

52nd
ANNUAL REPORT
2020-21



THE HANDLOOM EXPORT PROMOTION COUNCIL

MEMBERS OF THE EXECUTIVE COMMITTEE

Chairman:	Shri T.V. Chandrasekaran M/s. Rakhava Impex, Karur. (From 29/03/2020 upto 28/03/2022)
Vice Chairman:	Shri P. Gopalakrishnan M/s. Metro Fabrics, Karur. (From 26.09.2020 to 28.03.2022)

EX-OFFICIO CENTRAL GOVT. NOMINEES

1. Development Commissioner for Handlooms, Ministry of Textiles, Govt. of India, New Delhi. (upto 13.08.2020)
2. Joint Secretary (Exports), Ministry of Textiles, Govt. of India, New Delhi. (upto 13.08.2020)
3. Executive Director, Handloom Export Promotion Council, Chennai. (up to 13.08.2020)

ELECTED MEMBERS

1. Dr. K.N. Prabhu, M/s. Paradigm International, Karur.
2. Shri T.V. Chandrasekaran, M/s. Rakhava Impex, Karur.
3. Shri V. Kumar, M/s. The Standard Textiles, Karur.
4. Shri R. Rajendiran, M/s. Trident Home Furnishing (P) Ltd, Chennai.
5. Shri P. Gopalakrishnan, M/s. Metro Fabrics, Karur.
6. Shri M. Charles, M/s. JVS Export, Madurai.
7. Shri M. Thirumurthy, M/s. Unity Exports, Karur.
8. Shri K.M. Saleem, M/s. K.A.S. Zainulabdin & Co, Chennai.
9. Shri K. Kumaravel, M/s. Ponni Fab, Karur.
10. Shri Ramesh Verma, M/s. Diamond Exports, Panipat
11. Shri V.C. Selvan, M/s. American Textile Company, Karur.
12. Shri P. Arjuna, M/s. Manju Exports, Karur.
13. Shri A. Sethupathi, M/s. Master Linens Inc., Karur.
14. Shri Lalit Goel, M/s. Riviera Home Furnishing Pvt Ltd., Panipat.
15. Shri Kuldeep Raj Wattal, M/s. Chinar International, Noida.
16. Shri Gagan Rai, M/s. Seth Kumar Rai International, New Delhi.
17. Shri R. Paramasivam. M/s. Sri ArasuTex, Karur.
18. Shri Rajiv Agrawal. M/s. SilkInternationalal, Varanasi.
19. Vacant (From 30.12.2020)
20. Vacant (From 30.12.2020)
21. Vacant (From 30.12.2020)

CO-OPTED MEMBERS

1. Vacant
2. Vacant

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

THE HANDLOOM EXPORT PROMOTION COUNCIL

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

NOTICE

Notice is hereby given that the fifty second Annual General Meeting of the Handloom Export Promotion Council will be held at 12.00 noon on Monday the 27th September 2021, through Hybrid and Physical Mode (Hotel Raintree, 636, Anna Salai, Teynampet, Chennai-600 035), to transact the following business.

1. To receive and to adopt the Annual Report of the Council for the year ended 31st March 2021, the Audited Balance Sheet, the Income & Expenditure Account for the year ended 31st March 2021, the report of the Auditors thereon and the report of the Executive Committee.
2. To appoint Auditor for auditing the accounts of the Council for the year 2021-22 and fix their remuneration.
3. To elect members to the Executive Committee in the place of members retiring by rotation.
4. To transact any other business.

(By order)

Sd/-

Date: 06.09.2021

Shri T.V. Chandrasekaran
Chairman

Registered Office:

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

NOTE

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

EXPLANATORY STATEMENT

ITEM NO.2: To Appoint Auditor for Auditing the Accounts of the Council for the Year 2021-22 and Fix their Remuneration.

At the 51st Annual General Meeting held on 30.12.2020, M/s S. Narasimhan & Co., Chennai were appointed as Auditor of the Council for the year 2020-21 at a remuneration of Rs.50000/- per annum.

The General Body may kindly consider the appointment of Auditor for auditing the accounts of the Council for the year 2021-22 and also fix their remuneration.

