, and Chennai editions of the Economic Times on 22.02.2024. A specially designed web banner was uploaded in the Council's website and standees were displayed in all the offices of the Council on the occasion.

### 12. International Women's Day

A celebration was held at all the AEPC offices on the occasion of the International Women's day on 7<sup>th</sup> March, 2024. The day started with greeting the female employees by circulating a specially designed E-greeting card and presented them a rosebud with a chocolate. Wishes were also circulated through e-mail to all the male colleagues to pass on wishes to all the females in their lives. A Cake

cutting ceremony was held in the offices of the Council. The newly inducted female EC members also had shared their view points on the occasion which were published in the Council's monthly magazine. A gift coupon was also given to all the female employees to make their day more special.

### 13. Holi Celebration

The festival was celebrated on 22<sup>nd</sup> March, 2024 with great reverence and enthusiasm. Special colourful sweets' boxes were presented to the Council's employees to mark the occasion of colours and joy.

### 14. World Environment Day

To celebrate the World Environment Day on 5<sup>th</sup> June, 2024, the office had served tea/coffee to its employees in earthen pots. Afterwards a sapling that had been planted on the earthen pots was then given to them as a takeaway. Web banners and posters were displayed showcasing the theme of the day i.e. "Our Land, Our Future".

### 15. World Blood Donor's Day

The "World Blood Donor Day" was celebrated in the Council on 14<sup>th</sup> June, 2024. To mark the occasion following activities were organized by the Council:-

- ◆ A Web banner highlighting the slogan for the event was designed and uploaded in the Council's website.
- ◆ Posters were developed, printed and displayed in all the offices of the Council.
- ◆ A mass mail was sent in the trade to all the member exporters of the

Council requesting them to celebrate the "World Blood Donor Day" in their respective offices as well on 14.06.2024 and encourage their staff members to take the Blood donation Oath and donate blood.

- ◆ A thanks giving note was written by the son of one of the Council's employee which to get published in the Council's monthly magazine "Apparel India".
- ◆ A Shapath Ceremony was organized by the Council in all its offices on the day.
- ◆ The Council in collaboration of the Lions Club Blood Centre had organized the blood donation camp in the Apparel House, Gurgaon on 14th June, 2024. The AEPC team had also motivated the officials of the surrounding offices and staff members from three adjacent offices had visited the camp and donated their blood after having their hemoglobin and BP checked. Refreshment boxes were given to the donors. The Lion's Club had distributed certificates and a donor's card to each donor.
- ◆ Awareness message was also circulated through the Council's social medial platforms.

## AEPC SKILL ASSESSMENT CELL

The Council had assessed around 1.80 lakh candidates in the last 14 years under the government-run schemes of Skill



Development Initiative (SDI) Scheme of DGE &T for Modular Employable Skill Courses, ISDS (Integrated Skill Development Scheme) of MoT for Non-Modular Employable Skill Courses, PMKVY (Pradhan Mantri Kaushal Vikas Yojna) & Non-PMKVY courses managed by the AMHSSC, Chief Minister's Kaushalya Karnataka Yojana of Karnataka Skill Development Corporation (KSDC), Skill Mission of Karnataka state with Delhi SC/ST/OBC/Minorities/Handicapped Financial & Development Corporation Limited of Delhi Government and B.Voc courses run by the ATDC.

Since recognition from National Council of Vocational Education & Training (NCVET) has become essential to conduct assessments further for the government-run schemes, hence as suggested by the NCVET, the Council has procured recommendation letter from the Ministry of Textile for its empanelment as an Assessment Agency.

After successful completion the four elaborated steps towards obtaining the recognition from NCVET as an Assessment Agency, during the Sub Committee Review which was the last step in the row, it was suggested that the Council should play a much bigger role than the assessment agency in the skilling for the Industry and must apply for the Awarding Body (Dual) along with the ATDC considering its training arm.

♦ **Awarding Body (Dual)**

Awarding Body (AB) means an entity which awards or proposes to award certification to trainees for an NSQF

(National Skill Qualification Framework) aligned and approved qualification either developed or adopted by it as per policy on adoption of Qualifications by ensuring quality training and reliable assessments.

Recognition of an entity as an Awarding Body (Dual Category) by NCVET means that the entity can award, assess and certify the learners where training is directly being imparted by the Awarding Body in campuses or training centres owned or fully managed by it for its approved or adopted qualifications. This means that the entity has been authorized to award certificates to trainees/ learners after successful completion of training and assessment for an approved qualification.

In addition to the above, the entity can also conduct assessments for training conducted in campuses or training centers owned or fully managed by it and award certificates in NSQF aligned and approved qualifications either developed or adopted by the AB.

The entity can also award, assess and certify the learners where training is being imparted through third party (affiliated Training Providers/ Training Centres only) agencies by the Awarding Body for its approved or adopted qualifications. Only Government ABs are eligible under this type of Dual recognition.

The entity can undertake assessments themselves without onboarding third party AAs. However, if felt necessary, they may also onboard third party NCVET recognized AAs subject to adhering to the provisions laid down in the AA/AB Guidelines.

#### ♦ **Application for NCVET recognized Awarding Body (Dual)**

As suggested during the above mentioned NCVET Sub Committee Review, the Council has submitted its EoI (Expression of Interest) for empanelling as Awarding Body (Dual) along with the detailed application form attaching multiple annexures, synopsis of the details shared as subsequently required by NCVET and a detailed presentation capturing current achievements and proposed future plans for Sub Committee Review. NCVET is in the process of scrutinizing the documents and power point presentation submitted and soon will align a Director level and then the Final Sub Committee Review, as a process.

With this recognition the Council may need to empanel many Training and Assessment partners for conducting trainings, assessments and certifications under the various empanelled schemes.

### **APPAREL HOUSE**

The Apparel House, a premiere hub for international trade in apparel and accessories, has Showrooms, Auditorium, Exhibition Hall, Art Gallery, Cafeteria, Plaza Area, Amphitheatre, conference room and Bank/ATM is located at Gurgaon. M/s Friendshiptimes.com has been leased the space for running their restaurant operations. They operate the restaurant under the brand name Punjabi by Nature.

AEPC has undertaken steps towards against the showroom holders who have not vacated the showroom at Apparel

House, Gurugram. There are total 13 showroom holders who have occupied the showrooms as on date. Legal notices duly vetted through Legal Advisor have been issued to all concerned showroom holder. Out of 13 showroom holders, it was decided to file suit against 03 showroom holder i.e. M/s Shree Ram Overseas, M/s Fashions Sphere & M/s Exotica International. The suit has been filed against all three showroom holders at Gurugram District Court. Following the suit, M/s Shree Ram Overseas has vacated their showroom and M/s Fashion Sphere has also agreed to vacate the concerned showroom. No communication could be established with M/s Exotica International.

The Facility Management team and Security at Apparel House are trained on the fire and safety of the building premises on a regular basis. This ensures prompt and ready response in case of any unwanted exigencies and preparedness at all times. All the statutory compliances like Fire NOC, property tax, lift NOC etc. have been duly obtained and complied with authority concerned.

### **SECRETARIAL & MEMBERSHIP**

The new entrant can apply for registration either at the Registered Office of the Council at New Delhi or Head Office and other nodal offices.

During the year 2023-24, 638 new Registered Exporters were enrolled.

The position as on 31<sup>st</sup> March, 2024 is as under:

Type	MER	MCM	MAF	Total
Member Exporters	77	24	907	1008
Registered Exporters	1794	656	4459	6909
			G. Total	7917

MER : Merchant

MCM : Merchant cum Manufacturer

MAF : Manufacturer

The total number of Registered Exporters converted as Member as on date is 2628, since inception. System has been developed whereby intimation is sent to those Registered Exporters who fulfil the eligibility criteria for conversion to Member Exporters.

## NUMBER OF EXECUTIVE COMMITTEE MEETING

During Financial Year 2023-24, 5 Nos. of Executive Committee meetings were held as detailed below:-

Serial No.	Date
1	26.06.2023
2	26.08.2023
3	23.11.2023
4	23.01.2024
5	06.03.2024

## EXTRACT OF ANNUAL RETURN

The extract of Annual Return, in format MGT-9, for the Financial Year 2023-24 is available at the website of the council i.e [www.aepcindia.com](http://www.aepcindia.com).

## SUB-COMMITTEES

The executive Committee of the Council has divided the functions to the following Sub-Committees with the objectives indicated:

### 1. Advisory Committee

The main purpose of this committee will be to discuss, deliberate emergent issues pertaining to Central/State matters concerning the garment export industries. The Committee will advice the Chairman on crucial various matters pertaining to ministries such as Commerce, Finance and Textile etc., and also all legal matters.

### 2. Export Promotion Committee

The committee will monitor and decide on various WTO matters, Foreign Trade Policy matter, deliberation on export targets, monitoring of market intelligence cell, promoting brand India image for Indian Apparel, creating global alliances & networking, vendor connect programs, webinars and export facilitations.

### 3. Fair & Exhibition Committee

The committee will monitor and decide on various international/domestic fairs, delegations, buyer-seller meet, organizing of various seminars in the country, holding of export award function and to organize various events at Apparel House, Gurugram.

### 4. Staff Committee

To monitor, regulate and decide about the service matters of the council's employees.

## 5. Finance & Budget Committee

- ♦ To ensure accounts are maintained properly and audited promptly.
- ♦ To review quarterly financial and budget matters.
- ♦ To create a proper system of checks and balances and to ensure total transparency.
- ♦ To prepare budgetary estimates for approval of the Executive Committee and to monitor it.

## 6. Regional Committees

To liaison with various State Governments and negotiate favourable terms for setting up industry in these regions and to take up matters relating to minimum wage, labour laws etc with concerned State Government.

## 7. CSR Committee

- ♦ To formulate and recommend to the Executive Committee a Corporate Social Responsibility policy which shall indicate the activities to be undertaken by the Council as specified in schedule vii.
- ♦ To recommend the amount of expenditure to be incurred on the activities referred above.
- ♦ To monitor the Corporate Social Responsibility Policy of the Council.

## 8. Apparel House Management Committee

- ♦ The Committee to look after day to day functions, regarding

allotment/re-allotment of showrooms and managing of showrooms at Apparel House, Gurugram.

- ♦ To look after the maintenance and running of the Apparel House, Gurugram and other related matters.

## 9. Empowered Committee

- ♦ To monitor the expenditure where any Government assistance under any scheme is provided to the Council.

## STATE OF COMPANY AFFAIR

### (Financial Review)

- i) The net results show a Deficit of Rs. 5.67 crore as against surplus of Rs.2.15 crore during previous financial year

Particular	Actual 2022-23	Actual 2023-24	Difference Increase/ (Decrease)
			Rs. In Crore
Total Income	39.35	50.09	10.74
Total Expenditure	37.20	55.76	18.56
<b>Net Surplus/ Deficit</b>	<b>2.15</b>	<b>(5.67)</b>	<b>( 7.82)</b>

- ii) The total income of the Council during the current year was Rs.50.09 crore as compared to Rs.39.35 crore during previous financial year, indicating an increase of revenue by Rs.10.74 crore, details are as under:



Source of Income	Actual 2022-23	Actual 2023-24	Difference Increase/ (Decrease)
Rs. In Crore			
Membership Income	4.42	5.01	0.59
Council Fees	0.22	0.44	0.22
Assessment Income	0.19	0.01	(0.18)
Export Promotion Revenue including Grant	14.38	20.34	5.96
Rent	13.42	15.11	1.69
Interest	6.41	8.71	2.30
Others	0.31	0.47	0.16
<b>Total</b>	<b>39.35</b>	<b>50.09</b>	<b>10.74</b>

iii) The total expenditure of the Council during the current year was Rs. 55.76 crore as compared to Rs.37.20 crore during previous financial year, indicating an increase of expenditure by Rs.18.56 crore, details are as under:

Head of Expenditure	Actual 2022-23	Actual 2023-24	Difference Increase/ (Decrease)
Rs. in Crore			
Salaries & Staff Benefits	13.00	14.96	1.96
Meeting Expenses	0.85	0.65	(0.20)
Legal & professional Charges	1.25	1.46	0.21
Export Promotion Expenditure Including R&PA and Contribution to Kasturi Cotton	15.06	24.64	9.58
Assessment Expenditure	0.02	0.01	(0.01)
Depreciation	1.90	1.68	(0.22)
Repairs & Maintenance	1.85	2.14	0.29
Administrative & Office Expenditure	3.27	10.22	6.95
<b>Total</b>	<b>37.20</b>	<b>55.76</b>	<b>18.56</b>

iv) As per the guidance note on revised schedule iii of the Companies Act, 2013, the figures of Balance Sheet, P&L and Notes are rounded off in Rs. in Lakhs.

v) During the year Council has incurred on capital expenditure Rs.0.17 crore against Rs. Rs.0.10 crore spent during previous year.

vi) During the year some of the old balances are proposed for written off, the effect of the same are

incorporated in the accounts.

vii) During the year, based on the decision of the 1st (2024) F&B committee, no salary and other expenditure has been charged to the MOT on the account of BG/EMD cell. Even the direct expenditure on Legal fee, travelling and conveyance etc spend by the Council on BG/EMD Cell has been first charged and then transferred back to its natural heads.

viii) The recoverable amount as on 31.03.2023 amounting to Rs. 7.26 crore has been categorized as "Doubtful Recovery" and simultaneously a write off of 20% (Amounting to Rs. 1.45 crore) has been created in the books as on 31.03.2024. The Balance Recoverable as on 31.03.2024 is shown as Rs. 580.92 lakhs under Doubtful recovery.

ix) During the year, the Govt. has modified the Grant released policy where the maximum grant to be disbursed will be restricted to the amount actually spent by the Council i.e. total expenditure as per UC minus total collections of the event. They have implemented this policy for the grants recoverable for the previous years too, therefore, the recoverable grants of the previous years are also recalculated and adjustment entries have been passed during

the financial year 2023.24.

- x) As discussed during 1st 2024 F&B Committee meeting, based on an observation of the CCA audit, the DISHA grant has been refunded to the MOT during June 2024, however, the payable has been created in 2023-24 books.

## **AMOUNT TRANSFERRED TO RESERVES**

No amount is transferred to any separate reserve

## **RISK MANAGEMENT POLICY**

During the year the Executive Committee overseas that all the risks that the organization faces such as strategic or operational have been identified and there is adequate risk management infrastructure in place capable of addressing those risks. All the Council's properties, plant and machinery are covered under the appropriate insurance policies. Various adequate insurance policies, to cover various risks relating to its employees, are taken by the office. The Council has in place adequate internal financial control and internal auditor has been appointed. Further as per provisions of Companies Act professional agency has been hired to undertake internal financial control assignment also. For securing, the informatics systems that store, process, or transmit organizational information, from the high degree of digital data theft risks, firewall has been installed at all incoming

& outgoing data traffic and well reputed internal antivirus with other security features has also been implemented.

## **SECRETARIAL AUDITOR REPORT**

The Council was not required to appoint Secretarial Auditor as it does not fall within Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014.

## **DECLARATION BY INDEPENDENT DIRECTORS**

The Council was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 hence no declaration has been obtained.

## **COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178.**

The Council was not required to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013.

## MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY.

No material changes and commitments, affecting the financial position of the Company have occurred after the end of the financial year 2023-24 till the date of this report.

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

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under:

### a) Conservation of Energy:

Efforts made for technology absorption	NIL
Benefits derived	NIL.
Expenditure on Research & Development, if any	Nil
Details of technology imported, if any	Nil
Year of import	Nil
Whether imported technology fully absorbed	Nil
Areas where absorption of imported technology has not taken place, if any	NA

### b) Technology Absorption:

Steps taken for conservation	Nil
Steps taken for utilizing alternate sources of energy.	NIL
Capital investment on energy conservation equipments	NIL

### c) Foreign Exchange Earnings/ Outgo:

Earnings	Nil
Outgo	Rs. 21.11 Cr

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year the Council did not enter into any contract / arrangement with related parties which could be considered material in accordance with related party transaction.

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 for the Financial Year 2023-24, in the prescribed format, AOC 2 has been enclosed with the report at Annexure-I.

## CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

The Companies (Amendment) Act, 2017 amended the section 135(1) of the

Companies Act 2013 provides that every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during [the immediately preceding financial year] shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

From the last 3 financial years, the council has not crossed any of the specified limits mentioned under the Act to make CSR contributions. Therefore, for this financial year i.e 2023-24, the council has not made the CSR contribution.

## CHANGE IN NATURE OF BUSINESS

There is no change in nature of business of the council during the year

## DETAILS OF DIRECTOR OR KEY MANAGERIAL PERSONNEL, APPOINTED AND RESIGNED DURING THE YEAR.

S.No	Name	Status
1.	Mr. Sudhir Sekhri	Re-elected as Executive Committee Member
2.	Mr. Lalit Thukral	Re-elected as Executive Committee Member
3.	Mr. Anil Peshawari	Re-elected as Executive Committee Member
4.	Mr. Pravin Agarwal	Re-elected as Executive Committee Member
5.	Mr. Narendra Goenka	Re-elected as Executive Committee Member
6.	Mr. Ravi Poddar	Re-elected as Executive Committee Member
7.	Dr. A Sakthivel	Re-elected as Executive Committee Member
8.	Mr. PPK Parmasivam	Re-elected as Executive Committee Member
9.	Mr. Ajay Agarwal	Re-elected as Executive Committee Member
10.	Mr. Anil Buchasia	Re-elected as Executive Committee Member
11.	Ms. Ravija Nayar Duggal	Elected as Executive Committee Member from reserved category for women entrepreneur
12.	Ms Shinjani Aggarwal	Elected as Executive Committee Member from reserved category for women entrepreneur
13.	Mr. Anant Ahuja	Elected as Executive Committee Member from reserved category for young entrepreneur
14.	Mr. Vijay Jindal	Appointed as Co-opted Member
15.	Mr. Navin Agarwal	Appointed as Co-opted Member
16.	Mr. Siva Ganapathi	Appointed as Co-opted Member
17.	Mr. Ramesh Agarwal	Appointed as Co-opted Member



## **DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES**

Council does not have any its Subsidiary, Joint Venture or Associates Company.

## **DEPOSITS**

During the year council has not accepted any deposit from its members. Therefore there is no unpaid or unclaimed deposit as at the end of the year.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS**

The Council has not received any significant and material orders passed by any Regulators or Court or Tribunal which shall impact the going concern status and the Company's operations in future.

## **INTERNAL FINANCIAL CONTROL**

The Executive Committee of the Council considered material placed before it, and after reviewing the confirmation from external parties and reviewing the effectiveness of the policies and procedures adopted by the Council for ensuring orderly and efficient conduct, including adherence to company's policy, safeguarding its assets, prevention and detection of frauds and errors and completeness of accounting records and timely preparation of financial statements, the Executive Committee has satisfied itself that the Company has laid down

internal financial controls, commensurate with size of the council and that such internal financial controls are broadly adequate and are operating effectively. The certification by the auditors on internal financial control forms part of the audit report.

## **DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013.**

Committee has been constituted to safeguard the interest of women against the Sexual harassment at workplace with following functions.

- i) Provide a safe working environment to the women employees of the Council.
- ii) Provide assistance to the victim to make the complaint in writing.
- iii) Display conspicuously at the workplace, the penal consequences of indulging in acts that may constitute sexual harassment and the composition of the internal complaints committee.
- iv) Organize workshops and awareness programmes at the regular intervals for sensitizing the employees with the provision of the Act and orientation programmes for the members of ICC in the manner as may be prescribed.
- v) To take action for sexual harassment as a misconduct in

accordance with the provisions of the service rules applicable to the respondent and initiate action for misconduct.

- vi) Committee to submit annual report in each calendar year and prepare the cases received, disposed, pending and preventions measures during the year and submit the same to the employer.

During the year three meetings were held and there was no case reported pursuant to the sexual harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

## **D I R E C T O R S R E S P O N S I B I L I T Y S T A T E M E N T**

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your Executive Committee Members confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2024, the applicable accounting standards has been followed along with proper explanation relating to material departures;
- b) the Executive Committee has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2024 and of the

income & expenditure of the Company for that period;

- c) the Executive Committee has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the Executive Committee has prepared the annual accounts on a going concern basis;
- e) the Executive Committee has devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **E X P L A N A T I O N T O A U D I T O R ' S R E M A R K S**

The notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report for the year 2023-2024 does not contain any qualification, reservation or adverse remarks.

## **P A R T I C U L A R S O F L O A N , G U A R A N T E E S A N D I N V E S T M E N T S U N D E R S E C T I O N 1 8 6**

During the F.Y 2023-2024, Council doesn't provide any loan, Guarantee and made

any investment pursuant to section 186 of the Companies Act, 2013.

## **PARTICULARS OF EMPLOYEES**

In terms of the provisions of Section 197 of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits set out in the said rules is annexed herewith as Annexure II to this Report.

## **RETIRING MEMBERS**

In accordance with the provision of the act and Articles of Association of the Council Sh. R.B.Goenka, Sh. Ashok Rajani, Sh. Dilip B. Trivedi, from Western Region, Sh. Virender Uppal, Sh.Harish Ahuja, Sh. Lalit Gulati from Northern Region and Sh. V.Elangovan, Sh. Rajeev S. Goenka, Sh. P. Balasubramanian, from Southern Region are retiring by rotation. The Executive Committee places on record its appreciation for the guidance and valuable services rendered by the outgoing Executive Committee Members.

## **AUDITORS**

M/s. SCV & Co. LLP (Firm Registration No. 000235N/N500089) was appointed as Statutory Auditor of the Council at 39<sup>th</sup> AGM of the Council held on 28.09.2018 to hold the office till the conclusion of 44<sup>th</sup> Annual General Meeting of the Council. The 44<sup>th</sup> AGM of the Council re-appointed them for

the period of 5 years to hold the office until the conclusion of the 49<sup>th</sup> Annual General Meeting to be held in the year 2028.

## **OTHER EMPHASIS MATTER**

1) Public Accounts Committee in its 129<sup>th</sup> report dated 19.12.2018 Para II, Observations & Recommendations have discussed in succeeding paragraphs reported matters on flawed tendering and bidding process and undue post contractual benefits to M/s. TUL, as given below:-

### **Para 2 Quote**

The PAC committee desire that adequate staffing in the Internal Audit Wing may be done urgently to make sure that internal audits are conducted as per the schedule and the terms of reference for Internal Audit of the organizations in the Ministry may be reassessed to ensure that all the transactions above a threshold value are invariably audited. Further, a system of strong internal controls and reporting may be evolved to ensure transparent and fair dealings.

### **Unquote**

### **Para 3 Quote**

The PAC Committee while noting that AEPC has purchased this office out of the Export Promotion Fund and Fashion Design cum Office Building Reserve Fund in 1991, with grant from the Government of India, opine that the Executive Committee of AEPC has miserably failed in enforcing the relevant financial rules and therefore, their role in the same be inquired into and responsibility be fixed.

## **Unquote**

### **Para 4 Quote**

The PAC Committee, therefore, desire that explanation of the Government nominees for their inaction in the whole process may be called for an appropriate action.

## **Unquote**

### **Para 5 Quote**

The PAC Committee desire that the interest on EMD may be deposited in Government Account in a time bound manner. Disheartened to note the lackadaisical approach of both the Ministry of Textiles in monitoring the affairs of AEPC and Ministry of Corporate Affairs for taking more than two years in submitting an interim report, the Committee desire that a robust mechanism for speedy detection and timely processing of cases of apparent irregularities be developed by the Ministries/ Departments of Government of India so that such cases are finalized at the earliest.

## **Unquote**

### **Para 6 Quote**

The PAC Committee desire to be apprised whether responsibility has been fixed against officials responsible for the lapses in discharging fiduciary duties and appropriate action taken against the officials. The Committee, noting that an interlocutory application is pending with the NCLT with regard to the management and functioning of AEPC, desire to be apprised of the arrangements made by the Ministry to oversee the functioning of

AEPC before the decision on the matter is taken by the NCLT. The Committee also desire that the details of the outcome of the matter in NCLT may be intimated to the Committee as and when it is taken.

## **Unquote**

### **Para 7 Quote**

The PAC Committee take strong exception to the callous approach in responding to their queries and contradictory replies sent by the Ministry which has seriously hampered the examination of the subject by them. The Committee desire that the Secretary may look into the matter and take appropriate action against those responsible for such replies. Further, the committee desired to be apprised of the correct position within one month of the presentation of the Report to the House.

## **Unquote**

Based on PAC's report & CCA's recommendation, the MoT has written letter no.8/1/2016-EP (Pt-I) dated 31<sup>st</sup> October 2018 and reminder letter no. 8/1/2016-EP dated 14<sup>th</sup> January 2019, directed AEPC to deposit entire interest amount of Rs. 214.44 crore and Rs. 17.42 crore being the amount of revenue loss in the Consolidated Fund of India (CFI).

With the approval of QAA & SG- AEPC/ Chairman- AEPC, Council represented and has replied to the matter clarifying that, the interest on EMD is not payable because there is no provision of interest in Govt. Quota Policy and also there is no loss in letting out the premises as the fixation of rent was approved by the



competent authority i.e. Executive Committee. The lease property is a property of the council and GFR rules are not applicable in the tendering process of leasing the property. The Council has adhered the laid down provision procedures duly approved by the EC of the Council and requested MoT to withdraw the letter. Chairman, AEPC vide letter no. A E P C : H O : C H R M : P A C ( 2 0 1 8 - 1 9 ) : 2 0 1 9 / 2 9 0 dated July, 22, 2019 addressed to Secretary (Textiles) informed that AEPC has not given any undue benefit to M/s Teesta Urja Ltd (TUL), but reduction in rent was due to the direction of PS to MoT conveyed vide note dated 28/01/2009.

Further, Chairman, AEPC vide letter no. AEPC:HO:CHRM:SINGLEA/C:2019/289 dated July 22, 2019 addressed to Secretary (Textiles) has sought information through CCA the basis under which the component of interest has been excluded from the income of AEPC and the basis on which a recovery of Rs. 214.44 crores has been demanded from AEPC by MoT vide letter dated 31.10.2018. It has also been requested by AEPC through office of CCA requested to know, whether report of the Single Account of AEPC conducted for the period 01.04.1978 to 31.03.2017 (conducted between 09.07.2018 to 20.07.2018 at AEPC) was on audit.

Ministry of Textiles vide communication no. 8/1/2016-EP (Pt.1) dated 14<sup>th</sup> October, 2019 has forwarded a communication no. IAW/TEX/AEPC/10(54)/2017-18/733 dated 26/28.08.2019 of Principal Accounts Office, Ministry of Commerce & Textiles,

Internal Audit Wing, New Delhi regarding deposit of interest of Rs. 214.44 crores in the Consolidated Fund of India. In the above, referred communication of Principal Account Office dated 26/28.08.2019, the following is indicated:-

#### **Quote**

On the direction of then Secretary MOT, vide OM No.8/1/216-EP dated 05.07.2018 reconciliation of single account maintained in AEPC, was carried out on the basis of Audited Annual Accounts. The reconciliation was done to segregate council's income and Government money which was maintained in a single Account and to assess the source of funding of Bhikaji Cama Place. The reconciliation report on single account of AEPC for the period 1.04.78 to 31.3.17 conducted during 09.07.2018 to 20.07.2018 at AEPC, Gurgaon, submitted vide letter no. IAW/TEX/AEPC/10(54)/2017-18/195 dated 31.07.2018 was not an audit report.

“As regards the basis under which the component of interest has been excluded from the income of AEPC, it is to state:

- l) It was directed by then Secretary, in his chamber, in the presence of Secretary General and Director Finance, AEPC that the component of Income generated by AEPC from its own resources may be separated from the gross income, to calculate, how much Government money it was holding every year. Therefore the components of income mentioned in the MOA of AEPC were segregated from other income of AEPC.

- ii) From the file noting made available by AEPC, it has been understood that unclaimed EMD amounting to Rs. 48 Crore was not allowed to be retained in AEPC after CAG observation and has to be deposited into Govt. A/c in the year 2017. Wherefrom, it was gathered that EMD was Government money. Once it is established that EMD was Government money, the interest earned on the Govt. money also become refundable to Government. Therefore the component of interest was excluded from the income of AEPC.
- iii) Further, since there has been a continual deficit between income and expenditure of AEPC, it has been understood that the whole interest earned by AEPC was on EMD.

The above observations were communicated to MOT in the reconciliation report and since MOT has formulated quota policy, the decision of recovery of interest earned during 48 years i.e. Rs. 214 crore by MOT must have been taken in view of the quota policy.

This issues with the approval of Chief Controller of Account.

### **Unquote**

The Council has also filed a Writ Petition at Delhi High Court, where the Court on 24<sup>th</sup> May, 2019 & 19<sup>th</sup> August, 2019 stayed the matter. The matter is sub-judice.

The office of Sr. Audit Officer, CAG Audit party vide communication dated

26.09.2019 asked the vetting remarks on AEPC Para 17.1 of report no.11 of 2016, verification of ATN. The Council has replied and provided the requisite documents/information vide communication dated 01.10.2019.

2) Inspection of Books of Accounts was carried out by MCA u/s. 206 (5) of Companies Act, 2013 on the recommendation of Ministry of Textiles for appointment of a Govt. administrator through their letter dated 12.07.2016 to MCA. The MCA has issued interim report dated 11/07/2018 and 20/11/2018 to AEPC. The Observation raised by MCA are replied by the Council through letter dated 23/07/2018 and 30/11/2018 respectively.

MCA has submitted its final Report dated 07/12/2018 at NCLT in the matter of Affordable Export Vs AEPC & Ors. where beside the general queries as raised by CAG/CCA, they have also pointed out certain non-compliance in terms of Section 447/448/129 of companies Act, 2013. Apart from it the MCA has filed a complaint u/s 447-447 for contravention u/s 447-448 of the Companies Act,2013 in the court of LD. ASJ (SPL Court), Dwarka Courts, Delhi on 14 signatories of the Annual Accounts w.e.f. 2004-05 to 2016-17 and auditors (except signatories who were Govt. servant) and summon them individually. The respondents in the matter have filed application U/s 482 of CrPC before the Hon'ble High Court Delhi praying for quashing of said complaint, where the Hon'ble Court has exempted the respondents for personal appearance

before the Dwarka Special Court till further orders. The matter is Sub-judice.

Registrar of Companies had filed the two cases during 2021-22 with cause title RoC Vs A. Sakthivel & Ors and RoC Vs Virender Uppal & Ors at the Hon'ble Court of LD, ACMM (Spl. Act) Central Tiz Hazari, Delhi for contravention under section 128 of the Companies Act, 2013 and for contravention under section 129 of the Companies Act, 2013 respectively, the cases are represented by all signatories of the Annual Accounts w.e.f. 2004-05 to 2016-17 (except signatories who were Government Officer/Nominees). Applications u/s 482 of CRPC is filed before the Delhi High Court by the respondents, for quashing the complaint cases proceedings in the Tis Hazari Court and the proceedings are pending.

Further, Registrar of Companies have filed one case during 2022-23 with cause title RoC Vs AEPC and Ors at Dwarka Court, Delhi for contravention under section 134 of the Companies Act, 2013, the cases are being represented. Applications u/s 482 of CRPC is filed before the Delhi High Court, for quashing the complaint cases proceedings in the Dwarka Court and the proceeding is pending.

Executive Committee in its 257<sup>th</sup> meeting held on 10/06/2019 has recorded that Joint Secretary level Government officers were appointed by Government of India as DG/QAA, who were also Government Nominee. On their recommendations, the government used to announce quota opening. DG/QAA were the authority up to 31/12/2004 to compute the quota,

allocate, certify and monitor the quota matters and also raise a claim on non-performance as per Garment Export Entitlement Policy (Refer para 2 (i) of the GEEP 1/128/99 Exports-I dated 12.11.1999. DG/QAA were the authority to reject the applications for quota allotment / revalidation and ordered return of EMDs. Such applications and EMDs were in Non-EMD space for which no further action was required since no quota's were computed / allocated or certified. For EMD space allocation and certification of quota is necessary.

DG/QAA took into account only those EMDs, where applications were accepted and computed and allotted quota / or revalidated and certified the quantity for exports etc. These EMD only came in EMD space. DG/QAA raised claim of forfeiture as per speaking order, which were to be supported by BG/FDR/DD/Block BG/LUT/PDC Para 12(i), ii(a), ii(c), (vi), (x), (xi), Garment Export Entitlement Policy. The amount of forfeiture (emphasis supplied) was only due to be remitted to PDA/CFI as per amount shown in the speaking order. There is no concept of Principle amount of EMD in GEEP. The amount due for release or to be forfeited is the amount in the Speaking Order. The GEEP has no provision of interest. If the Speaking Order is for the forfeiture is Rs.1,00,000/- and in subsequent appellate authorities it is reduced to RS.50,000/-, the BG shall be encashed for Rs.50,000/- or exporter shall pay Rs.50,000/- by DD and BG of full amount will be released. No question of interest. Similarly same applies to

FDRs/DD/PDC/LUT as the case may be. Rs.50,000/- goes to Government. However, if EMD was originally in form of DD with AEPC, QAA remitted Rs.50,000/- to PDA/CFA and interest remained in AEPC books of account, which DG, QAA & Government Nominee invested in bank for earning interest for AEPC. All DG's, QAA, Government Nominee accordingly approved the Annual Report with Income & expenditure statements, Balance Sheet and Notes, showing interest earned as AEPC income, before these were presented before Executive Committee to give its final approval. Similar practice of keeping of books of account, treatment of interest income as AEPC income was continued up to 2018-19.

Chairman also informed about the factual position of Rs. 48.62 Cr shown in the balance sheet as on 31.03.2016 and has been elaborated as follow in Note 21 of the Annual Report of 2015-16.

“Note No.21:- EMD Liability: The Council being a Quota Implementation Agency collected Earnest Money Deposit (EMD) from the Indian Exporters against Quota allotment. The Quota system was abolished in 2004 and since 2005 the Council is acting a custodian for such EMD's and being dealt under Quota Residual Matters being headed by a Quota Administering Authority (QAA) appointed by the Ministry of Textiles as per Garment Exporter Entitlement Policy (2004).

As on 31.03.2015, an amount of Rs. 48,62,40,580/- was shown as Earnest Money Deposits (EMD) which included exporter's

deposits in the form of drafts, fixed deposits, interest earned on fixed deposits encashment, Stale Cheques of returned EMD etc. The Union Government of India, through Ministry of Textiles has issued the Gazette Notification S.O. No. 8/3/2015-EP dated 2nd November, 2015. Based on the Gazette Notification, the QAA passed an order No. AEPC/HO/QRM/2016/362 dated 24/02/2016 for forfeiture to AEPC instead of specific exporter of the aforesaid EMD of Rs. 48,42,80,968/- along with the entire interest earned/accrued on it since the date of submission of these EMDs with Council till the date of payment of the amount, in favor of the Government to be deposited in the Consolidated Fund of India (CFI). Up to 31.03.2016 the QAA has released an amount of Rs. 8,00,362/- for which a m e n d m e n t t o o r d e r n o . AEPC/HO/QRM/2016/362 dated 24.02.2016 has not been issued by QAA.