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

Product Groups

Handloom fabrics/Lunghies/Real Madras Handkerchiefs

1. Shri K.M. Saleem,
M/s. K.A.S. Zainulandin & Co, Chennai

Handloom Made ups

1. Shri V. Kumar,
M/s. The Standard Textiles, Karur.
2. Dr. K.N. Prabhu,
M/s. Paradigm International, Karur.
3. Shri T.V. Chandrasekaran,
M/s. Rakhava Impex, Karur.
4. Shri P. Gopalakrishnan,
M/s. Metro Fabrics, Karur
5. Shri R. Rajendiran,
M/s. Trident Home Furnishings (P) Ltd., Chennai
6. Shri V.C. Selvan,
M/s. American Textile Company, Karur.
7. Vacant

Handloom Floor Coverings

1. Shri Ramesh Verma,
M/s. Diamond Exports, Panipat.
2. Vacant
3. Vacant

The election has to be held for the following categories:	
Product Groups	Vacancies to be filled
1. Handloom Fabrics / Lungies / Real Madras Handkercheifs	1
2. Handloom Floor Coverings	3
3. Handloom Made ups	7
Total	11

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

REPORT OF THE EXECUTIVE COMMITTEE FOR THE YEAR 2020-21

MEMBERSHIP OF THE COUNCIL

The total number of Members / RTEs of the Council at the end of the year 2020-21 were 1332

As on 1st April, 2020	1521
DEDUCT: Number of Members/RTEs removed from membership roll on account of default in payment of subscription, Resignation, change in constitution, etc.,	306
ADD: Number of Members/RTEs restored	10
ADD: Number of RTEs included in membership roll on account of fresh enrolment	107
As on 31.03.2021	1332

CONSTITUTION OF THE EXECUTIVE COMMITTEE

CHAIRMAN

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

from 29/03/2020 to 28/03/2022

VICE CHAIRMAN

Shri P. Gopalakrishnan,
M/s. Metro Fabrics, Karur

from 26/09/2020 to 28/03/2022

CENTRAL GOVERNMENT NOMINEE MEMBERS

1. The Development Commissioner for Handlooms, Ministry of Textiles, Government of India, New Delhi. (up to 13.08.2020)
2. The Joint Secretary (Exports), Ministry of Textiles, Government of India, New Delhi. (up to 13.08.2020)
3. The Executive Director, Handloom Export Promotion Council, Chennai. (up to 13.08.2020)

CO-OPTED MEMBERS

1. Vacant
2. Vacant

ELECTED MEMBERS

Handloom Fabrics/Lunghies/Real Madras Handkerchiefs

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

Handloom Floor Coverings

1. Shri Ramesh Verma, **(Elected on 29.09.2018)**
M/s. Diamond Exports, Panipat.
2. Shri Kuldeep Raj Wattal, **(Elected on 30.12.2020)**
M/s. Chinar International, Noida.
3. Shri Lalit Goel, **(Elected on 30.12.2020)**
M/s. Riviera Home Furnishings Pvt. Ltd., New Delhi
4. Shri Gagan Rai, **(Elected on 30.12.2020)**
M/s. Seth Kumar Rai International, New Delhi
5. Vacant (From 30.12.2020)
6. Vacant (From 30.12.2020)

Handloom Made ups

1. Shri V. Kumar, **(Elected on 29.09.2018)**
M/s. The Standard Textiles, Karur.
2. Dr. K.N. Prabhu, (Board of Director) **(Elected on 29.09.2018)**
M/s. Paradigm International, Karur.
3. Shri A. Sethupathi, **(Elected on 30.09.2019)**
M/s. Master Linens Inc., Karur.
4. Shri R. Rajendiran, (Board of Director) **(Elected on 29.09.2018)**
M/s. Trident Home Furnishings (P) Ltd., Chennai.
5. Shri P. Gopalakrishnan, (Board of Director) **(Elected on 29.09.2018)**
M/s. Metro Fabrics, Karur
6. Shri T.V. Chandrasekaran, (Board of Director) **(Elected on 29.09.2018)**
M/s. Rakhava Impex, Karur.
7. Shri M. Charles, (Board of Director) **(Elected on 30.09.2019)**
M/s. JVS Export, Madurai.
8. Shri K. Kumaravel, **(Elected on 30.09.2019)**
M/s. Ponni Fab, Karur.
9. Shri P. Arjuna **(Elected on 30.09.2019)**
M/s. Manju Exports, Karur.
10. Shri V.C. Selvan, **(Elected on 29.09.2018)**
M/s. American Textile Company, Karur.
11. Vacant (From 30.12.2020)

Others including Handloom Clothing Accessories

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

1. Meetings of the Council:

- a) The 51st Annual General Meeting of the Council was held on 30.12.2020 at Council's premises through Video Conference.
- b) Meetings of the Executive Committee

26.05.2020	221 st	Executive Committee Meeting
15.09.2020	222 nd	Executive Committee Meeting
05.12.2020	223 rd	Executive Committee Meeting

FINANCE

The total revenue for 2020-21 was Rs.240.30 Lakh comprising of

Subscription and entrance fee of Membership	Rs. 101.46 Lakh
Miscellaneous receipts including Participation fee	Rs. 138.84 Lakh

The total expenditure was Rs. 345.63 Lakh was classified such as

Participation in Fairs/Exhibitions/BSMs abroad, Publicity abroad and Publication in etc., and Disbursement of grant to member exporters	Rs. 7.35 Lakh
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The expenditure on non-code activities including Depreciation on assets	Rs. 338.28 Lakh
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As on 31st March 2021 the total investment of Rs.327.35 lakh under Fixed Deposit in Nationalized Banks and Government.