The Council has also deposited Rs.48,62,44,629/- during the year 2016-17 and has represented the matter to the Ministry. The interest payable on the aforesaid amount on forfeiture has been provided as abundant precaution from the date of forfeiture. Considering the past practice and the legal opinion, no further outflow is expected.”

The amount of Rs 48.62 Cr is in-fact has been in the books of accounts prior to the period 31.03.2004. A statement of the factual position for the period 1995-96 to 2003-04 showing the amount as liability is given below.



Statement Showing the position of Rs. 485788675.66 in the liability side (Other Current Liabilities) bench marked in the Annual Accounts 2013-14 & same information in the year 1995-96 to 2022-23, with details of

Financial Year	Earnest Money Deposit-Quota/Earnest Money Deposit (As per Annual Report)	EMD-FDR/EMD Forfeiture-FDR (As per Annual Report)	Interest on EMD-FDR Encashment (Clubbed under Other Liabilities till 2010-11 therefore extracted from "Tally" Accounting Software)	EMD-Stale/Returned Cheques etc (Clubbed under Other Liabilities till 2010-11 therefore extracted from "Tally" Accounting Software)	Total EMD Liabilities (2+3+4+5)	Schedule No. /Note No. in the respective Annual Report of AEPC for reference)
1	2	3	4	5	6	7
1995-96	420526339.21	409548122.10	39348273.13	5792088.10	875214822.54	Schedule 4 Current Liabilities & Provisions
1996-97	386251957.10	420033953.76	37562192.51	6576686.60	850424789.97	Schedule 5 Current Liabilities & Provisions
1997-98	367430278.42	375977114.49	36128675.16	6633761.48	786169829.55	Schedule 5 Current Liabilities & Provisions
1998-99	363648410.43	330221049.04	36213027.46	13008582.33	743091069.26	Schedule 4 Current Liabilities & Provisions
1999-00	396207333.30	306793834.80	57348471.97	15265439.28	775615079.35	Schedule 4 Current Liabilities & Provisions
2000-01	385723803.35	565959381.37	64653635.08	23241961.22	1039578781.02	Schedule 4 Current Liabilities & Provisions
2001-02	407749449.30	757945481.23	62500812.07	21319840.69	1249515583.29	Schedule 4 Current Liabilities & Provisions
2002-03	439165869.84	785539218.83	69892677.94	24370985.74	1318968752.35	Schedule 4 Current Liabilities & Provisions
2003-04	426160632.25	735436995.00	69919104.19	23783956.99	1255300688.43	Schedule 4 Current Liabilities & Provisions
2004-05	472313139.70	666672933.30	72252261.43	29512818.70	1240751153.13	Schedule 4 Current Liabilities & Provisions
2005-06	395538761.00	222050376.59	72347627.18	31236065.02	721172829.79	Schedule 4 Current Liabilities & Provisions

2006-07	369534178.4 9	114295560.5 9	71497269.03	34158882.7 7	589485890. 88	Schedule 4 Current Liabilities & Provisions
2007-08	360404158.0 0	66261281.00	70569640.00	43618434.0 0	540853513. 00	Schedule 4 Current Liabilities & Provisions
2008-09	361865146.0 0	51944429.97	70784996.01	39433318.4 1	524027890. 39	Schedule 5 Current Liabilities & Provisions
2009-10	357560837.0 0	43699440.97	70540812.40	39065342.1 4	510866432. 51	Schedule 6 Current Liabilities & Provisions
2010-11	363386669.9 7	15349880.00	73746327.91	39564123.3 5	492047001. 23	Note-6 Other Current Liabilities
2011-12	490346338.6 2	All the EMD liabilities are Merged and shown under Earnest Money Deposit.			490346338. 62	Note-6 Other Current Liabilities
2012-13	486968914.9 0				486968914. 90	Note-6 Other Current Liabilities
<b>2013-14</b>	<b>485788675.6 6</b>				<b>485788675. 66</b>	Note-6 Other Current Liabilities
2014-15	486240579.6 8				486240579. 68	Note-6 Other Current Liabilities
2015-16	485422944.5 0				485422944. 50	Note-6 Other Current Liabilities
2016-17	2024043.00				2024043.00	Note-6 Other Current Liabilities
2017-18	2024043.00				2024043.00	Note-6 Other Current Liabilities
2018-19	2100364.00				2100364.00	Note-6 Other Current Liabilities
2019-20	2100364.00				2100364.00	Note-6 Other Current Liabilities
2020-21	2100364.00				2100364.00	Note-6 Other Current Liabilities
2021-22	2100364.00				2100364.00	Note-7 Other Current Liabilities
2022-23	2100364.00				2100364.00	Note-7 Other Current Liabilities

Note:

1. The Schedule VI (Revised) of Companies Act 1956, introduced during financial year 2011-12 and accordingly the liability has been regrouped and shown in the Column no.6.

2. Since financial year 2011-12 & up to 2022-23, the position has been shown as

one data for re-grouped EMD liabilities in column number 2 & 6.

3. From the year prior to financial year 2011-12, the EMD liabilities which were shown under different heads of current liability of the respective annual accounts, have been grouped to show cause as combined figure comparable to the position shown in 2011-12 onwards.

4. From the above statement it is visible that, the EMD liability were a running account, the balance were reduced due to releases to the exporters, forfeiture of EMD amount as per Garment Exporter Entitlement Policy (GEEP) and deposit to the Govt. The releases were made in the form of release of FDR submitted by the exporters and Cheques issued as changed from the EMD accounts on the specific approval of QAA, the enhancement of balance are due to encashment of EMD FDR held with the Council.

5. The QAA, was appointed for residual Quota entitlement Policy w.e.f. 01.01.2005. The QAA's were Sh. R. Subrahmanyam, IAS w.e.f. 20.07.2005, Sh. AN Sharan w.,e.f. 03.01.2006, Sh. Vimal Kirti Singh w.e.f. 28.05.2008, Mrs. Madhavi Das w.e.f. 11.08.2011, Sh. Puneet Kumar w.e.f. 06.12.2013, Sh. Ram Singh w.e.f. 02.06.2016, Mrs. Jaya Dubey w.e.f.04.05.2018 and Mr. Balram Kumar w.e.f 11.03.2019. During the period where there was no QAA appointed by the Ministry, the Quota residuary matters were dealt with the approval of JS (Exports), MoT. Directly.

(Since Tally is available from this period only). Manual data is available even for the period prior to 1994-95 on this account). This may further be seen that the annual reports were approved by Director General, AEPC / Quota Administering Authority, a Government Nominee, who themselves on one hand kept the amount under liability side and on the other hand, invested AEPC money in banks for earning interest for AEPC. DG / QAA kept a very good separate record of EMD / BG amount forfeited in complete compliance of Quota Policy and accordingly remitted the forfeited amounts along-with interest earned on forfeited amount to AO-Ministry of Textiles for onward submission to PDA/CFI.

In the period prior to FY 1994-95, Director General – AEPC were JS level Govt. nominees viz Shri I J S Khurana, IAS (1986, 1987), Shri P R Kaushik, IAS (1988-89), Shri J N Chaubey, IAS (1989-90), Smt. Neerja Rajkumar, IAS (1990-91, 1991-92, 1992-93), Shri H V Lalringa, IAS (1993-94). Further, for the FY 2013-14, the then QAA & SG, AEPC vide Note Sheet dated 26.08.2014 approved signing of the balance sheet, income and expenditure account along-with notes to the financial

S.No	FY	Annual Report approved by DG/QAA & Govt. Nominee
1	1994-95	Shri H V Lalringa, IAS
2	1995-96	Shri H V Lalringa, IAS
3	1996-97	Shri H V Lalringa, IAS
4	1997-98	Shri H V Lalringa, IAS
5	1998-99	Shri Rajiv Takru, IAS
6	1999-2000	Shri Rajiv Takru, IAS
7	2000-01	Shri Rajiv Takru, IAS
8	2001-02	Shri Sudhir Bhargava, IAS
9	2002-03	Shri S B Mathur, IAS
10	2003-04	Shri S B Mathur, IAS

statement by Addl. Secretary General, AEPC. In view of above annual reports right from the beginning, the Council has portrayed a correct statement having material particular with regard to maintenance of the books of accounts from time to time.

The Accounting Standard 1 prescribed by Institute of Chartered Accountant has been adopted by the Companies Act 1956 as well as of 2013. The AEPC's books of account have been maintained as per Accounting Standard 1 right from beginning till 2020-21 since there are no changes. Therefore, the annual reports, notes, financial statements, balance sheets and income & expenditure statements have prepared in complete compliance to Accounting Standard 1 of Institute of Chartered Account which has been approved by the Companies Act 1956. The interest earned by the Council as invested by the DG, QA & Government Nominee were correctly shown as the income of AEPC by the previous DG/QAA as per the details given above and were maintained in the subsequent period up to the period 2020-21 clearly demonstrating the income so arrived in the books of account and particularly Rs.214.44 Cr. belongs to AEPC and has been correctly shown in the annual reports for the respective years. As per the reconciliation of AEPC account by CCA, the expenditure shown is much in excess of Rs.214.44 Cr. Further, Principal Accounts Office, Ministry of Commerce & Textiles, Internal Audit Wing, New Delhi has also confirmed vide communication

dated 26-28.09.2019 that reconciliation report on single account of AEPC for the period 1.04.78 to 31.3.17 conducted during 09.07.2018 to 20.07.2018 at AEPC, Gurgaon, submitted vide letter no. IAW/TEX/AEPC/10(54)/2017-18/195 dated 31.07.2018 was not an audit report. Therefore, the letters written by AEPC to Secretary (Textiles) under copy of CCA that the demand letter of Rs.214.44 Cr. and Rs.17.42 Cr. may be withdrawn is a correct stand, the matter under which is sub-judice.

3) Indian Audit and Accounts Department (IAAD) of Comptroller and Auditor General of India (CAG) has conducted audit u/s 14 of the DPC Act 1971 for the years 2003-04 to 2011-12 and then subsequently for 2012-13. Further, the office of the Chief Controller of Accounts (CCA), Ministry of Textiles (MoT) also carried out an internal audit for the year 2003-04 to 2014-15 special emphasis on the Government Grants. The IAAD and CCA as a routine procedure issued audit memos as per GFR with regards to non/partially compliances of certain guidelines, tendering process and other observations, which have been responded by the Council forthwith.

CAG has concluded its finding on pointing out procedural lapse in tendering and for non-following of the GFR in reducing the rent of one of its premises in the earlier years, resulted in to a notational financial loss of Rs. 17.42 crore. The matter was referred to the Public Accounts Committee (PAC), the PAC in its 129th report dated 19.12.2018 has reported flawed tendering



and bidding process and undue post contractual benefits to a private party. PAC have also recommended, that the interest on EMD may be deposited in Government Accounts in time bound manner. Based on PAC's report & CCA's recommendation, the MoT has written letter no.8/1/2016-EP (Pt-I) dated 31 October 2018 and reminder letter no. 8/1/2016-EP dated 14 January 2019 directing AEPC to deposit entire interest amount of Rs. 214.44 crore and Rs. 17.42 crore being the amount of revenue loss in the Consolidated Fund of India (CFI).

The Council represented and has replied to the matter clarifying that, the interest of Rs. 214.44 crore is entire bank interest earned by the Council since inception till March 2016 from all the funds with the Council and not only from EMD, the Council have further clarified that interest on EMD is not payable to the Government as per GEE Policy. The Council also represented and has replied that there is no loss in letting out the premises as the fixation of rent was approved by the competent authority. AEPC filed writ before the Hon'ble Court at Delhi, challenging the legality and validity of the demand raised by the Ministry of Textiles for Rs 214.44 crores and Rs. 17.42 crores through letter dated 31.10.2018 and 14.01.2019, and prayed to issue a writ of Mandamus and/or appropriate directions in the nature of writ thereby quashing/setting aside the Impugned letters dated 31.10.2018 and 14.01.2019 issued by the Ministry of Textiles, where the Court on 24<sup>th</sup> May, 2019 & 19.08.2019

has issued notice to show cause as to why the petition be not admitted and stayed the recovery till next date of hearing. Hon'ble High Court of Delhi vide order dated 19.08.2019 has further stayed the demand raised by Ministry of Textiles, till next date of hearing.

Council has also filed the writ petition before the Hon'ble Delhi High Court, regarding the applicability of the CAG Audit upon AEPC and to set aside the findings/observations/directions of PAC based upon the CAG report. The matter is under Sub-judice.

4) Ministry of Textiles vide its letter no. 8/4/2015-EP dated 09<sup>th</sup> October 2015, read with letter No. 13/04/2015-EP dated 25<sup>th</sup> August 2015, communicated to the Council to deposit in the Consolidated Fund of India rent proceeds of Rs. 62,56,00,000/- for the period from the year 2006-2007 till 31.03.2015 earned from certain rented premises of Council. The Council represented and has replied to the matter clarifying that renting of premises is a bonafide activity of the Council and further, rent of Rs. 43,19,00,000 was earned from premises acquired with no Government Grant, and rent of Rs.19,37,00,000 was from bonafide activities as per its objects and Articles of Association and in line with original terms of usage of the premises.

5) A Member has filed a petition against the Council with Hon'ble National Company Law Tribunal u/s 397, 398, 402, 403 & 406 of Companies Act 1956 for oppression and mis-management.

The entire allegation made by the petitioner, is based upon the CAG audit report. The Council has strongly opposed the matter and represented the case before the Hon'ble National Company Law Tribunal. The matter is under Sub-judice.

Ministry of Corporate affairs has also filed an application under Section 242(2)(k), 246 read with 339 of the Companies Act 2013 before the Hon'ble National Company Law Tribunal in the above referred matter, that the Executive Committee of AEPC be suspended, in terms of provisions of Section 242(2)(k) and 15 (fifteen) persons be appointed as directors, to manage the affairs of the AEPC and such directors may report to Hon'ble Tribunal on such matters as it may direct.

The Council is strongly opposed the above stand taken by the MCA and has already submitted the reply against the MCA application giving the brief facts and correspondences. The matter is under Sub-judice.

6) Annexure to the financial statements i.e notes on accounts, are also part of the Executive Committee's report and may also be referred.

## **ACKNOWLEDGEMENT**

The Executive Committee of AEPC express their sincere gratitude for the cooperation, assistance and support extended to the Apparel Industry by Shri Narendra Modi, Hon'ble Prime Minister, Shri Giriraj Singh, Hon'ble Minister of

Textiles, Shri Piyush Goyal, Hon'ble Minister of Commerce & Industry, Smt. Nirmala Sitharaman, Hon'ble Minister of Finance, Shri Pabitra Margherita, Hon'ble Minister of State in the Ministry of Textiles, Shri Jitin Prasada, Hon'ble Minister of State in the Ministry of Commerce & Industry, Shri Shaktikanta Das, Reserve Bank of India Governor, Shri Sunil Barthwal, Secretary of Ministry of Commerce & Industry and Secretary of Ministry of Textiles Smt. Rachna Shah.

The Executive Committee also expresses its gratitude to Shri Rohit Kansal, Additional Secretary of Ministry of Textiles, Smt. Shubhra, Trade Advisor, Ministry of Textiles, Smt. Roop Rashi, Textile Commissioner, Shri Asit Gopal, AS&FA, Ministry of Textiles, Shri Ajay Gupta, Joint Secretary, Ministry of Textiles, Shri Rajeev Saxena, Ministry of Textiles, Smt. Prajakta L Verma, Joint Secretary, Ministry of Textiles and other senior officials of the Government, who extended their continuous support in the furtherance of Apparel exports from India.

The Committee also thanked and expressed its deep appreciation for the assistance, cooperation and support extended by Ministry of Commerce & Industry, Textiles Commissioner, DGFT, NITI Aayog, Textiles Committee, Central Board of Indirect Taxes and Customs, Directorate General of Analytics & Risk Management and other officers of the Government of India for promotion of export of readymade garments to various countries.

The Executive Committee appreciated and thanked Shri Sudhir Sekhri, Chairman-AEPC, for his total commitment and unstinted hard work & efforts made towards the cause of the Apparel Export Industry.

The Committee appreciated the work and support extended by Shri R.Ramu, Vice Chairman and members of the Sub Committees & their Chairmen i.e. Shri Narendra Goenka, Chairman, Advisory Sub-committee, Shri Premal H.Udani, Chairman, Export Promotion Sub-Committee, Shri H.K.L Magu, Chairman, Finance & Budget Sub-committee, Shri Sudhir Sekhri, Chairman, Staff Sub Committee, Shri Lalit Thukral, Incharge (Regional Committee, Northern Region), Shri Ashok Rajani, Incharge (Regional Committee, Western Region) Shri Anil Buchasia, Incharge (Regional Committee, Eastern Region), Dr.A.Sakthivel, Incharge (Regional Committee, Southern Region), Shri Rakesh Vaid, Chairman, Apparel House Management Sub-committee and Shri

Sudhir Sekhri, Chairman Empowered Sub-Committee.

The Executive Committee is deeply appreciative of the enthusiasm, initiative, hard work and dedicated efforts of all the officers and staff of the Council under the guidance of Shri Mithileshwar Thakur, Secretary General of the Council, without which the achievement of goals would not have been possible.

The Executive Committee of the Council also thanked the members who have continued to repose their faith and trust in the management of the Council. The continued support, guidance and co-operation given by the trade in various fields have helped in meeting the goals set forth for the Apparel Industry.

For and on behalf of Executive Committee

(SUDHIR SEKHRI)  
Chairman, AEPC  
DIN: 00109894

Place: Mumbai  
Date: 02.09.2024

## Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies(Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

## 1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	NIL
2.	Nature of contracts/arrangements/transaction	NIL
3.	Duration of the contracts/arrangements/transaction	NIL
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
5.	Justification for entering into such contracts or	NIL
6.	Date of approval by the Board	NIL
7.	Amount paid as advances, if any	NIL
8.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

## 2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	NIL
2.	Nature of contracts/arrangements/transaction	NIL
3.	Duration of the contracts/arrangements/transaction	NIL
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
5.	Date of approval by the Board	NIL
6.	Amount paid as advances, if any	NIL

Date :02.09.2024

Place: Mumbai

By Order of Executive Committee  
For Apparel Export Promotion Council

(SUDHIR SEKHRI)  
Chairman  
DIN: 00109894



## STATEMENT OF PARTICULARS OF EMPLOYEES FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

(Pursuant to the provisions of section 197 (12) of the Companies Act, 2013 read with rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016)

S.No	Particulars	Mr. Ranjan Dasgupta	Mr. Mithileshwar Thakur	Mr. Rajinder Kumar Bhat	Mr. Kundan Srivastava	Dr. Tamanna Chaturvedi	Mr. Soundararajan Harikrishnan	Mr. Sanjay Kumar Dudeja	Mr. Jagdish Singh Rana	Mr. Praveen Kukreja	Mr. C Eswarasundar
1	Name of the employee	Mr. Ranjan Dasgupta	Mr. Mithileshwar Thakur	Mr. Rajinder Kumar Bhat	Mr. Kundan Srivastava	Dr. Tamanna Chaturvedi	Mr. Soundararajan Harikrishnan	Mr. Sanjay Kumar Dudeja	Mr. Jagdish Singh Rana	Mr. Praveen Kukreja	Mr. C Eswarasundar
2	Designation of the employee	Director	Secretary General	Joint Director	Sr. Director	DSG	Director	Addl. Director	Addl. Director (O)	Joint Director	Addl. Director (O)
3	Remuneration received (Rs.)	49,04,627	45,00,000	41,76,166	32,62,420	30,96,367	30,48,475	27,69,950	27,51,154	26,70,535	23,29,817
4	Nature of employment, whether contractual or otherwise	Regular employee	Contractual employee	Regular employee	Contractual employee	Contractual employee	Regular employee	Regular employee	Regular employee	Regular employee	Regular employee
5	Qualifications and experience of the employee	B.Sc., PGDBM, AICWA, LLB / 38 years	B.Tech. / 38 years	B.A., DCA, ADSE, MBA / 37 years	B.Com, FCA, LLB / 20 years	MSc. In Ag. Eco., PHD - WTO / 25 years	B.Sc./ 31 years	B.A., NTC Steno (Eng), MBA-HR / 36 years	B.A. / 37 years	B.A. / 38 years	M.Com. / 35 years
6	Date of commencement of employment	04.09.1995	20.02.2023	20.01.1994	20.02.2007	11.08.2021	24.01.1994	21.02.1992	25.10.1993	06.10.1993	01.10.1990
7	The age of such employee (as on 31.03.2024)	60 years	61 years	60 years	49 years	49 year	53 years	55 years	60 years	57 years	57 years
8.	Date of birth	18.10.1963	02.09.1962	01.01.1964	08.07.1974	12.08.1975	03.06.1971	20.04.1969	09.04.1964	17.08.1966	01.06.1966

9	The last employment held by such employee before joining the company	Mining and Allied Machinery Corporation Ltd., Durgapur, WB	1989 batch of Civil Services (India Trade Service) and last assignment was as Additional Director General in the Department of Commerce, Ministry of commerce and Industry, Government of India	MAS Service Pvt. Ltd., New Delhi	M/s. Elite Stock Management Ltd., Delhi	Indian Institute of Foreign Trade (IIFT)	M/s. Sita World Travel (India) Pvt. Ltd., New Delhi	M/s. Frontier Tech Pvt. Ltd., Gurgaon	M/s. Haryana Breweries Ltd., New Delhi	Shri Mool Chand Kharaiti Ram Hospital & Ayurvedic Research Institute, New Delhi	Indo Dynamics (P) Ltd., New Delhi
10	The percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above and	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
11	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	-	-	-	-	-	-	-	-	-	-
12	Remarks (Retired / Relieved on)	31.10.2023 (Retired)	-	31.12.2023 (Retired)	-	-	-	-	-	-	-

## **APPAREL EXPORT PROMOTION COUNCIL**

### **Independent Auditor's Report**

**on the Financial Statements for the financial year ended March 31, 2024**

**TO THE MEMBERS OF**

**APPAREL EXPORT PROMOTION COUNCIL**

**Report on the Audit of the Financial Statements**

### **Opinion**

1. We have audited the accompanying financial statements of **Apparel Export Promotion Council** ("the Council/ Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Income and Expenditure and the Cash Flow Statement for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting standards prescribed under section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standard) Rules, 2021, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Council as at March 31, 2024, and its Deficit and its cash flows for the year ended on that date.

### **Basis for Opinion**

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

### **Material uncertainty related to going concern.**

4. We draw attention to Note 23.1 (b) to the accompanying financial statements, which states that the Council has filed writ before Hon'ble Delhi High Court to challenge legality and validity of demands raised by Ministry of Textiles ("MoT"). The note further elaborates on challenging by the Council, the applicability of CAG Audit and other developments during the period under audit. As stated in the said note, such demands against the Council that may, if successful, result in Council's liabilities significantly exceeding its assets. As the matter is under judicial consideration, the Council believes no adjustment is presently required and the financial statements have been prepared ongoing concern basis.

Our opinion is not modified in respect of this matter.

### **Emphasis of matter**

5. We draw attention to
- a. Note 23.1 (a) to the accompanying financial statements, regarding letter received by the Council from the MoT, to deposit the rent proceeds of Rs. 6,256 lakhs of certain rented premises of the Council and the management's assessment of the pending outcome.
  - b. Note 23.1 (b) to the accompanying financial statements, stating details of letters received by the Council from the MoT to deposit interest amount as earned by the Council on Earnest Money Deposits from Exporters amounting to Rs. 21,444 lakhs and Rs. 1,742 lakhs being the amount of revenue loss, in the Consolidated Fund of India (CFI). As explained in the stated Note, the Council has filed writ before the Hon'ble Delhi High Court challenging the validity of the demands raised by the MoT. The note further elaborates on challenging the applicability of CAG Audit and other developments during the period under audit. The matter is presently under judicial consideration.

Our opinion is not modified in respect of these matters.

### **Information other than the Financial Statements and Auditor's Report Thereon**

6. The Council's Executive Committee / Management is responsible for the other information. The other information comprises the information included in the Executive Committee's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in



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

## **Responsibilities of Management and Those charged with Governance for the Financial Statements**

7. The Council's Executive Committee / Management is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Council in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standard) Rules, 2021, as amended 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 of the assets of the Council 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the financial statements, Council's Executive Committee/Management is responsible for assessing the Council'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 Council or to cease operations, or has no realistic alternative but to do so.
9. Those charged with governance are also responsible for overseeing the Council's financial reporting process.

## **Auditor's responsibility for the Audit of the Financial Statements**

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

11. 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143 (3) (i) of the Act, we are also responsible for expressing our opinion on whether the Council has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council'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 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 Council to cease to continue as a going concern.
  - ◆ Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. Materiality is the magnitude of misstatements in the 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.
13. 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.

14. 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**

15. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, is not applicable in terms of clause 1(2) (iii) of the Order; as the Council is a company registered under section 25 of Companies Act, 1956 and now existing under section 8 of the Companies Act, 2013, limited by guarantee.
16. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Council so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Income and Expenditure and the Cash Flow Statement dealt with by this Report are in agreement with the 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 and Companies (Accounting Standard) Rules, 2021, as amended.
  - (e) The matters described in 'Material uncertainty related to going concern' paragraph and 'Emphasis of Matter' paragraph above, if those are finally decided against the Council, in our opinion, may have adverse effect on the functioning of the Council.
  - (f) On the basis of the written representations received from the members of the Council's Executive Committee (i.e. directors) as on March 31, 2024 taken on record by the Council's Executive Committee, none of the member / directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Council and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".
  - (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, issued by the Central Government of India in terms of clause (j) of sub-section(3) of section of 143

of Company Act,2013 as amended in our opinion and to the best of our information and according to the explanations given to us, we report that:

- I) The Council has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 23 to 25 the accompanying financial statements.
- ii) The Council did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Council.
- iv)
  - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Council to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Council (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Council from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Council shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The Council is limited by guarantee and does not have any share capital. Accordingly reporting under Rule 11(f), related to proposing / declaring / payment of dividend, is not applicable to the Council.
- vi) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility in respect of the application and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did



not come across any instance of the audit trail feature being tampered with. However, for super user level access, any unauthorised changes to database by super users specifically, does not carry feature of real time audit trail.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023 reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

17. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the provisions of section 197 read with schedule V to the Companies Act, 2013 are not applicable to the Council.

Place: Mumbai

Date: September 2, 2024

**For SCV & Co. LLP**  
**Chartered Accountants**  
**Firm Regn. No. 000235N/N500089**  
**(ANUJ DHINGRA)**  
**Partner**  
**Membership No. 512535**  
**ICAI UDIN No.24512535BKCXFV2939**

## **Annexure-A to Independent Auditors' Report**

Referred to in Paragraph 16(g) of the Independent Auditors' Report of even date to the members of **Apparel Export Promotion Council** on the Financial Statements for the year ended March 31, 2024.

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **Apparel Export Promotion Council** (“the Council”), as of March 31, 2024 in conjunction with our audit of the financial statements of the Council for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Council's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Council 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. 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 Council'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 Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Council'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 Institute of Chartered Accountants of India 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and

maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

A Council's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Council'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 Council; (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 Council are being made only in accordance with authorizations of management and directors of the Council; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Council'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 Council 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, 2024, based on the internal control over financial reporting criteria established by the Council 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.

Place: Mumbai

Date: September 2, 2024

**For SCV & Co. LLP**  
**Chartered Accountants**  
**Firm Regn. No. 000235N/N500089**  
**(ANUJ DHINGRA)**  
**Partner**  
**Membership No. 512535**  
**ICAI UDIN No.24512535BKCXFV2939**





**APPAREL EXPORT PROMOTION COUNCIL**  
(Limited By Guarantee)  
Balance Sheet as at March 31, 2024

*Amount (Rupees In Lakhs)*

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b><u>EQUITY AND LIABILITIES :</u></b>			
<b>Member' Funds</b>			
Reserves and surplus	2	15,408.75	16,014.49
Sub-Total		<u>15,408.75</u>	<u>16,014.49</u>
<b>Non-current liabilities</b>			
Other Long term liabilities	3	339.57	381.75
Long-term provisions	4	377.60	360.31
Sub-Total		<u>717.17</u>	<u>742.06</u>
<b>Current liabilities</b>			
Short Term borrowings	5	-	-
Trade payables	6		
a) Total Outstanding dues of micro enterprises and small enterprises, and		6.24	1.84
b) Total Outstanding dues of creditors other than micro enterprises and small enterprises		185.58	156.20
Other current liabilities	7	2,247.66	2,127.23
Short-term provisions	8	1,441.47	1,411.53
Sub-Total		<u>3,880.95</u>	<u>3,696.80</u>
<b>Total</b>		<u>20,006.87</u>	<u>20,453.35</u>
<b><u>ASSETS :</u></b>			
<b>Non-current assets</b>			
Property, Plan and Equipment & Intangible Assets	9		
Property, Plan and Equipment	9(A)	4,473.43	4,680.40
Intangible assets	9(B)	10.33	2.67
Long-term loans and advances	10	1,510.04	1,258.20
Other non-current assets	11	298.28	1,820.78
Sub-Total		<u>6,292.08</u>	<u>7,762.05</u>
<b>Current assets</b>			
Trade receivables	12	328.81	222.22
Cash and Cash Equivalents	13	531.35	455.02
Other Bank Balances	13A	10,111.69	8,783.71
Short-term loans and advances	14	1,294.00	1,355.46
Other current assets	15	1,448.94	1,874.89
Sub-Total		<u>13,714.79</u>	<u>12,691.30</u>
<b>Total</b>		<u>20,006.87</u>	<u>20,453.35</u>

Significant accounting policy and notes -1, 23 to 41

The accompanying notes are an integral part of the financial statements

As per our report of even date

For SCV & Co LLP  
Chartered Accountants  
FRN 000235N/N500089

For and on behalf of the Executive Committeee

Sudhir Sekhri  
Chairman  
DIN : 00109894

Hari Kishanlal Magu  
Chairman (F&B)  
DIN : 00705563

Ramu Raju  
Vice-Chairman  
DIN : 03294193

Anuj Dhingra  
Partner  
Membership no : 512535

Mithileshwar Thakur  
Secretary General

Sumit Gupta  
Secretary

Kundan Srivastava  
Sr. Director -Finance

Place : Mumbai  
Dated : 02-Sep-2024

**APPAREL EXPORT PROMOTION COUNCIL**  
(Limited By Guarantee)  
Statement of Income and Expenditure for the year ended March 31, 2024

Particulars	Note No.	Amount (Rupees In Lakhs)	
		Year ended March 31, 2024	Year ended March 31, 2023
<b><u>INCOME :</u></b>			
Income from operations	16	2,538.74	1,895.63
Other income	17	2,470.21	2,039.38
<b>Total Income</b>		<b>5,008.95</b>	<b>3,935.01</b>
<b><u>EXPENSES :</u></b>			
Employee benefits expense	18	1,495.83	1,299.85
Finance costs	19	4.60	4.04
Depreciation and amortization expense	20	168.27	190.28
Other expenses	21	3,906.92	2,225.61
<b>Total Expenses</b>		<b>5,575.62</b>	<b>3,719.78</b>
<b>Surplus before tax</b>		<b>(566.67)</b>	<b>215.23</b>
<b>Tax expense</b>			
Current year		-	-
Earlier Years		-	1,275.00
<b>Total tax expenses</b>		<b>-</b>	<b>1,275.00</b>
<b>Surplus/(Deficit) for the year</b>		<b>(566.67)</b>	<b>(1,059.77)</b>

Significant accounting policy and notes -1, 23 to 41  
The accompanying notes are an integral part of the financial statements

As per our report of even date

For SCV & Co LLP  
Chartered Accountants  
FRN 000235N/N500089

For and on behalf of the Executive Committee

Sudhir Sekhri  
Chairman  
DIN : 00109894

Hari Kishanlal Magu  
Chairman (F&B)  
DIN : 00705563

Ramu Raju  
Vice-Chairman  
DIN : 03294193

Anuj Dhingra  
Partner  
Membership no : 512535

Mithileshwar Thakur  
Secretary General

Sumit Gupta  
Secretary

Kundan Srivastava  
Sr. Director -Finance

Place : Mumbai  
Dated : 02-Sep-2024



**APPAREL EXPORT PROMOTION COUNCIL**  
(Limited By Guarantee)  
Cash Flow Statement for the year ended March 31, 2024

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
<b>A. Cash Flow From Operating Activities :</b>			
Net Surplus for the year Before Tax		(566.67)	215.24
<u>Adjustment For :</u>			
Depreciation/ Amortisation		168.27	190.28
(Profit)/Loss On Sale of Property, Plant & Equipments		(9.89)	(0.03)
Sundry Credit Balance Written Back		(1.56)	(5.60)
Provision no Longer Required Written Back		(4.77)	(13.86)
Provision for Doubtful Debts / Advances (Net)		-	-
Interest Income		(870.82)	(640.70)
Interest Expenses		1.23	2.22
Operating Income Before Working Capital Changes		(1,284.21)	(252.46)
<u>Changes in Working Capital:</u>			
(Increase)/Decrease In Trade Receivables		(106.59)	8.24
(Increase)/Decrease In Loans & Advances and Other Assets		702.92	(583.09)
Increase/(Decrease) In Trade Payables and other Liabilities		165.59	1,333.80
Cash Generated From Operations		(522.30)	506.49
Income Tax Paid (Net Of Income Tax Refund)		(251.84)	(1,175.87)
<b>Net Cash From Operating Activities ( A )</b>		<b>(774.14)</b>	<b>(669.38)</b>
<b>B. Cash Flows From Investing Activities</b>			
Purchase of Fixed Assets (Property, Plant and Equipments, including Intangibles & CWIP)		(15.17)	(9.72)
Proceeds From Sale of Property, Plant and Equipments, including Intangibles & CWIP		10.72	0.09
Interest Received		667.81	560.87
Maturity/(Investment) Of Bank Deposits		182.02	255.29
<b>Net Cash (Used) / Raised From Investing Activities ( B )</b>		<b>845.37</b>	<b>806.53</b>
<b>C. Cash Flow From Financing Activities</b>			
Entrance Fee Received		6.32	5.32
Short Term Borrowing		-	-
Interest Expenses		(1.23)	(2.22)
<b>Net Cash Used In Financing Activities ( C )</b>		<b>5.09</b>	<b>3.10</b>
<b>Net Increase In Cash &amp; Cash Equivalents (A+B+C)</b>		<b>76.33</b>	<b>140.24</b>
Cash & Cash Equivalents As At 31.03.2023 (Refer Note 13 for components of Cash & Cash Equivalents)		455.02	314.78
Cash & Cash Equivalents As At 31.03.2024 (Refer Note 13 for components of Cash & Cash Equivalents)		531.35	455.02

**NOTES TO THE CASH FLOW STATEMENT :**

- 1 The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard 3 "Cash Flow Statement"
- 2 Figures in brackets indicate cash outflow and without brackets indicate cash inflow.