EXPORT PROMOTION ACTIVITIES 2020-21

The export promotion activities particularly in respect of organizing in-person events (Physical events) during the financial Year 2020-21 was largely affected by the COVID-19 pandemic situation prevalent across the world.

However, the year witnessed many virtual / hybrid events being organised by established event organizers. As a measure to provide marketing opportunities for its member exporters, Council organised participation in 4 Nos. of such events based on response from members. Besides, Council organised 8 Nos. of its own virtual events on a customized virtual platform targeting different market regions around the world.

The details of virtual event participation is furnished below:

Virtual Events Abroad:

1. Hometextiles Sourcing Expo, USA (21-23, July 2020)

The first Virtual Edition from Texworld USA, Apparel Sourcing USA and Home Textiles Sourcing was held during 21-23, July 2020. The event was organised by MesseFrankfurt, USA.

Nearly 500 suppliers hailing from 16 countries were in attendance, making the event a truly global experience. While the Virtual Edition was not intended to replace a physical event, the three-day show delivered a networking platform for global textiles, apparel and fashion professionals to engage with each other online.

HEPC participated in the event under MAI scheme of Ministry of Commerce & Industry with a participation of 10 member exporters from places such as Karur, Panipat, Delhi, Jaipur, Bengaluru, Ludhiana, Mumbai, etc.

The Virtual Edition also included an AI-powered matchmaking feature offering manufacturers and buyers with suggestions on who to meet, what sessions to attend and which virtual booths to visit.

For 45 days after the live event's conclusion, attendees were allowed to access the networking platform and all sessions to learn more about the topics covered, ranging from the role sustainability plays in COVID-19 recovery to demand planning to running a fashion start-up.

The participants under the HEPC reported that they had in total 154 virtual visitors and the virtual event fetched them spot order worth Rs.0.89crore and Rs.2.34 crore business enquiries during the event.

2. India Textiles Sourcing Fair (7th, 10th -13th, August 2020)

HEPC organised the first virtual edition of India Textiles Sourcing Fair 2020 (ITSF) on a Reverse Buyer Seller Meet model coinciding 6th National Handloom Day (7th August 2020) under financial assistance from O/o the Development Commissioner for Handlooms, New Delhi. ITSF 2020 was organised as a virtual event on 7th, 10th, 11th, 12th & 13th August 2020.

The event was virtually inaugurated by **Smt Smriti Zubin Irani**, Hon'ble Union Minister for Textiles, Govt. of India, on 7th August 2020 coinciding with the celebration of the National Handloom Day. The inauguration session was also participated by **Shri.Ravi Capoor, Secretary (Textiles)**, Govt. of India and **Shri.Sanjay Rastogi, Development Commissioner (Handlooms)**, Ministry of Textiles, Govt. of India.

Due to COVID-19 pandemic, as the real-time exhibition activities were temporarily under suspension, and also preventing public gathering & globally, the businesses (buyers-sellers) are operating from the safety of home, this strengthens the fact that they are more likely to be spending immense time in front of their screens. In situations like these, an event in a virtual platform offers an alternate solution to assist the exporters by providing a dynamic platform to effectively engage with prospective buyers. Hence HEPC organized the ITSF 2020 for the first time on the virtual platform.

ITSF 2020 had a broad Product Profile viz. Table linen, Bath linen, Bed linen, Kitchen linen, Curtains, Floor coverings, Fabrics, Fashion Accessories, Furnishing articles, Trimming & Embellishments & Garments.

The event had a participation of 204 exhibitors and witnessed visitors from across the globe. During the event, webinars on E-Commerce, Revival of handloom, Trend Forecasting 2021-22, market opportunities in Japanese market, few success stories of handloom entrepreneurs were organised in the conference room of the virtual platform for the benefit of participants.

As per feedback received from the participants, 633 virtual visitors visited their stalls and business worth Rs.2.00 crore was generated during the event.

3. Buyer Seller Meet – Sweden & Denmark (19-21, August 2020)

Council organised “Indian Handwoven and Hometextiles Sourcing Virtual Buyer Seller Meet” with specific focus on Sweden and Denmark from August 19-21, 2020.

Indian Handwoven and Hometextiles Sourcing was virtually inaugurated by **H.E Ajit Gupte, Ambassador of India, Embassy of India, Denmark**. The Ambassador delivered inaugural address, visited the virtual event and interacted with the exhibitors sharing his views on the Scandinavian market. **Shri.T.V.Chandrasekaran, Chairman, HEPC**

delivered the welcome address. On the inaugural day, **Shri.Sunil K. Dhama, Second Secretary (Commercial), Embassy of India, Sweden** also visited the virtual event and interacted with the exhibitors.

25 Exporters of Hometextile products like Bed/Bath/Table Linen/Floor coverings/ Window/Fabric/Kitchen Linen/walls and Clothing Accessories such as Dress materials, stoles, scarves, shawls garments participated in the event: With the valuable support from Embassies of India, Denmark & Sweden, IHHS received good online visit from the trade visitors from the target countries

The event had in total 127 virtual registered visitors and the virtual event fetched spot order worth Rs.1.00 crore and Rs.2.00 crore business enquiries during the event.

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

4. India Tex Trend Fair, Tokyo, Japan (10-11, Sept. 2020)

Council participated in India Tex Trend Fair (Physical + Virtual) with a participation of 4 member exporters from September 10-11, 2020. The event was organized by Japan India Industry Promotion Association (JIIPA) at Fukuracia, Tokyo.

The India Tex Trend Fair [Physical + Virtual Trade Show] a branded fashion event was held on 10-11 September at Fukuracia, Tokyo, Japan in the heart of Tokyo, showcasing Apparel, Home Fashion and Accessories for the 2021 Spring-Summer season. The event-elicited participation of 30 leading Indian exporters of AEPC & HEPC who displayed their best collections of Apparels and Home Fashion and accessories.

As per fair authority, visitors were from a cross-section of companies, including Leading Departmental Stores, Chain Stores, Retailers, Wholesalers, Trading Companies, Fashion Designers, and Home Centre from the industry.

The event attracted 1,090 Buyer registrations with \$ 6.39 million business generation during the two days of the event, which shows Japanese Buyers are seriously inclined towards India and there would be huge scope for Indian Exporters.

As per feedback received from the participants, spot order worth Rs.0.18 crore and Rs.0.22 crore business enquiries were generated during the event.

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

5. Heimtextil Russia, Moscow, Russia (15-17, Sept. 2020)

HEPC participated in the 1st online International Trade fair for Interior Furnishing and Home textiles in Russia with a participation of 6 member exporters during 15-17 September 2021. The event was organised by Messe Frankfurt Russia.

In total, the event had the participation of 96 companies from 17 countries. The event attracted 5281 trade visitors from 37 countries of which 83% were from domestic and remaining 17% from overseas countries.

As per the feedback from the participants, a total of 680 visitors had visited their virtual booth and business enquiries worth Rs.23 lakh was generated during the event.

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

6. Sourcing Magic, Las Vegas, USA (15.09.2020 to 15.12.2020)

As the response from member exporters was inadequate, no grant was availed for organizing participation in this event. However, the participation was organised for one member exporter who had shown interest to participate without grant in Sourcing Magic, Las Vegas on virtual mode organised by Informa PLC during 15-09-2020 to 15-12-2020.

7. Indian Handwoven and Hometextiles Sourcing, South America (15-17, Dec. 2020)

HEPC has organised the Indian Handwoven & Hometextiles Sourcing (IHHS) South America from 15-17 December 2020 on the virtual platform.

The event was organised with active participation and support from Embassy of India in Chile who rendered their valuable support right from the finalising the event schedule, engaging agency for fixing up meetings for the exhibitors, sharing of importers database, disseminating the information to the potential importers etc., Besides, Council was also in contact with Indian Missions in the region particularly in Peru & Bolivia, Brazil, Columbia, etc. in mobilising trade visitors for the event. IHHS-South America was official inaugurated by **H.E. Ms. Anita Nayar, Ambassador**, Embassy of India Santiago, Chile on 15-12-2020 through a video message and with a welcome address by **Shri.T.V.Chandrasekaran, Chairman, HEPC**.

HEPC after detailed discussion with the Indian Mission officials in Santiago, Chile, finalized Trade Chile, for arrangement of pre-fixed virtual meetings between potential buyers from Chile and Exhibitors. This arrangement with Trade Chile had contributed for the success of the event apart from the registrations received through the online platform.

20 Exporters of Hometextile products like Bed/Bath/Table Linen/Floor coverings/Window/Fabric/Kitchen Linen/walls and Clothing Accessories such as Dress materials, stoles, scarves, shawls garments participated in the event.

The event had 63 virtual trade visitor registrations. As per feedback received from the participants, business enquiries worth Rs.2.76 crore was generated during the event.

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

8. Indian Handwoven and Hometextiles Sourcing, Sweden & Denmark (9-13, Feb. 2021)

Council organised the 2nd edition of “Indian Handwoven and Hometextiles Sourcing Virtual Buyer Seller Meet” with focus on Sweden and Denmark market from February 9-13, 2021.

20 Exporters of Hometextile products like Bed/Bath/Table Linen/Floor coverings/Window/Fabric/Kitchen Linen/walls and Clothing Accessories such as Dress materials, stoles, scarves, shawls garments participated in the event:

Inaugural address of **Indian Handwoven and Hometextiles Sourcing** was delivered by **H.E. Ajit Gupte, Ambassador** of India, Embassy of India, Denmark and **H.E. Tanmaya Lal, Ambassador** of India, Embassy of India, Sweden & Latvia. **Shri.T.V.Chandrasekaran, Chairman, HEPC** delivered the welcome address.