Significant accounting policy and notes -1, 23 to 41

The accompanying notes are an integral part of the financial statements

As per our report of even date

For SCV & Co LLP  
Chartered Accountants  
FRN 000235N/N500089

For and on behalf of the Executive Committee

Anuj Dhingra  
Partner  
Membership no : 512535

Sudhir Sekhri  
Chairman  
DIN : 00109894

Hari Kishanlal Magu  
Chairman (F&B)  
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Vice-Chairman  
DIN : 03294193

Mithileshwar Thakur  
Secretary General

Sumit Gupta  
Secretary

Kundan Srivastava  
Sr. Director -Finance

Place : Mumbai  
Dated : 02-Sep-2024

**APPAREL EXPORT PROMOTION COUNCIL**  
(Limited By Guarantee)  
Notes to financial statements for the year ended March 31, 2024

Particulars	<i>Amount (Rupees In Lakhs)</i>	
	As at March 31, 2024	As at March 31, 2023
<b><u>Note 2: Reserves &amp; Surplus</u></b>		
<b>Capital Contribution Reserve</b>		
[Amount represents Grant received from "Cotton Textiles Export Promotion Council", as corpus at the time of incorporation of the Council]		
Balance at the beginning and at the end of the year	42.00	42.00
<b>Building Reserve *</b>		
Balance at the beginning and at the end of the year	3,297.00	3,297.00
<b>Building Repairs Replacement Reserve</b>		
Balance at the beginning and at the end of the year	500.00	500.00
<b>Capital Asset Reserve - Government Grant</b>		
<b>a) Non Depreciable Assets</b>		
Balance at the beginning and at the end of the year	1,295.94	1,295.94
<b>b) Depreciable Assets</b>		
Balance as per the last financial statements	677.32	726.54
Less: Transferred/ Adjusted during the year	-	-
Less: Depreciation provided during the year	45.39	49.23
<b>Sub-Total - Balance at the end of the year</b>	<b>631.93</b>	<b>677.32</b>
<b>Members' Entrance Fees Reserve</b>		
Balance as per the last financial statements	750.78	745.46
Add: Received during the year	6.32	5.32
<b>Sub-Total - Balance at the end of the year</b>	<b>757.10</b>	<b>750.78</b>
<b>Capital Assets Fund/Accumulation U/s 11(2)</b>		
Balance as per the last financial statements	-	175.00
Add: Transferred from I&E statement during the year	-	-
Less: Utilised and Transferred to Surplus in Income & Expenditure	-	175.00
<b>Sub-Total - Balance at the end of the year</b>	<b>-</b>	<b>-</b>
<b>Surplus in the statement of Income &amp; Expenditure</b>		
Balance as per the last financial statements	9,451.45	10,336.23
Add: Surplus/ (Deficit) for the year	(566.67)	(1,059.77)
Add: Transferred from Capital Assets Fund	-	175.00
Less: Transferred to Capital Assets Fund	-	-
Net Surplus in the statement of Income & Expenditure	<b>8,884.78</b>	<b>9,451.45</b>
<b>Total reserves and surplus</b>	<b>15,408.75</b>	<b>16,014.49</b>

\*The Council is registered under section 12AA of the Income Tax Act, 1961. To meet the regulatory compliance of section 12A, the amount represented by 'Building Reserve' represents the application of the surplus of funds for the objective of the Council.





APPAREL EXPORT PROMOTION COUNCIL  
(Limited By Guarantee)

Notes to financial statements for the year ended March 31, 2024

Particulars	Amount (Rupees In Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b><u>Note 3: Other Long term liabilities</u></b>		
Security deposit -Office Premises	282.24	327.24
Security deposit-Other	-	-
OTS Premium payable	2.16	2.16
Advance Received for Subscription	55.17	52.35
<b>Total</b>	<b>339.57</b>	<b>381.75</b>
<b><u>Note 4: Long-term provisions</u></b>		
<b><u>Provision for employee benefits</u></b>		
Medical Leave Encashment	60.52	60.67
Earned Leave Encashment	300.82	299.64
Gratuity	16.26	-
<b>Total</b>	<b>377.60</b>	<b>360.31</b>
<b><u>Note 5: Short-term borrowings</u></b>		
Cash Credit/Other Loan Payable on demand from bank (Secured)*	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

\*Cash Credit /Other Loan payable on demand from bank are secured by creating a lien on Fixed Deposit with Bank

**APPAREL EXPORT PROMOTION COUNCIL**  
(Limited By Guarantee)  
Notes to financial statements for the year ended March 31, 2024

Particulars	As at March 31, 2024					As at March 31, 2023					
	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years

**Note 6. Trade payable**

Particulars	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	6.24	-	-	-	6.24	-	1.84	-	-	-	1.84
(ii) Others	-	149.63	9.90	0.50	25.55	185.58	-	129.26	0.67	0.30	25.97	156.19
(iii) Disputed Dues-MSME	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Disputed Dues-Other	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	155.87	9.90	0.50	25.55	191.82	-	131.10	0.67	0.30	25.97	158.04

**Information in terms of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

Details of dues to Micro and Small Enterprises as per MSMED Act, 2006	31st March, 2024	31st March, 2023
The principal amount due thereon remaining unpaid to any supplier as at the end of each accounting year.	6.24	1.84
The interest amount due but not paid.	-	-
The amount of interest paid by the buyer in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payments made to the supplier beyond the appointment day	-	-
The amount of interest due and payable for the period of delay in making payment ( which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprises Development Act, 2006	-	-

The list of undertaking covered under "Micro Small & Medium Enterprises Development Act, 2006" was determined by council on the basis of information received by the council.



**APPAREL EXPORT PROMOTION COUNCIL**  
(Limited By Guarantee)

Notes to financial statements for the year ended March 31, 2024

*Amount (Rupees In Lakhs)*

Particulars	As at March 31, 2024	As at March 31, 2023
<b><u>Note 7: Other current liabilities</u></b>		
<b><u>Statutory Liabilities:</u></b>		
- TDS Payable	17.89	19.31
- GST Payable	36.15	48.31
- PF Payable	16.48	16.07
- ESI Payable	0.01	0.01
- Other Tax Payable	0.27	0.01
Unutilised Grant received from Government (Refer Note 27)	22.09	56.24
MDA Fund for Exporter - Unutilised (Refer Note 28)	82.50	82.50
EMD PDC Forfeited-Dishonoured (Refer Note 24(b))	1,175.81	1,178.33
Penalties & EMD Forfeited (Refer Note 26)	102.53	101.48
Earnest Money Deposits	21.00	21.00
Security deposits	28.68	59.19
Security deposit -Office Premises	68.04	18.70
AEPC- Showroom Security Deposit Refundable	157.06	187.10
Advance Received for Subscription	113.03	116.15
Advance Received for Council Charges	19.94	16.32
Due to Executive Committee members	6.28	5.37
Employee related payables	12.32	2.76
Other payables*	367.58	198.38
<b>Total</b>	<b>2,247.66</b>	<b>2,127.23</b>

\*Other payable includes for Interest on EMD etc.

**Note 8: Short-term provisions**

**Provision for employee benefits**

Medical Leave Encashment	5.17	3.82
Earned Leave Encashment	23.79	23.59
Gratuity	52.51	24.12
<b>Provision for Tax</b>		
Provision for Income Tax	1,275.00	1,275.00
<b>Other Provisions</b>		
Provision for contingencies	85.00	85.00

<b>Total</b>	<b>1,441.47</b>	<b>1,411.53</b>
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**APPAREL EXPORT PROMOTION COUNCIL**  
(Limited By Guarantee)

Notes to financial statements for the year ended March 31, 2024

Amount (Rupees In Lakhs)

Note 9: Property, Plant and Equipments

Note 9(A). TANGIBLE ASSETS

9(A)-1: Fixed Assets Purchased out of owned Funds

Particulars	Land#	Buildings* (Office Premises)	Plant & Machinery	Office Equipments	Electric Fitting	Furniture & Fixture	Vehicle	Computers	Books	Total
<b>Original Cost-Gross Block</b>										
At 1st April 2022	647.50	5,932.16	715.93	393.62	333.03	455.74	99.98	189.55	20.42	8,787.94
Additions (2022-23)	-	-	-	3.76	-	-	-	5.96	-	9.73
Disposal / Adjustment	-	-	-	0.47	-	-	-	-	-	0.46
At 31st March 2023	647.50	5,932.16	715.93	396.91	333.03	455.74	99.98	195.51	20.42	8,797.18
Additions (2023-24)	-	-	-	3.89	-	-	-	1.48	-	5.37
Disposal/ Adjustment	-	-	-	6.25	0.11	0.12	15.20	2.50	-	24.17
At 31st March 2024	647.50	5,932.16	715.93	394.55	332.92	455.62	84.78	194.49	20.42	8,778.37
<b>Depreciation</b>										
At 1st April 2022	-	3,772.47	677.29	379.10	329.17	447.27	90.42	186.20	20.22	5,902.14
Charge for the year 2022-23	-	159.87	10.14	6.94	0.34	3.16	4.16	3.70	-	188.31
Deduction/ Adjustments	-	-	-	0.43	-	-	-	-	-	0.43
At 31st March 2023	-	3,932.34	687.43	385.61	329.51	450.43	94.58	189.90	20.22	6,090.02
Charge for the year 2023-24	-	147.87	7.30	5.53	0.20	0.36	1.94	2.93	-	166.13
Deduction/ Adjustments	-	-	-	6.19	0.10	0.12	14.46	2.48	-	23.35
At 31st March 2024	-	4,080.21	694.73	384.95	329.61	450.67	82.06	190.35	20.22	6,232.80
<b>Net Block</b>										
At 31st March 2023	647.50	1,999.82	28.50	11.30	3.52	5.31	5.40	5.61	0.20	2,707.16
At 31st March 2024	647.50	1,851.95	21.20	9.60	3.31	4.95	2.72	4.14	0.20	2,545.57

\* Includes part of the building given on operating lease whose cost and depreciation for the year & WDV at the end of the year is not segregated.

# Includes leasehold land of Rs.1,12,40,778/-



**APPAREL EXPORT PROMOTION COUNCIL**  
(Limited By Guarantee)  
Notes to financial statements for the year ended March 31, 2024

*Amount (Rupees In Lakhs)*

**Note 9: Property, Plant and Equipments**

**Note 9(A). TANGIBLE ASSETS (Cont.)**

**9(A)-II : Fixed Assets Purchased Against Grant Received from Government**

Particulars	Land	Buildings* (Office Premises)	Plant & Machinery	Office Equipments	Electric Fitting	Furniture & Fixture	Vehicle	Computers	Books	Total
<b>( a ) ASSETS GIVEN ON LEASE</b>										
<b><u>Original Cost-Gross Block</u></b>										
At 1st April 2022	-	365.89	-	-	-	-	-	-	-	365.88
Additions (2022-23)	-	-	-	-	-	-	-	-	-	-
Disposal / Adjustment	-	-	-	-	-	-	-	-	-	-
At 31st March 2023	-	365.89	-	-	-	-	-	-	-	365.88
Additions (2023-24)	-	-	-	-	-	-	-	-	-	-
Disposal/ Adjustment	-	-	-	-	-	-	-	-	-	-
At 31st March 2024	-	365.89	-	-	-	-	-	-	-	365.89
<b><u>Depreciation</u></b>										
At 1st April 2022	-	314.50	-	-	-	-	-	-	-	314.50
Charge for the year 2022-23	-	3.36	-	-	-	-	-	-	-	3.36
Deduction/ Adjustments	-	-	-	-	-	-	-	-	-	-
At 31st March 2023	-	317.86	-	-	-	-	-	-	-	317.86
Charge for the year 2023-24	-	3.14	-	-	-	-	-	-	-	3.14
Deduction/ Adjustments	-	-	-	-	-	-	-	-	-	-
At 31st March 2024	-	321.00	-	-	-	-	-	-	-	321.00
<b><u>Net Block</u></b>										
At 31st March 2023	-	48.03	-	-	-	-	-	-	-	48.03
At 31st March 2024	-	44.89	-	-	-	-	-	-	-	44.89

**APPAREL EXPORT PROMOTION COUNCIL**  
(Limited By Guarantee)

Notes to financial statements for the year ended March 31, 2024

Amount (Rupees In Lakhs)

**Note 9: Property, Plant and Equipments**

**Note 9(A): TANGIBLE ASSETS (Cont..)**

**9(A)-II : Fixed Assets Purchased Against Grant Received from Government (Cont..)**

Particulars	Land	Buildings* (Office Premises)	Plant & Machinery	Office Equipments	Electric Fitting	Furniture & Fixture	Vehicle	Computers	Books	Total
<b>Original Cost-Gross Block</b>										
At 1st April 2022	1,295.93	2,660.52	825.24	473.30	746.17	306.12	-	640.13	-	6,947.41
Additions (2022-23)	-	-	-	-	-	-	-	-	-	-
Disposal / Adjustment	-	-	-	-	-	-	-	-	-	-
At 31st March 2023	1,295.93	2,660.52	825.24	473.30	746.17	306.12	-	640.13	-	6,947.41
Additions (2023-24)	-	-	-	-	-	-	-	-	-	-
Disposal/ Adjustment	-	-	-	-	-	-	-	-	-	-
At 31st March 2024	1,295.93	2,660.52	825.24	473.30	746.17	306.12	-	640.13	-	6,947.41
<b>Depreciation</b>										
At 1st April 2022	-	2,013.57	812.61	468.57	738.71	303.06	-	639.81	-	4,976.33
Charge for the year 2022-23	-	44.33	1.54	-	-	-	-	-	-	45.87
Deduction / Adjustments	-	-	-	-	-	-	-	-	-	-
At 31st March 2023	-	2,057.89	814.15	468.57	738.71	303.06	-	639.81	-	5,022.20
Charge for the year 2023-24	-	41.29	0.96	-	-	-	-	-	-	42.25
Deduction / Adjustments	-	-	-	-	-	-	-	-	-	-
At 31st March 2024	-	2,099.18	815.11	468.57	738.71	303.06	-	639.81	-	5,064.44
<b>Net Block</b>										
At 31st March 2023	1,295.93	602.62	11.09	4.73	7.46	3.06	-	0.32	-	1,925.00
At 31st March 2024	1,295.93	561.34	10.13	4.73	7.46	3.06	-	0.32	-	1,882.97
<b>Grand Total- Depreciation</b>										
Year ending March 31, 2023	-	6,308.09	1,501.58	854.18	1,068.22	753.49	94.58	829.72	20.22	11,430.09
Year ending March 31, 2024	-	6,500.39	1,509.84	853.52	1,068.32	753.73	82.06	830.16	20.22	11,618.24
* Includes part of the building given on operating lease whose cost and depreciation for the year & WDV at the end of the year is not segregated.										
<b>Grand Total- Net Block</b>										
At 31st March 2023	1,943.43	2,650.48	39.59	16.03	10.98	8.37	5.40	5.92	0.20	4,680.40
At 31st March 2024	1,943.43	2,458.18	31.33	14.33	10.77	8.01	2.72	4.46	0.20	4,473.43



**APPAREL EXPORT PROMOTION COUNCIL**  
**(Limited By Guarantee)**  
**Notes to financial statements for the year ended March 31, 2024**

*Amount (Rupees In Lakhs)*

**Note 9(B). INTANGIBLE ASSETS**

Particulars	Computer Software	Total
<b><u>Original Cost-Gross Block</u></b>		
At 1st April 2022	47.31	47.31
Additions (2022-23)	-	-
Disposal / Adjustment		-
At 31st March 2023	47.31	<b>47.31</b>
Additions (2023-24)	9.80	<b>9.80</b>
Disposal/ Adjustment		-
At 31st March 2024	57.11	<b>57.11</b>
<b><u>Amortisation</u></b>		
At 1st April 2022	42.67	40.65
Charge for the year 2022-23	1.97	2.03
Deduction/ Adjustments	-	-
At 31st March 2023	44.64	<b>44.64</b>
Charge for the year 2023-24	2.14	<b>2.14</b>
Deduction/ Adjustments	-	-
At 31st March 2024	46.78	<b>46.78</b>
<b><u>Net Block</u></b>		
At 31st March 2023	2.67	<b>2.67</b>
At 31st March 2024	10.33	<b>10.33</b>

APPAREL EXPORT PROMOTION COUNCIL  
(Limited By Guarantee)  
Notes to financial statements for the year ended March 31, 2024

*Amount (Rupees In Lakhs)*

Particulars	As at March 31, 2024	As at March 31, 2023
<b><u>Note 10 : Long-term loans and advances</u></b>		
<b>(Unsecured, Considered good unless otherwise specified)</b>		
<b>Other loans and advances</b>		
Advance income tax	1,510.04	1,258.20
<b>Total</b>	<b>1,510.04</b>	<b>1,258.20</b>
<b><u>Note 11 Other non-current assets</u></b>		
<b>(Unsecured, Considered good unless otherwise specified)</b>		
Security Deposits	34.07	34.08
Other Bank Balances - Fixed Deposit(Refer Note 13A)	-	1,510.00
Deposit with LIC	264.21	276.70
<b>Total</b>	<b>298.28</b>	<b>1,820.78</b>