The Embassy of India in Denmark and Embassy of India in Sweden & Latvia offered good support and cooperation in organizing the event. They shared database of buyers, chambers of commerce and disseminated event information through direct mailing and social media campaigns. Embassy of India in Denmark also coordinated with the Council in finalising an agency for mobilising visitors and organising prefixed meetings.

The event attracted totally 52 visitor registrations (Denmark-25, Sweden-17, Norway-2, Poland-1, Australia-1 and Buying agents from India -6). Buyer attendees for the Virtual BSM included representatives from IKEA, H &M etc., Apart from the virtual visit of the buyers to the virtual platform, 23 one-on-one pre-fixed video meetings were held between participants and buyers in the virtual platform of the event.

The participants under the HEPC reported that they had in total 52 virtual visitors and the virtual event fetched them spot orders worth Rs.0.46 crore and Rs.1.74 crore business enquiries during the event.

The event was organised with the financial assistance under National Handloom Development Programme of O/o. Development Commissioner (Handlooms), Ministry of Textiles, Government of India.

9. Indian Handwoven and Hometextiles Sourcing, Australia & New Zealand (16-18 March 2021)

HEPC has organised the Indian Handwoven & Hometextiles Sourcing (IHHS) Australia from 16-18 March 2021 on the virtual platform. The event was organised with active participation and support from High Commission of India, Canberra, Australia who rendered their valuable support by sharing of importers database, disseminating the information to the potential importers etc.

HEPC roped in the services of International Exp Group Pty Ltd., Australia (The organiser of International Sourcing Expo, Australia), for mobilising the visitors and also organising pre-fixed virtual meetings with potential buyers from Australia and New Zealand for the Exhibitors. This arrangement with International Exp Group Pty Ltd., Australia had contributed for the success of the event apart from the registrations received through the online platform.

Overall, 20 exhibitors had 73 registered virtual visitors and over 73 prefixed meetings. Trade enquiries worth Rs.1.08 crore and spot orders worth Rs.0.01 crore were generated during the 3 days virtual event. Exhibitors are constantly in touch with the buyers to convert the enquires into orders.

The event was organised with the financial assistance under National Handloom Development Programme of O/o. Development Commissioner (Handlooms), Ministry of Textiles, Government of India.

10. Indian Handwoven and Hometextiles Sourcing, USA & Canada (23-25 March 2021)

HEPC organised virtual Indian Handwoven & Hometextiles Sourcing (IHHS) USA/Canada from 23-25 March 2021 specifically focusing on buyers of this region.

The event was organised with active participation and support from the Consulate General of India, Toronto, Canada and Consulate General of India, New York, USA who rendered their valuable support by sharing of importers database, disseminating the information to the potential importers, etc. Their assistance in identifying the PR agencies helped the Council in organising the event successfully.

As recommended by Indian Missions in USA & Canada, Council engaged the services of PR agencies in the target countries for arrangement of pre-fixed virtual meetings with potential buyers.

IHHS-USA/Canada was officially inaugurated on 23-03-2021 with a virtual welcome message from **Shri T.V. Chandrasekaran, Chairman, HEPC**, and virtual inaugural messages from the following dignitaries.

- **Shri. Ajay Bisaria , High Commissioner of India in Canada**
- **Smt. Apoorva Srivastava, Consul General of India, Toronto and**
- **Shri. Randhir Jaiswal, Consul General of India, New York**

The event had the participation of 23 exhibitors from all over India spreading across the important export center's like Karur, Panipat, Jaipur, Varanasi, Delhi, Kolkata, Chennai etc.

All the participants were provided with necessary assistance for on boarding and also training on navigating through various tools and features of the virtual platform and were facilitated with one-on-one virtual meeting.

Overall, 23 exhibitors had 88 registered virtual visitors and over 54 prefixed meetings. Trade enquiries worth Rs.1.52 crore and spot orders worth Rs.0.14 crore were generated during the 3 days virtual event.

The event was organised with the financial assistance under National Handloom Development Programme of O/o. Development Commissioner (Handlooms), Ministry of Textiles, Government of India.

11. Indian Handwoven and Hometextiles Sourcing, Japan (24-26 March 2021)

Japan is the 11th largest importer of Indian handwoven textiles and the market assumes significance in the present COVID-19 pandemic scenario and the resultant dramatic shift in sourcing strategies of Japanese importers to find an alternate supplier for China.

HEPC has organised the Indian Handwoven & Hometextiles Sourcing (IHHS), Japan from 24-26 March 2021 on the virtual platform. HEPC roped in the services of Japan India Industry Promotion Association (NPO), Tokyo, Japan for arrangement of pre-fixed virtual meetings with potential buyers from Japan with Exhibitors. This arrangement with JIIPA, Japan had contributed for the success of the event apart from the registrations received through the online platform.

Exhibitors were imparted training on the virtual platform and were thoroughly explained about the various tools and features of the virtual platform and were guided on boarding on to the virtual platform and virtual meeting.

A total of 139 pre-fixed virtual meetings with Japanese buyers were organised for the Exhibitors. In order to overcome language barrier, such pre-fixed meetings were also facilitated with language interpreter services organised by the Council for a simultaneous interpretation of interaction between the buyer and seller on online platform.

The event had the participation of 20 exhibitors from across the country including Guwahati, Jaipur, Karur, Panipat, Mumbai, Chennai, Delhi, Alappuzha and Kannur etc. and 53 registered visitors. Though the event had an impressive number of one-on-one virtual meetings, the Japanese customers are known for their trade traits of taking time to finalise the orders, hence, the event could fetch Trade enquiries worth Rs.0.88 crore and Spot orders Rs.0.005 Crore only during the 3 days virtual event. However, many participants were very optimistic in securing orders from the buyers in due course of time.

The event was organised with the financial assistance under National Handloom Development Programme of O/o. Development Commissioner (Handlooms), Ministry of Textiles, Government of India.

12. Indian Handwoven and Hometextiles Sourcing, Spain, France & Italy (29-31 March 2021)

Council organised “Indian Handwoven and Hometextiles Sourcing Virtual Buyer Seller Meet” for Spain, France & Italy markets from March 29-31, 2021.

22 Exporters of Hometextile products like Bed/Bath/Table Linen/Floor coverings/ Window/Fabric/Kitchen Linen/walls and Clothing Accessories such as Dress materials, stoles, scarves, shawls garments, etc participated in the event.

Apart from the above, PR agency was also engaged in Spain to organise prefixed meetings. The Embassy of India in France, Spain and Italy offered good support and cooperation in organizing the event. They shared database of buyers, Chambers of Commerce and disseminated event information through direct mailing and social media campaigns.

The event attracted totally 43 visitor registrations. Apart from the virtual visit of the buyers to the virtual platform, 34 one-on-one pre-fixed video meetings were held between participants and buyers in the virtual platform of the event. Pre-fixed meetings were also provided with language interpreter services for the simultaneous interpretations of the discussion between the buyer and seller.

The participants under the HEPC reported that they had in total 43 virtual visitors and the virtual event fetched them spot orders worth Rs.0.06 crore and Rs.0.88 crore business enquiries during the event.

The event was organised with the financial assistance under National Handloom Development Programme of O/o. Development Commissioner (Handlooms), Ministry of Textiles, Government of India.

Events in India:**1. Virtual Bharat Parv, Delhi (26-31, January 2021)**

Ministry of Tourism, Government of India organised Virtual Bharat Parv during January 26-31, 2021. Ten participants participated in the event as approved by the O/o. The Development Commissioner for Handloom, Ministry of Textiles, Govt. of India in Virtual Bharat Parv 2021 during 26-31, January 2021 coinciding the Republic Day celebrations. Further, two Handloom weavers had also put up physical stall during inauguration of the Virtual platform “Bharat Parv-2021” on the occasion of Republic Day at the Ashok Hotel, Chankyapuri, New Delhi.

All the participants displayed their exclusive handloom product pictures & video in their Virtual stall. Office of DCHL has also set up two virtual stall Vocal for Local & India Handloom Brand.

Other Promotional events:**1. Webinar by The Embassy of India in Senegal**

A webinar was organised by The Embassy of India, Senegal on the subject “Opportunities for bilateral cooperation in textiles and imitation jewellery sector between India and Senegal, The Gambia, Guinea Bissau, Cabo Verd” on 19-10-2020.

Council was provided an opportunity to make a presentation on Indian handwoven textiles during the webinar which was attended by over 100 participants. Shri G.V.Srinivas, the Ambassador, Embassy of India in Senegal welcomed the participants and presentations were made by various exporters as identified by HEPC and also other agencies

2. Webinar on Digital presence and Digital presentation

Due to COVID-19 pandemic, most of the international events across the globe are either getting rescheduled or switched to Virtual mode. The virtual mode of event participation and other online marketing is the only available option during this pandemic period for the exporters to undertake marketing activities.

In view of the above, it was felt that an awareness on Digital presence and Digital presentation need to be created among the exporters so as to enhance their marketing activities effectively through digital platform so as to reach out to the market. In this context, HEPC organised a webinar on 20-10-2020 on the topic “Digital presence and Digital presentation” by associating with a freelance NIFTian. During the presentation, the designer enlightened the exporters on how to make an effective presentation on website, social media and virtual show rooms / event etc. The webinar was attended by over 20 exporters.