**APPAREL EXPORT PROMOTION COUNCIL**  
(Limited By Guarantee)

Notes to financial statements for the year ended March 31, 2024

Particulars	As at						Amount (Rupees In Lakhs)							
	March 31, 2024			March 31, 2023										
Particulars	Not Due	Less than 6 Months	6 Months-1Years	1-2 Years	2-3 Years	More than 3 Years	Total	Not Due	Less than 6 Months	6 Months-1Years	1-2 Years	2-3 Years	More than 3 Years	Total
<b>Note 12. Trade receivables</b>														
<b>(Unsecured, Considered good unless otherwise specified)</b>														
(i) Undisputed Trade receivables-Considered Good	-	186.24	114.80	23.53	0.42	3.82	328.81	-	122.99	65.48	28.75	-	5.00	222.22
(ii) Undisputed Trade Receivables-Considered Doubtful	-	-	-	-	-	0.31	0.31	-	-	-	-	-	-	0.31
Less: Provision for Doubtful Receivables	-	-	-	-	-	(0.31)	(0.31)	-	-	-	-	-	-	(0.31)
(iii) Disputed Trade Receivables-Considered Good	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables-Considered Doubtful	-	-	-	-	-	6.00	6.00	-	-	-	-	-	-	6.00
Less: Provision for Doubtful Receivables	-	-	-	-	-	(6.00)	(6.00)	-	-	-	-	-	-	(6.00)
<b>Total</b>	-	<b>186.24</b>	<b>114.80</b>	<b>23.53</b>	<b>0.42</b>	<b>3.82</b>	<b>328.81</b>	-	<b>122.99</b>	<b>65.48</b>	<b>28.75</b>	-	<b>5.00</b>	<b>222.22</b>

**\*Receivables Outstanding include**

Dues from Company in which the company's Executive committee members are office bearers ( Refer Note 38(c))

142.97

141.80



**APPAREL EXPORT PROMOTION COUNCIL**  
(Limited By Guarantee)  
Notes to financial statements for the year ended March 31, 2024

*Amount (Rupees In Lakhs)*

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b><u>Note 13: Cash and cash equivalents</u></b>			
Cash in Hand		-	-
Balances with banks:			
a) Current Accounts		-	-
b) Saving Accounts			
(i) General		266.36	354.59
(ii) Export Promotion Fund		33.48	30.70
(iii) Other Savings*		230.91	69.35
c) Deposits with original maturity of less than three months		0.60	0.38
<b>Total</b>		<b>531.35</b>	<b>455.02</b>

**Note 13A: Other bank balances**

**On Council's Deposits**

Balances with banks:

Deposits with original maturity of more than three months and less than twelve months, maturing within one year from the balance sheet date		-	-
Deposits with original maturity of more than twelve months, maturing within one year from the balance sheet date		10,111.69	8,783.71
Deposits with original maturity of more than twelve months, maturing beyond one year from the balance sheet date		-	1,510.00
		<u>10,111.69</u>	<u>10,293.71</u>
Less:			
Amount Disclosed as Non-current Asset (as per Note 11)		-	(1,510.00)
<b>Total</b>		<b>10,111.69</b>	<b>8,783.71</b>

\* Others saving includes MAI ,RDLWF account ,earmarked specifically for usage as per government directions.



**APPAREL EXPORT PROMOTION COUNCIL**  
(Limited By Guarantee)  
Notes to financial statements for the year ended March 31, 2024

*Amount (Rupees In Lakhs)*

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Note 14 : Short-term loans and advances</b>		
<b>(Unsecured, Considered good unless otherwise specified)</b>		
Loans and advances to related parties	-	-
<b>Other loans and advances</b>		
Advance recoverable in cash or kind	29.73	110.78
Prepaid expenses	64.76	53.68
Balance with GST authorities	23.70	12.67
EMD PDC Recoverable (Refer Note 24(b))	-	-
a) Considered Good	-	-
b) Considered Doubtful	1,175.81	1,178.33
<b>Total</b>	<b>1,293.99</b>	<b>1,355.46</b>

**Note 15 Other current assets**

**(Unsecured, Considered good unless otherwise specified)**

Receivable from DGE&T - Ministry of Labour	114.72	114.88
Receivable from AEPC Gratuity Trust	29.86	-
Interest accrued on bank fixed deposits	620.58	417.57
Deposit with LIC	28.96	27.41
	1145.12	1,223.48
	580.92	
Other Recievable*	90.62	91.55
<b>Total</b>	<b>1,448.94</b>	<b>1,874.89</b>

\* Include recoverable from Ex-Secretory General Refer Note 25(c)

**APPAREL EXPORT PROMOTION COUNCIL**  
(Limited By Guarantee)  
Notes to financial statements for the year ended March 31, 2024

Particulars	Note No.	<i>Amount (Rupees In Lakhs)</i>	
		Year ended March 31, 2024	Year ended March 31, 2023
<b><u>Note 16: Income from operations</u></b>			
Membership Subscription		500.73	441.55
Council Fees		44.46	21.81
Revenue Grant from Government for export promotion expenses (Refer Note 22)		700.02	589.69
MAI Grant for Exporter		-	-
Other Operating Income (Refer Note 22)		1,293.53	842.58
<b>Total</b>		<b>2,538.74</b>	<b>1,895.63</b>
<b><u>Note 17: Other income</u></b>			
Interest income			
- Bank		849.44	606.40
- Others- From Tax Refund, LIC & Other #		21.38	34.31
Profit on sale of Property, Plant and Equipments		9.89	0.03
Rent		1,511.44	1,342.42
Participation Forfeiture (Refer Note 22)		39.99	5.82
Assessing Centre		1.41	19.21
Sundry credit balances no longer required written back		1.56	5.60
Other non-operating income including miscellaneous income		30.33	11.73
Provision no longer required written back		4.77	13.86
Amortisation of Government Grant for Depreciatble Assets [Capital Asset Reserve - Govt Grant]		45.39	49.23
Less:			
Amount adjusted from Depreciation on asset purchased against Grant Received from Government [Contra] (Refer Note 20)		(45.39)	(49.23)
<b>Total</b>		<b>2,470.21</b>	<b>2,039.38</b>
# Also includes interest earned on MDA Grant			
<b><u>Note 18: Employee benefits expense</u></b>			
Salaries, Wages and Allowances		1,213.98	1,125.98
Contribution to Provident and Other Funds		71.63	70.76
Gratuity & Leave Expenses		135.49	39.07
Employees Welfare Expenses		74.74	64.04
<b>Total</b>		<b>1,495.83</b>	<b>1,299.85</b>
<b><u>Note 19: Finance costs</u></b>			
Interest on Loan		0.32	1.52
Interest On Late Payment of Statutory dues		0.91	0.70
Bank Charges		3.37	1.82
<b>Total</b>		<b>4.60</b>	<b>4.04</b>



**APPAREL EXPORT PROMOTION COUNCIL**  
(Limited By Guarantee)  
Notes to financial statements for the year ended March 31, 2024

*Amount (Rupees In Lakhs)*

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
<b>Note 20: Depreciation and Amortization Expense</b>			
Depreciation of tangible assets:			
- on Fixed Assets Purchased out of own Funds		166.13	188.31
- on Fixed Assets Purchased Against Grant Received from Government		45.39	49.23
			-
Amortization of intangible assets		2.14	1.97
		213.66	239.51
Less:			
Amount credited from Capital Asset Reserve - Government		45.39	49.23
Grant, as utilised [Contra] (Refer Note 17)			
<b>Total</b>		<b>168.27</b>	<b>190.28</b>

**Note 21: Other expenses**

Export Promotion Expenses ( Refer Note 22 )		2,464.01	1,506.45
MAI Grant Distributed to Exporter		-	-
Power and Fuel		107.88	92.46
Rent		-	0.37
Rates and taxes		39.27	57.83
Insurance		14.56	16.97
Meeting Expenses		64.54	85.39
Repair and maintenance - Buildings		4.24	48.86
Repair and maintenance - Plant & Machinery		36.80	26.99
Repair and maintenance - Others		173.18	109.43
Travelling, Conveyance and Vehicle expenses		16.71	19.13
Communication & Postage Expenses		12.84	10.23
Printing & Stationery Expenses		8.61	6.93
Legal & Professional Fees		146.43	125.39
Security Charges		48.65	46.26
Business Promotion		0.45	19.30
Courier & Forwarding Expenses		1.77	1.66
Advertising & Publicity		6.70	4.31
Auditors remuneration ( Refer Note 30 )		9.54	9.54
Prior period expenses ( Refer Note 31 )		0.17	0.52
Miscellaneous Expenses		9.96	7.19
Assessing Centre - MES Scheme		1.27	2.39
Provision For Doubtful Debts/ Receivables		726.15	-
Bad Debts/ Amount Receivable Written Off	13.19		-
Less: Provision For Doubtful Receivables , written back during the year	-	13.19	21.53
Commission & Brokerage Expenses		-	-
GST/TDS Receivables written off		-	6.48
<b>Total</b>		<b>3,906.92</b>	<b>2,225.61</b>

**APPAREL EXPORT PROMOTION COUNCIL**  
(Limited By Guarantee)  
Notes to financial statements for the year ended March 31, 2024

*Amount (Rupees In Lakhs)*

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
<b><u>Note 22: Export Promotion Expenses</u></b>			
<u>Overseas Expenses</u>			
Foreign Exhibition Expenses		2,007.05	1,193.74
Foreign Delegation Expenses		155.26	100.26
<u>Domestic Fairs</u>			
Trade Fairs/Virtual Fairs		45.06	11.62
Tex Trends Fairs/IIGF/Reverse BSM			144.95
<u>Seminar &amp; Workshop</u>			
		23.02	11.68
<u>Other Export Promotion Expenses</u>			
Magazine & Publicity Material		8.30	9.10
Export Award Function		56.51	-
Collection and Compilation of Data for Duty Drawback		14.47	-
Financial Support for Kasturi Cotton		70.83	-
Others		83.51	35.10
<b>TOTAL(1)</b>		<b>2,464.01</b>	<b>1,506.45</b>
<b>Less: Contribution Received</b>			
Foreign Exhibition		1,252.50	723.72
<u>Domestic Fairs:</u>			
Reverse BSM/Virtual Fairs		-	105.32
Others		11.16	13.54
Sponsorship from Export Award Function & Magic Fair		29.87	-
		<b>1,293.53</b>	<b>842.58</b>
Participation Forfeiture		39.99	5.82
<u>Revenue Grant from Government: (Refer note No.27)</u>			
For Overseas Events		700.02	589.69
<b>TOTAL(2)</b>		<b>2,033.54</b>	<b>1,438.09</b>
<b>TOTAL(1-2)</b>		<b>430.47</b>	<b>68.36</b>



## Apparel Export Promotion Council (Limited by Guarantee)

Notes to financial statements for the year ended March 31, 2024

### Note No. 1

#### (A) COMPANY OVERVIEW:

Apparel Export Promotion Council (“the Company/Council”) is formed for promoting exports of readymade garments from India. It was registered under section 25 of Companies Act, 1956 and now existing under section 8 of the Company Act 2013, limited by guarantee.

#### (B) SIGNIFICANT ACCOUNTING POLICIES:

##### 1.1 Method of Accounting:

The financial statements of the company have been prepared under the historical cost convention on accrual basis of accounting and in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respect with the notified accounting standards under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 as amended. Accounting policies have been consistently applied by the company and are consistent with those used in the previous years.

**1.2 Use of Estimates:** The preparation of the financial statements requires the management to make judgment, estimates and assumptions that affects the reported amounts of revenue, expenses, assets and liabilities

(including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reporting period. Although these estimates are based upon events to the best knowledge of the management of current actions, actual results could differ from these estimates.

##### 1.3 Property, Plant & Equipment & Depreciation:

a) Property, Plant & Equipment and Intangible assets are capitalized at cost inclusive of all expenses incurred in bringing the asset to its working condition for its intended use.

b) Property, Plant & Equipment and Intangible assets are shown at historical cost less accumulated depreciation /amortization and impairment loss, if any.

c) The Council identifies and determines separate useful life of each major component of the Property, Plant & Equipment, if they have useful life that is materially different from that of the remaining asset as per Schedule II of the Companies Act, 2013.

**d) Method of depreciation:** - Reducing balance method of depreciation as per useful life prescribed in schedule II to the Companies Act, 2013 has been followed for the preparation and presentation of financial statements. Fixed Assets are stated at cost of acquisition or construction less accumulated

depreciation. Cost comprises of the purchase price, incidental expenses, erection/commissioning expenses and financial charges up to the date the fixed asset is ready for its intended use. Depreciation on assets purchased during the year is charged on a pro-rata basis for assets purchased during the year. Assets costing less than Rs. 5000 each are fully depreciated in the year of capitalization.

**e) Rates of depreciation:** - Depreciation on fixed assets has been provided on the basis of life prescribed under schedule II of Companies Act. 2013, except library books at the life of five years.

**f) Residual Value:** The residual value of the assets after its useful life is kept at 1% of the purchase value. The residual value of assets which already exhausted its useful life as at 31<sup>st</sup> March, 2014 and which is carrying in the books at Rs. 1/- is carried at Rs. 1/- only.

**g) Fixed asset sold/discarded/transferred during the financial year:** Pro-rata depreciation has been provided on fixed asset sold/discarded/ transferred during the financial year.

#### **1.4 Intangible Assets & Amortization:**

- a) Intangible Assets is stated at cost less accumulated amortization and accumulated impairment loss if any. Intangible Assets comprise of computer software.
- b) Computer Software is amortized over a period of five years.
- c) An amortization expense is

charged on a pro-rata basis for assets purchased during the year. The appropriateness of the amortization period and the amortization method is reviewed at each financial year end.

#### **1.5 Impairment of Assets.**

The management periodically assesses using external and internal sources, whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount.

#### **1.6 Investments:**

Long Term Investments are stated at cost. The cost of Investment includes acquisition charges and premium on acquisition of securities. The premium on purchases of long-term debt securities/bonds intended to be held up to maturity is amortized over the balance period up to date of maturity.

#### **1.7 Revenue Recognition:**

Income from operations including annual subscription received from members and revenue of the Council has been recognized on the basis of services provided, to the extent that it is probable that economic benefits will flow to the Council and the revenue can be reliably measured.

- a) Assessment Income: For Skill Assessments under Skill Development

Initiative (SDI) Scheme of Director General of Employment and Training (DGET).

\* Modular Employable Skill (MES): Revenue is recognized on the basis of number of candidates assessed and the corresponding completion of stipulated condition of DGET (Directorate General of Employment and Training) and RDAT (Regional Directorate of Apprenticeship and Training).

\* Non-Modular Employable Skill (Non-MES) & PMKVY: Revenue is recognized on the basis of number of candidates assessed.

b) Interest on staff loans is recognized in the financial year it becomes due or is realized.

c) Entrance fees received from new members/applicants registered during the financial year being a Capital Receipt is directly credited to Reserve.

d) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

e) Revenue from lease rentals is recognized in accordance with the terms of lease agreements entered with respective lessees.

### **1.8 Retirement & other Employee Benefits:**

a) Contribution to defined contribution Plan such as Employees provident fund scheme, Employee State Insurance, are charged to the Income and Expenditure Account as incurred. The contributions are made to a Government

Administered Provident Fund & Employee State Insurance Corporation towards which the Council has no further obligations beyond its monthly contributions.

b) The Council also provides for Retirement/Post-Retirements benefits in the form of Gratuity and Leave Encashment. Such benefits are provided based on actuarial valuations, as at the Balance Sheet date made by independent actuary.

c) Terminations benefits & other short-term employee benefits are recognized as expenses as and when incurred.

### **1.9 Grants**

a) Grants in the nature of revenue with specific conditions for utilization is recognized as income, to the extent actually spent during the financial year and amount not utilized is carried as current liability. Expenses incurred against sanctioned grants eligible as per prevailing Government policy; with reasonable certainty to be released, are shown as recoverable, where grants are yet to be disbursed.

b) Excess or Short receipt of Grant (if any) as against recoverable amount is recognized in the Income & Expenditure account in the year of its actual settlement/crystallized.

c) Grants in the nature of capital are transferred to Capital Assets Fund-Government Grant to the extent of amount actually utilized and amount not utilized is

carried as current liability.

d) Government grants related to depreciable assets are treated as deferred income which is recognized in the income and expenditure accounts on a systematic and rational basis over the useful life of the assets.

#### **1.10 Foreign Exchange Transactions:**

a) Foreign currency transactions are recorded using the exchange rates prevailing on the date of transaction.

b) Exchange difference arising on settlement/reinstatement are directly transferred to Income & Expenditure account.

c) Monetary assets and liability denominated in foreign currencies at the year-end are translated at the rates prevailing at the year end.

#### **1.11 Taxation:**

a) Tax expense for the year, comprising current tax and deferred tax is included in determining the net surplus/ (deficit) for the year.

b) Deferred tax is recognized for all deductible timing differences, deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date.

c) Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry

forward of losses, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidences of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written-down or written-up to reflect the amount that is reasonable /virtually certain to be realized.

#### **1.12 Provisions and Contingencies:**

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation as at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

Contingent liability is disclosed in the case of a present obligation arising from a past event when it is not probable that an out flow of resources embodying economic benefits will be required to settle the obligation or a possible obligation, unless the probability of out flow in settlement is remote.

#### **1.13 Lease Rent:**

Where the Company is the lessee.

Leases where the lessor effectively retain substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an

expense in the Statement of Income & Expenditure on a straight-line basis over the lease term.

Where the Company is the lessor.

Assets subject to operating leases are included in fixed assets. Lease income is recognized in the Statement of Income & Expenditure account on a straight-line basis over the lease term. Cost including depreciation is recognized as expenses in the Statement of Income & Expenditure. Initial direct costs such as legal costs, brokerage cost etc. are recognized immediately in the Statement of Income & Expenditure accounts.