Seminars/Workshops

1. The COVID-19 pandemic situation has severely impacted the world economies across the globe. As the most of the international events across the globe either postponed / cancelled or switched over to virtual mode, in order to provide market linkage for member exporters, HEPC in association with Federation of Buying Agents organised series of Vendor Connect Programme on virtual mode, wherein, the exporters are provided a virtual platform to present their company & product profiles to Buying agents and their overseas counterparts. This provides an opportunity for the exporters to establish business linkages. An introductory session of the same was organised on 26th June 2020.
2. Council has organised webinar on the topic “Opportunities available for Master Weavers /handloom producers to become an Exporter” exclusively for master weavers/handloom producers at Telangana on 10th June 2020 in association with WSC Hyderabad. During webinar, the information on getting mandate license, export product, product diversification, identification of buyers, support provided for getting into export market has been disseminated. The webinar was attended by 18 weavers/societies.
3. Council has organised webinar on the topic “Opportunities available for Master Weavers /handloom producers to become an Exporter” exclusively for master weavers/handloom producers at Andhra Pradesh on 17th June 2020 in association with WSC Vijayawada. During webinar, the information on getting mandate license, export product, product diversification, identification of buyers, support provided for getting into export market has been disseminated. The webinar was attended by 25 weavers/societies.
4. Council has organised webinar on the topic “Opportunities available for Master Weavers /handloom producers to become an Exporter” exclusively for master weavers/handloom producers at Rajasthan on 24th June 2020 in association with WSC Jaipur. During webinar, the information on getting mandate license, export product, product diversification, identification of buyers, support provided for getting into export market has been disseminated. The webinar was attended by 25 weavers/societies.
5. HEPC in association with Federation of Buying Agents organised series of Vendor Connect Programme on virtual mode, wherein, the exporters are provided a virtual platform to present their company & product profiles to Buying agents and their overseas counterparts. This provides an opportunity for the exporters to establish business linkages. An introductory session of the same was organised on 1st, 6th and 10th July 2020.
6. Council has organised webinar on the topic “Opportunities available for Master Weavers / handloom producers to become an Exporter” exclusively for master weavers/handloom producers at Uttar Pradesh on 1st July 2020 in association with WSC Varanasi. During webinar, the information on getting mandate license, export product,

- product diversification, identification of buyers, support provided for getting into export market has been disseminated. The webinar was attended by 9 weavers/societies.
7. Council has organised webinar on the topic “Opportunities available for Master Weavers / handloom producers to become an Exporter” exclusively for master weavers/handloom producers at Haryana, U.P(II phase) and Delhi on 8th July 2020 in association with WSC Panipat, Meerut & Delhi. During webinar, the information on getting mandate license, export product, product diversification, identification of buyers, support provided for getting into export market has been disseminated. The webinar was attended by 19 weavers/societies.
 8. Council has organised webinar on the topic “Opportunities available for Master Weavers / handloom producers to become an Exporter” exclusively for master weavers/handloom producers at Himachal Pradesh on 15th July 2020 in association with WSC Kullu. During webinar, the information on getting mandate license, export product, product diversification, identification of buyers, support provided for getting into export market has been disseminated. The webinar was attended by 15 weavers/societies.
 9. Council has organised webinar on the topic “Opportunities available for Master Weavers / handloom producers to become an Exporter” exclusively for master weavers/handloom producers at Manipur on 22nd July 2020 in association with WSC Imphal. During webinar, the information on getting mandate license, export product, product diversification, identification of buyers, support provided for getting into export market has been disseminated. The webinar was attended by 14 weavers/societies.
 10. Council has organised webinar on the topic “Opportunities available for Master Weavers / handloom producers to become an Exporter” exclusively for master weavers/handloom producers at Assam and Mizoram on 29th July 2020 in association with WSC Guwahati & Aizwal. During webinar, the information on getting mandate license, export product, product diversification, identification of buyers, support provided for getting into export market has been disseminated. The webinar was attended by 22 weavers/societies.
 11. Council has organised webinar on the topic “Opportunities available for Master Weavers / handloom producers to become an Exporter” exclusively for master weavers/handloom producers at Bihar, Jharkhand & Nagaland on 12th Aug 2020 in association with WSC Bhagalpur, Ranchi, and Dimapur. During webinar, the information on getting mandate license, export product, product diversification, identification of buyers, support provided for getting into export market has been disseminated. The webinar was attended by 16 weavers/societies.