#### **1.14 Cash and Cash Equivalents:**

Cash and cash equivalents for the purposes of cash flow statements comprise cash at bank and in hand and short-term deposits with an original maturity of three month or less.

#### **1.15 Cash Flow Statement**

The Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard 3 "Cash Flow Statement".

#### **1.16 Earnings Per Share**

The Council is limited by guarantee and does not have any share capital therefore, disclosure as per AS-20 for Earning Per Share (EPS) is not applicable to the Council.

#### **Note No. 23:**

#### **Contingent liabilities:**

#### **23.1 Claims against Council not acknowledged as debts;**

a) The Ministry of Textiles vide its letter no. 8/4/2015-EP dated 09 October 2015 read with letter No. 13/04/2015-EP dated 25 August 2015, communicated to the Council to deposit in the Consolidated Fund of India rent proceeds of Rs. 6,256 Lakhs (Rs. 4,319 Lakhs and Rs. 1,937 Lakhs) for the period from the year 2006-2007 till 31.03.2015 earned from Non bonafied activities of subletting and leasing certain rented premises of Council. The Council has claimed that, these are bonafied activities as per its objects and Articles of Association and in line with original terms of usage of the premises and has represented vide letters dated 18<sup>th</sup> September, 2015 and 13<sup>th</sup> October, 2015 to the Ministry of Textiles (MoT). The Council has not received any further communication from the Ministry of Textiles. Ministry of Textiles has subsequently also given an approval for renting of some space in the Council's premises. Based on Council's representation with Ministry of Textiles, subsequent approval to rent and legal advice, no provision is considered necessary.

b) Indian Audit and Accounts Department (IAAD) of Comptroller and Auditor General of India (CAG) had conducted audit u/s 14 of the DPC Act 1971 for the years 2003-04 to 2011-12 and then subsequently for 2012-13. Further, the office of the Chief Controller of Accounts (CCA), Ministry of Textiles (MoT) also carried out an internal audit for the year 2003-04 to 2014-15 special emphasis on the Government Grants. The IAAD and CCA as a routine procedure issued audit



memos per GFR with regards to non/partially compliances of certain guidelines, tendering process and other observations, which have been responded by the Council forthwith. CAG has concluded its finding on pointing out procedural lapse in tendering and for non-following of the GFR in reducing the rent of one of its premises in the earlier years, resulted in to a notional financial loss of Rs. 1,742 Lakhs-. The matter was referred to the Public Accounts Committee (PAC), the PAC in its 129<sup>th</sup> report dated 19.12.2018 has reported flawed tendering and bidding process and undue post contractual benefits to a private party. PAC have also recommended, that the interest on EMD may be deposited in Government Accounts in time bound manner. Based on PAC's report & CCA's recommendation, the MoT has written letter no.8/1/2016-EP (Pt-I) dated 31 October 2018 and reminder letter no. 8/1/2016-EP dated 14 January 2019 directing AEPC to deposit entire interest amount of Rs. 21,444 Lakhs and Rs. 1,742 lakhs being the amount of revenue loss in the Consolidated Fund of India (CFI).

The Council represented and has replied to the matter clarifying that, the interest of Rs. 21,444 Lakhs entire bank interest earned by the Council since inception till March 2016 from all the funds with the Council and not only from EMD, the Council have further clarified that interest on EMD is not payable to the Government as per GEE Policy. The Council also represented and has replied that there is

no loss in letting out the premises as the fixation of rent was approved by the competent authority. AEPC filed writs before the Hon'ble High Court at Delhi, challenging the legality and validity of the demand raised by the Ministry of Textiles for Rs. 21,444 Lakhs and Rs. 1,742 Lakhs through letter dated 31.10.2018 and 14.01.2019, and prayed to issue a writ of Mandamus and/or appropriate directions in the nature of writ thereby quashing/setting aside the Impugned letters dated 31.10.2018 and 14.01.2019 issued by the Ministry of Textiles, where the Court on 24 May 2019 has issued notice to show cause as to why the petition be not admitted and stayed the recovery till next date of hearing. The Council has also challenged the applicability of CAG audit on Council through an additional writ with Hon'ble High Court at Delhi. Since the matter is under judicial consideration no provision is considered necessary and the financial statement are prepared on going concern basis.

The PAC meeting held on 4<sup>th</sup> Feb, 2021 carried the reports of financial advisor of MOT. The PAC has also recorded that, "The matter is pending before the Hon'ble High Court of Delhi. Further action would be initiated after judgment of the Hon'ble High Court".

c) In respect of compensation demanded against showroom license fee, agency commission and work contract which is pending in various courts for which the contingent liability is estimated at Rs.1.02 Lakhs (Previous year Rs.1.02 Lakhs).

## 23.2 Other Contingent Liabilities;

The Council is registered u/s 12A of the Income Tax Act and has been claiming to be taxable u/s. 11 of Income Tax Act as a charitable entity. Hon'ble Supreme Court for assessment year 2009-10 and 2011-12 has set aside the favourable orders of Delhi High Court accepting the Council's taxability u/s. 11 of the Income Tax Act, and remitted the matter to the Assessing officer. The Assessing officer is to examine the limits in proviso to section 2 (15) of the Income Tax Act & claim for Tax Exemption based on facts for every year.

The Council obtained a legal opinion and based on the opinion, the Council has internally carried the test as per the proviso to Section 2 (15) and accordingly estimated the tax liabilities of all those years starting w.e.f. assessment year 2009-10 where the assessments are opened and/or cases are pending at any appellate level. Further, pending any demand/ revised computation from the department, estimated tax liabilities as computed has been provided in the books.

On the same issue, the matter for Assessment Years 2016-17, 2017-18 and 2018-19 is pending with CIT (A) with a demand of Rs. 1019 Lakhs which has also been provided in the books.

### Note No. 24

a) The Council in view of pending litigation, has not accounted a sum of Rs.396.94 Lakh excluding Regional Licensing Authorities (RLA) cases (Previous Year Rs.487.51 Lakhs excluding RLA cases) pending based on data as on 31.03.2024, on account of

claims lodged for forfeiture on account of Bank Guarantees/ Legal Undertakings and Post-Dated Cheques.

The details of cases and amount involved at different levels as compiled and certified by the Management are as under: -

Level	No. of Cases	Recoverable Amount	No. of Cases	Recoverable Amount
	Current Year	Current Year	Previous Year	Previous Year
	as on 31.03.2024	as on 31.03.2024	as on 31.03.2023	as on 31.03.2023
	Nos.	Rs. in Lakhs	Nos.	Rs. in Lakhs
Bank	22	45.52	16	45.52
TXC	1	6.74	1	6.74
Court	98	275.03	107	382.63
AEPC	1	44.67	1	44.67
Ministry	2	24.98	1	7.95
<b>Total</b>	<b>124</b>	<b>396.94</b>	<b>126</b>	<b>487.51</b>

Apart from the above cases, there are 1919 numbers of cases where forfeiture amount of Rs. 7,135.46 Lakhs (approx.) Previous year 1919 numbers of cases Rs.7,135.46 Lakhs (approx.) have been referred to Regional Licensing Authorities. (RLAs).

b) EMD PDC Forfeiture-Dishonoured of Rs. 1,175.81 Lakhs (Previous year Rs. 1178.33 Lakhs) appearing in the "Notes 7, Other Current liabilities" are shown corresponding to the similar amount shown as recoverable under "Notes 14, EMD PDC Recoverable", where the recovery cases are either pending at court level or referred to RLA, detailed above. The liability of Council is linked with recovery of amount.

### Note No. 25

a) A Member of Council had filed a petition with the National Company Law Tribunal for alleged mis-management of Council including allegation of mis-utilization of the funds. Subsequently, Ministry of Corporate affairs (MCA) has also filed interlocutory application before

NCLT under Section 242(2) (k), 246 read with 339 of the Companies Act 2013 where MCA has sought interim relief in their application from NCLT that the Executive Committee of council be suspended. The matter is represented by the Council. At the present no financial impact can be ascertained as the matter is under judicial consideration before the NCLT Delhi.

b) Inspection of Books of Accounts by MCA u/s. 206 (5) of Companies Act, 2013 was carried by the MCA on the recommendation of Ministry of Textiles for appointment of a government administrator through their letter dated 12.07.2016 to MCA. MCA has submitted its final Report at NCLT where beside the general observations as raised by CAG/CCA, they have also pointed out certain non-compliance of disclosure in the financial statements and alleged portray of its state of affairs in terms of Section 447, 448, 166, 140 (5), 224, 135(3) read with 134 (3), 135, 128, 129, 134, 206 (7), 143, 242/628 of Companies Act, 2013/Companies Act 1956. On the basis of the report, Registrar of Companies (RoC) has filed a complaint u/s 628/447-448 for contravention u/s 628/447-448 of the Companies Act, 1956/2013 in the court of LD. ASJ (SPL Court), Dwarka Courts, Delhi on management, represented by all signatories of the Annual Accounts w.e.f. 2004-05 to 2016-17 (except signatories who were Government Officer/Nominees). Applications u/s 482 of CRPC was filed before the Delhi High Court by the respondents, for quashing the complaint case proceedings in the Dwarka special Court and the

proceedings are pending.

Registrar of Companies had filed the two cases during 2021-22 with cause title RoC Vs A.Sakthivel & Ors and RoC Vs Virender Uppal & Ors at the Hon'ble Court of LD, ACMM (Spl. Act) Central Tiz Hazari, Delhi for contravention under section 128 of the Companies Act, 2013 and for contravention under section 129 of the Companies Act, 2013 respectively, the cases are represented by all signatories of the Annual Accounts w.e.f. 2004-05 to 2016-17 (except signatories who were Government Officer/Nominees). Applications u/s 482 of CRPC is filed before the Delhi High Court by the respondents, for quashing the complaint cases proceedings in the Tis Hazari Court and the proceedings are pending.

Registrar of Companies have filed one case during 2022-23 with cause title RoC Vs AEPC and Ors at Dwarka Court, Delhi for contravention under section 134 of the Companies Act, 2013, the cases are being represented. Applications u/s 482 of CRPC is filed before the Delhi High Court, for quashing the complaint cases proceedings in the Dwarka Court and the proceeding is pending.

c) The Council during the year 2015-16 had demanded recovery of excess salary paid to its ex-secretary general. The excess amount of Rs. 83.06 Lakhs was determined based on Department of Personal & Training (DoPT) confirmation through letter dated 20.01. 2016. The matter had been referred by the Ministry of Textiles (MoT) to Department of Personal & Training (DoPT) for reconsideration of their advice fixing the remuneration. In addition to it, an amount of Rs. 2.50 Lakhs

is recoverable against the unsettled advance drawn by him against transfer TA/DA etc.

Based on the communication of MOT through letter no. f.no.8/3/2011-EP (Pt-1) dated 12 May, 2020 conveying the minutes of the meeting dated 10.01.2020 of the Committee set up to decide further course of action on overdraw of salary and allowances by Shri. Puneet Kumar, Ex-SG, AEPC, where the committee's observation was that, "the matter is to be resolved between AEPC and Mr. Puneet Kumar, IAS regarding any excess payment during the period of deputation of Shri Puneet Kumar in AEPC. Ministry of Textiles has no locus standi on the matter as far as excess recovery is concerned," The Council has filed cases with district Court Delhi for recovery of the Rs. 85.56 Lakhs, the matter is pending. Based on the legal opinion, the management is of the view that the Council is confident of

recovery.

#### Note No. 26

Penalties and Earnest Money Forfeited of Rs.102.53 Lakhs (Previous year Rs.101.48 Lakhs) provided on forfeited amount shown in the current liabilities represents the amount of Earnest Money Deposits/Bank Guarantees/Legal Undertakings/Post Dated Cheques forfeited and actually realized from the exporters. Certain amounts, which become refundable on reappraisal of cases as per policy of the Government, are debited to this account at the time of refund.

#### Note No. 27

(a) The Government has released following grants for various projects, the actual expenditure incurred and the balance amount carried forward as Grants received in advance along with grant recoverables are as under:

Sl. No	Name of the Project	Balance carried forward from last year		Grant Received from Government during the year	Grant Refunded/ Distributed/ Adjusted/Written off during the Year	Admissible Grant during the year	Balance carried forward	
		Liability	Recoverable				Liability	Recoverable
<b>Rs. in Lakhs</b>								
1	<b>MAI Grants:</b>							
	EP Projects - MAI (Overseas events)	5.03	426.21	634.27	50.81	775.08	1.13	522.37
	EP Projects - MAI (Domestic events)	Nil	71.12	Nil	29.29	Nil	Nil	41.83
2	<b>Other Grants:</b>							
	Common Compliance Code - DISHA	37.84	Nil	Nil	37.84	Nil	Nil	Nil
	PSQC Training of North East Students	13.37	Nil	Nil	Nil	Nil	13.37	*Nil
	Claims of reimbursement of administrative expenses of EMD-BG work being done on behalf of Ministry of Textiles Government of India. (including S. Tax / GST)	Nil	726.15	Nil	145.23	Nil*	Nil	580.92
	<b>Total</b>	<b>56.24</b>	<b>1223.48</b>	<b>634.27</b>	<b>263.17</b>	<b>775.08</b>	<b>14.50</b>	<b>1145.12</b>

(b) The 'Claims of reimbursement of administrative expenses of EMD-BG work being done on behalf of Ministry of Textiles, Government of India. (Including Service Tax /GST), aggregating to Rs. 581.61 Lakhs represents recoverable up to March 2024, Rs. 726.15 Lakhs represents recoverable up to March 2023. At an interim, a communication was received from Ministry of Textiles through their letter no. 08/12/06-EP dated 24 September, 2021; stating that the Council's claim has been denied by citing "the competent authority has decided that the request of AEPC cannot be acceded". The above communication was responded by the Council citing AEPC's dissent and the recoverability was re-emphasized (based on initial set of communications with the Ministry) vide letter dated 21 October 2021 followed by reminder letters on 22 March 2022, 6 April 2022 & 17 March, 2023 etc. The Council, based on the MOT's progressive insights received by Council's representatives, is confident of recovery, however, the 1<sup>st</sup> 2024 F&B subcommittee meeting of the Council agreed that although favorable insights are being received no communication has been received in writing therefore decided to earmark recoverable dues relating to BG/EMD Cell as "Doubtful Recovery" from now onwards. However, the write-off amount may be reviewed & considered each year for the next five years. It was also decided not to debit further salaries of the BG/EMD cell to the MOT. Decisions, effect has been done w.e.f. F.Y. 2023-24 itself.

\* As per the Decision of 1st 2024 F&B Sub Committee, no salary and other Direct expenditure are being debited to MoTw.e.f F.Y. 2023-24, written off 20% of the outstanding amount amounting to Rs 145.23 lakhs and provided a Provision for Doubtful recovery amounting to Rs 580.92 Lakhs for the balance amount.

#### Note No. 28

Market Development Assistance (MDA) included in Unutilized Funds Received from Government shown in Current Liabilities represent balance and interest earned out of funds received from Department of Commerce, Ministry of Commerce & Industry towards assistance to Exporters for Sales tour, Participation in fairs abroad and Publicity as per MDA guidelines:

<b>Particulars</b>	<b>Current Year (Rs. in lakhs)</b>	<b>Previous Year (Rs. in lakhs)</b>
Opening Balance	82.50	82.50
Interest Credited During the year (No fund released)	0.00	0.00
<b>Total</b>	<b>82.50</b>	<b>82.50</b>
Less: Amount Adjusted/ written back during the year	Nil	Nil
<b>Closing Balance</b>	<b>82.50</b>	<b>82.50</b>

#### Note No. 29

**Expenditure in foreign currency (determined on accrual basis) is as under: -**

<b>Description</b>	<b>Current Year (Rs. in lakhs)</b>	<b>Previous Year (Rs. in Lakhs)</b>
Expenditure on Travel, Delegations, Trade Fairs, Exhibitions (Physical/virtual), Seminars, Market Study, Publicity and Travel Reimbursements etc.	2111.79	1196.34
<b>Total</b>	<b>2111.79</b>	<b>1196.34</b>



The unhedged foreign currency exposures at the year-end 31.03.2024 is Nil (previous year Nil).

#### Note No. 30

##### Auditor's Remuneration includes:

Description	Current Year (Rs. in lakhs)	Previous Year (Rs. in lakhs)
<b>As Auditors</b>		
Audit Fee (Excluding GST)	9.54	9.54
Taxation Matters (Excluding GST)	1.70	0.90
Out of Pocket Expenses (Excluding GST)	0.03	0.00
<b>Total</b>	<b>11.54</b>	<b>10.44</b>

#### Note No. 31

a) Expenses relating to previous year are on the following accounts: -

Sl. No	Particulars	Current Year (Rs. in Lakhs)	Previous Year (Rs. in Lakhs)
1	Meeting	0.12	-
2	Delegation	0.05	-
3	Employee Benefits & Entertainment	-	0.09
4	Assessment Activities	-	0.02
5	Miscellaneous expenses	-	0.41
	<b>Total</b>	<b>0.17</b>	<b>0.52</b>

b) Income relating to previous year are on the following accounts: -

Sl. No	Particulars	Current Year (Rs. in lakhs)	Previous Year (Rs. in lakhs)
1	Interest from Deposits with electricity board	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>

#### Note No. 32

##### Income Tax/Deferred Tax:

The Council being Company under Section 8 of the Companies Act, 2013 is registered under Section 12A of the Income Tax Act, 1961 and liable for taxation u/s 11 of the Income Tax Act, 1961. The expenditure incurred is towards objects of the Council is treated as application of income under the provisions of Section 11 of the Income Tax Act, 1961. Due to change in provisions of Income Tax Act, 1961 regarding allowability of expenses on cash basis, there are no significant timing differences between its accounting income and taxable income that originate in one period and are capable of reversal in one or more subsequent period as per accounting standard AS-22 "Accounting for Taxes on Income" notified under Section 133 of the Companies Act, read together with the Rules.

## Note No. 33

### Employees Benefit Plans:

(i) Define Contribution Plans:		Current Year (Rs. in Lakhs)		Previous Year (Rs. in Lakhs)			
The Company has recognized in the Income and Expenditure Accounts for the Year ended March 31, 2023 an amount of expenses under defined contributions plans benefit:							
-Contribution to Provident Fund		71.42		70.66			
-Employees State Insurance		0.06		0.09			
(ii) Defined Benefit Plans:							
The Company operates post-retirement defined benefit plan for retirement Gratuity which is funded. Leave Encashment is funded for all regular employees except regular employees who joined on or after financial year 2012 -13 and contractual employees.							
		Gratuity		Earned Leave Encashment		Medical Leave Encashment	
		C. Year	P. Year	C. Year	P. Year	C. Year	P. Year
		Rs. in Lakhs					
Details of the post-retirement plan are as follows:							
(1)	Reconciliation of opening and closing balance of obligations:						
(a)	Obligation as at the beginning of the year	651.01	677.90	323.24	329.20	64.49	66.51
(b)	Current Service Cost	29.56	30.08	16.51	17.79	2.28	2.32
(c)	Interest Cost	47.85	47.45	23.76	23.04	4.74	4.66
(d)	Actuarial (Gain)/Loss	22.08	(40.64)	13.22	225.67	(2.22)	(3.35)
(e)	Benefits Paid	72.03	63.78	(52.11)	(272.47)	(3.60)	(5.66)
(f)	Obligation as at the end of the year	678.48	651.01	324.61	323.24	65.69	64.49
(2)	Change in Plan Assets (Reconciliation of Opening and Closing balances):						
(a)	Fair value of plan asset as at the beginning of the year	626.89	623.92	304.11	302.76	-	-
(b)	Actual return of plan assets	36.65	43.73	21.38	15.05	-	-
(c)	Contribution	18.27	20.66	19.79	217.37	-	-
(d)	Benefits paid	(72.03)	(61.24)	(52.11)	(231.07)	-	-
(e)	Charges deducted	(0.07)	(0.18)	-	-	-	-
(f)	Fair value of plan assets as at the end of the year	609.71	626.89	293.17	304.11	-	-
(3)	Reconciliation of obligation & plan Assets:						
(a)	Present Value of obligation as at the end of the year	678.48	651.01	324.61	323.24	65.69	64.49
(b)	Fair Value of Plan Assets as at the end of the year	609.71	626.89	293.18	304.11	-	-
(c)	Assets/ (Liabilities) recognized in the Balance Sheet	(68.77)	(24.12)	(31.43)	(19.12)	(65.69)	(64.49)
(d)	Assets/ (Liabilities) Not recognized in the Balance Sheet						
(4)	Expenses recognized during the year:						
(a)	Current Service Cost	29.56	30.08	16.51	17.79	-	-
(b)	Interest Cost	47.85	47.45	23.76	23.04	4.74	4.66
(c)	Expected Return on Plan Assets	(46.14)	(45.86)	(22.38)	(22.25)	-	-
(d)	Actuarial (Gain)/Loss recognized during the period	31.64	(38.33)	14.22	232.87	(2.22)	(3.35)
(e)	Expenses/(Income) recognized during the Year in the I&E	62.92	(6.65)	32.10	251.46	4.80	3.63
(f)	Best estimate for contribution during next year	22.98	25.54	18.83	17.89	7.31	7.27
(5)	Assumption:						
(a)	Discount Rate (p.a.)	7.21%	7.35%	7.21%	7.35%	7.21%	7.35%
(b)	Expected Rate of Return on Planned Assets (p.a.)	7.67%	7.36%	7.67%	7.36%	7.67%	7.36%
(c)	Rate of Escalation in Salary (p.a.)	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
(d)	Average remaining Working Lives of Employees(years)	10.62	11.54	10.62	11.54	10.62	11.54
(6)	Experience Adjustments:						
	Experience Adjustment loss/(Gain)-Plan Assets	9.56	2.31	1.00	7.20	-	-
	Experience Adjustment loss/(Gain)-Obligations	15.90	24.45	10.39	234.29	2.72	1.89

(7) Reconciliation of fair value of assets and obligations for the past years:	31st March 2022			31st March 2021			31st March 2020		
	Gratuity	EL	ML	Gratuity	EL	ML	Gratuity	EL	ML
	Rs. in Lakhs								
Present Value of Obligation	677.90	329.20	66.51	824.25	393.59	87.15	862.81	409.83	102.68
Fair Value of Plan (Assets)	623.92	302.76	-	725.16	376.68	-	725.17	412.14	-
(Assets)/Liability Recognized in the Balance Sheet	53.98	26.45	66.51	93.17	16.91	87.15	137.64	(2.31)	102.68

The expense is disclosed in the line item-contribution to provident and other funds.

\* The excess of assets over liabilities in respect of gratuity have not been recognized as they are lying in irrevocable LIC fund.

**Note No. 34:**

**Leases Rent (Operating Leases):**

\* The Council has taken various office premises under operating lease agreements these are cancellable/renewable by mutual consent on mutually agreed terms.

Lease expenses of Rs.Nil Lakhs (previous year Rs. Rs.0.37 Lakhs) recognized in Statement of Income & Expenditure.

\* The Council has given various office premises under operating lease agreements these are cancellable/renewable by mutual consent on mutually agreed terms.

Some of the terms of lease of office premises have an initial lock-in period. Lease receipts of Rs.1511.69 Lakhs (Previous Year Rs.1342.42 Lakhs) are recognized in the Statement of Income & Expenditure as per terms of agreement. For the office premises given on lease for the period of lock-in period, the details of such non-cancellable portion are as follows;

S. No.	Assets given on lease:	Current Year (Rs. in Lakhs)	Previous Year (Rs. in Lakhs)
a)	Total of minimum lease payments receivable		
	The total of minimum lease payments receivable for a period		
	* Not later than one year	210.54	234.53
	* Later than one year and not later than five years	170.61	270.33
	* Later than five years	Nil	Nil

**Notes No. 35**

**Segmental Reporting**

The Council operates in a single

reportable segment i.e., export promotion activities which has similar risk and return for the purpose of AS-17 on 'Segmental Reporting'. The Council does not have any reportable secondary geographical segment.

**Notes No. 36**

The Council carries a provision for contingencies towards claims of the Council for the matters disputed.

Opening Balance as at 1 <sup>st</sup> April, 2023	Additional provision made during the year	Incurred/ (reversal) against provision during the year	Closing Balance as at 31 <sup>st</sup> March, 2024
<b>Rs. in lakhs</b>			
85.00	Nil	-	85.00

**Notes No. 37**

The Code on Social Security 2020 ('Code'), which received the Presidential Assent on 28th September 2020, subsumes nine regulations relating to social security, retirement, and employee benefits. The Ministry of Labour and Employment ('Ministry') has released draft rules for the Code on 13th November 2020 and has invited suggestions from stake holders. The suggestions received are under consideration by the Ministry. The effective date of the Code has not yet been notified and the related rules to ascertain the financial impact are yet to be finalized and notified. The Council will assess the impact, if any once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes

effective and the related rules to determine the financial impact are published.

**Notes No. 38**

**Related Party Disclosure:** As per Accounting Standard 18 are as follows;

**a) List of related parties:** Enterprises where the Council exercises control by way of power to nominate the majority of the composition of the governing bodies:

1. Apparel Training & Design Centre (ATDC)
2. AEPC Society for Human Resource Development (IAM)
3. AEPC Society for Rural Development & Labour Welfare Foundation (AEPCRD&LWF)
4. Apparel Made-ups Home Furnishing SSC (AMH SSC)
5. International Garment Fair Association (IGFA)

**a) Key Management Personnel;**

1. Chairman: -  
- Sh. Sudhir Sekhri  
w.e.f.01/01/2024  
- Sh. Narendra Goenka  
Till. 31/12/2023

Note: (No remuneration or monetary benefit was given to Chairman or any Executive Committee members).

2. Secretary General: -  
- Sh. Mithileshwar Thakur  
w.e.f. 20/02/2023
3. Secretary: -  
- CS. Sumit Gupta  
w.e.f.01/09/2019

**(I) Enterprises over which KMP is able to exercise significant control:**

Enterprises	Relevant KMP	Particulars	Current Year	Previous Year
			(Rs. in Lakhs)	(Rs. in Lakhs)
M/s. Trend Setters International Balance As on 31.03.2023 Rs. Nil Balance As on 31.03.2024 Rs. Nil	Mr. Sudhir Sekhri	Annual Membership Subscription Participation fee for virtual/physical exhibition platform and certification fee.	5.92	1.41
M/s. Texport Industries Pvt. Ltd. Balance As on 31.03.2023 Nil Balance As on 31.03.2024 Rs. Nil	Sh. Narender Goenka	Annual Membership Subscription Participation fee for virtual/physical exhibition platform and certification fee.	2.10	2.56
		<b>Total</b>	<b>8.02</b>	<b>3.97</b>

(ii) Transaction with KMPs other than Chairman:

KMP	Designation	Nature of Transaction	Current Year	Previous Year
			(Rs. in Lakhs)	(Rs. in Lakhs)
Sh. Mithileshwar Thakur	Secretary General w.e.f. 20/02/2023	Remuneration (CTC)	45.00	4.96
Dr. L.B. Singhal	Secretary General up to 18/01/2023	Remuneration (CTC)	-	33.56
CS. Sumit Gupta	Secretary w.e.f. 1 <sup>st</sup> Sep, 2019	Remuneration (CTC)	13.17	14.60
		<b>Total</b>	<b>58.17</b>	<b>53.12</b>

c) Transaction /balances outstanding with related parties.

Particulars	Apparel Training & Design Centre (ATDC)		AEPC Society for Human Resource Development (IAM)		AEPC Society for Rural Development & Labour Welfare Foundation (AEPCRD&LWF)		Apparel Made-ups Home Furnishing SSC (AMHSSC)		International Garment Fair Association (IGFA)	
	C. Year	P. Year	C. Year	P. Year	C. Year	P. Year	C. Year	P. Year	C. Year	P. Year
<b>Transaction during the Year;</b>	Rs. in Lakhs									
Lease Charges Received	72.75	65.34	Nil	Nil	Nil	Nil	0.48	0.48	Nil	Nil
Reimbursement of Expenses/Contribution/Sponsorship -paid	0.00	0.00	Nil	Nil	Nil	Nil	0.00	0.09	1134.09	Nil
Reimbursement of Expenses/Contribution/Sponsorship -received	26.47	20.87	Nil	Nil	Nil	Nil	5.00	0.20	81.83	Nil
Assessment Charges Received (Non-MES)	0.00	0.86	Nil	Nil	Nil	Nil	0.57	18.34	Nil	Nil
<b>Balance at the end of the year:</b>										
<b>Amount due to</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>0.23</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Amount due from</b>	<b>125.53</b>	<b>125.65</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>16.15</b>	<b>17.44</b>	<b>Nil</b>

Notes No. 39 a). Ratios:

Particulars	Units	March 31, 2024	March 31, 2023	% change from March 31, 2023 to Mar 31, 2024
Current Ratio	Times	3.53	3.43	2.94
Debt-Equity Ratio	Times	-	-	-
Debt Service Coverage ratio	Times	-	-	-
Inventory Turnover ratio	Times	-	-	-
Trade Receivable Turnover Ratio	Times	-	-	-
Trade Payable Turnover Ratio	Times	-	-	-
Net Capital Turnover Ratio	Times	-	-	-
Net Profit ratio	Percentage	(22.32)	11.35	(296.65)
Return on Equity ratio	Percentage	-	-	-
Return on Capital Employed	Percentage	-	-	-
Return on Investment	Percentage	-	-	-



## b). Elements of Ratios

Rs Lakhs

Ratios	March 31, 2024		March 31, 2023	
	Numerator (Rs. in Lakhs)	Denominator (Rs. in lakhs)	Numerator (Rs. in Lakhs)	Denominator (Rs. in Lakhs)
Current ratio	13714.79	3880.95	12,691.32	3,696.80
Debt- Equity Ratio	N.A.	N.A.	N.A.	N.A.
Debt Service Coverage ratio	N.A.	N.A.	N.A.	N.A.
Inventory Turnover ratio	N.A.	N.A.	N.A.	N.A.
Trade Receivable Turnover Ratio	N.A.	N.A.	N.A.	N.A.
Trade Payable Turnover Ratio	N.A.	N.A.	N.A.	N.A.
Net Capital Turnover Ratio	N.A.	N.A.	N.A.	N.A.
Net Profit Ratio	(566.67)	2538.74	215.23	1895.63
Return on Equity ratio	N.A.	N.A.	N.A.	N.A.
Return on Capital Employed	N.A.	N.A.	N.A.	N.A.
Return on Investment	N.A.	N.A.	N.A.	N.A.

## c). Consideration of Element of Ratios

i.	<b>Current Ratio:</b>	<b>Numerator= Current Assets, Denominator= Current Liabilities</b>
ii.	<b>Debt-Equity Ratio:</b>	<b>Numerator= Total Debt, Denominator= Total Equity - Revaluation Reserve</b>
iii.	<b>Debt Service Coverage ratio:</b>	<b>Numerator= Profit before Tax + Finance cost + Depreciation , Denominator= Repayment of Borrowings + Interest on Borrowings</b>
iv.	<b>Inventory Turnover ratio:</b>	<b>Numerator= Cost of Goods Sold, Denominator= Average Inventory</b>
v.	<b>Trade Receivable Turnover Ratio:</b>	<b>Numerator= Total Sales , Denominator=Average Trade Receivables</b>
vi.	<b>Trade Payable Turnover Ratio:</b>	<b>Numerator= Total Purchases , Denominator= Average Trade Payables</b>
vii.	<b>Net Capital Turnover Ratio:</b>	<b>Numerator= Revenue from operations , Denominator= Working Capital (i.e. Current Assets - Current Liabilities)</b>
viii.	<b>Net Profit ratio:</b>	<b>Numerator= Net Profit after tax, Denominator= Revenue from operations</b>
ix.	<b>Return on Equity ratio:</b>	<b>Numerator= Net Profit after tax, Denominator= Average Shareholder's Equity</b>
x.	<b>Return on Capital Employed:</b>	<b>Numerator= Earnings before interest and taxes, Denominator= Total Net worth+ Total Debt+ Total Deferred Tax Liability</b>
xi.	<b>Return on Investment:</b>	<b>Numerator= Earnings before interest and taxes, Denominator= Total Asset</b>

## d). Reasons for more than 25% increase/ (decrease) in above ratios

Particulars	% Change from March 31, 2023 to Mar 31, 2024
Current Ratio	N.A.
Debt-Equity Ratio	N.A.
Debt Service Coverage ratio	N.A.
Inventory Turnover ratio	N.A.
Trade Receivable Turnover Ratio	N.A.
Trade Payable Turnover Ratio	N.A.
Net Capital Turnover Ratio	N.A.
Net Profit ratio	Due to creation of Provision for Doubtful & writeoff against a debt from MoT., Refer Note-27
Return on Equity ratio	N.A.
Return on Capital Employed	N.A.
Return on Investment	N.A.

## Notes No. 40

### Other Statutory Information (to the extent applicable) –

#### Part:1:

- (I) There is no Immovable Properties, Title deeds of those are not held in the name of the Company.
- (ii) No revaluation of Property, Plant & Equipment & Intangible assets has been carried out during the year.
- (iii) The Company has not granted loans or advances in the nature of loans to promoters, directors, KMPs and the related parties, either severally or jointly with any other person, that are (a) Repayable on demand; or (b). without specifying any terms or period of repayment.
- (iv) The company has no intangible asset under development and accordingly its ageing is not required at year end.
- (v) There are no proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (vi) The Company has not taken any borrowings from banks / financial institutions on the basis of security of current assets.
- (vii) The company is not declared wilful defaulter by any bank or financial institution or other lender.
- (viii) The Company has no transactions with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.
- (ix) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- (x) The company has not made any investments till 31-03-2024, hence compliance with number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (restriction on number of layers) Rules, 2017 is not applicable.
- (xi) For ratios, refer Note 39 above.
- (xii) Compliance with approved Scheme(s) of arrangements in terms of Sec 230 - 237 of Companies Act 2013 - Not Applicable
- (xiii) **A:** The Company has not advanced or loaned or invested funds in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or - provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

**B:** The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Part:2**

- (I) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (ii) The CSR Compliance - NA.
- (iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**Notes No. 41**

The previous year figures have been regrouped or re-arranged wherever considered necessary.

**As per our Report of Even Date Attached**

For SCV & Co. LLP  
Chartered Accountants  
(FRN No. 000235N /N500089)  
Anuj Dhingra  
Partner  
Membership No. 512535

**For and on behalf of the Executive Committee**

Sudhir Sekhri Chairman DIN: 00109894	Hari Kishanlal Magu Chairman F&B DIN:00705563	Ramu Raju Vice Chairman DIN:03294193
Mithileshwar Thakur Secretary General	Sumit Gupta Secretary	Kundan Srivastava Sr. Director-Finance

Place: Mumbai

Date: 02 Sep, 2024









## **APPAREL EXPORT PROMOTION COUNCIL**

Regd. Office:-A-223, Okhla Industrial Area, Phase-1, New Delhi-110020

CIN NO. U74899DL1978NPL008877

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