12. Council has organised webinar on the topic “Opportunities available for Master Weavers / handloom producers to become an Exporter” exclusively for master weavers/handloom producers at West Bengal on 19th Aug 2020 in association with WSC Kolkata. During webinar, the information on getting mandate license, export product, product diversification, identification of buyers, support provided for getting into export market has been disseminated. The webinar was attended by 26 weavers/societies.
13. Council has organised webinar on the topic “Opportunities available for Master Weavers / handloom producers to become an Exporter” exclusively for master weavers/handloom producers at Jammu & Kashmir and Uttarakhand on 26th Aug 2020 in association with WSC Srinagar & Chamoli. During webinar, the information on getting mandate license, export product, product diversification, identification of buyers, support provided for getting into export market has been disseminated. The webinar was attended by 13 weavers/societies.
14. Council has organised webinar on the topic “Opportunities available for Master Weavers / handloom producers to become an Exporter” exclusively for master weavers/handloom producers at Gujarat on 2nd September 2020 in association with WSC Ahmedabad. During webinar, the information on getting mandate license, export product, product diversification, identification of buyers, support provided for getting into export market has been disseminated. The webinar was attended by 17 weavers/societies.
15. Council has organised webinar on the topic “Opportunities available for Master Weavers / handloom producers to become an Exporter” exclusively for master weavers/handloom producers at Kerala on 9th September 2020 in association with WSC Kannur. During webinar, the information on getting mandate license, export product, product diversification, identification of buyers, support provided for getting into export market has been disseminated. The webinar was attended by around 15 weavers/societies.
16. Council has organised webinar on the topic “Opportunities available for Master Weavers / handloom producers to become an Exporter” exclusively for master weavers/handloom producers at Tamilnadu on 16th September 2020 in association with WSC Kanchipuram. During webinar, the information on getting mandate license, export product, product diversification, identification of buyers, support provided for getting into export market has been disseminated. The webinar was attended by around 15 weavers/societies.
17. A webinar was organised by The Embassy of India, Senegal on the subject “Opportunities for bilateral cooperation in textiles and imitation jewellery sector between India and Senegal, The Gambia, Guinea Bissau, Cabo Verd” on 19th October 2020. The Council has made a presentation on Indian Handloom Industry and its export potential during the webinar.

18. Council had participated along with member exporters who had shown interest for participation in the proposed Fashion show planned by Embassy of India, Senegal on 26th October 2020.
19. Council organised a webinar on 20th October 2020 on the topic “Digital presence and Digital presentation”. The webinar enlightened the exporters on how to make an effective presentation on website, social media and virtual show rooms / event etc. The webinar was attended by over 20 exporters.
20. In association with Messe Frankfurt, France, Council had organised a webinar on virtual platform of Texworld highlighting the features of the platform on 21st October 2020.

Meetings

1. Executive Director attended the Video Conference on India-Mauritius Comprehensive Economic Cooperation and Partnership Agreement (CECPA) under the chairmanship of Shri Keshav Chandra, Joint Secretary, Department of Commerce on 14.05.20.
2. Chairman and Executive Director attended the meeting under the Chairmanship of Secretary to discuss regarding road map meeting with Textile EPC's and Bangladesh Counterparts and viability of conducting virtual trade fairs through Video conferencing on 12.06.20.
3. Executive Director attended the Video Conference on overview of the sector and discuss the way forward in promoting export of various sub-sectors of Textiles under the chairmanship of Ms. Nidhi Mani Tripathi, Joint Secretary, EP Textiles on 01.09.20.
4. Chairman and Executive Director attended the meeting under the Chairmanship of Secretary to discuss important EPC issues through Video conferencing on 08.10.20
5. Assistant Director attended the meeting of District Industries Centre, Erode to Convert each Districts in Tamil Nadu as District Export Hub at District Level Meeting through Video Conferencing on 13.10.20
6. Joint Director attended the meeting the Director of Handloom and Textiles, for selection of Marketing Executive to the Market Development cell in the Office of the Director of Handlooms and Textiles on 15.10.20.
7. Chairman and Executive Director attended the meeting under the Chairmanship of HMOT to inform all members about the "Government has brought recently many changes in labour laws for its reform through Video conference on 22.10.20
8. Chairman and Executive Director attended the meeting under the Chairmanship of Secretary (Textiles) on Focus Product Incentive Scheme through Video conferencing on 05.11.20.

9. Chairman and Executive Director attended the meeting under the Chairmanship of Secretary (Textiles) for promoting Handicrafts during the Festival season of Diwali through Video conferencing on 05.11.20
10. Executive Director attended the meeting under the chairpersonship of Hon'ble Minister of Textiles to discuss the social media campaign through Video conferencing on 07.11.20.
11. Joint Director attended the Buyer Seller Meet "Shilpahaat" in Hastakari Virtual Exhibition platform on 10 November 2020 organised by CII as a Key Speaker through Video Conferencing on 10.11.20
12. Senior Executive attended the meeting of District Industries Centre, Nilgiri to `Convert each Districts in Tamil Nadu as District Export Hub at District Level Meeting through Video Conferencing on 12.11.20.
13. Executive Director attended the meeting under the under the chairpersonship of Shri Amitabh Kumar, Joint Secretary (EP-Textiles) Division, Department of Commerce to Create districts as export hubs for hand-loom and handicrafts products through Video Conferencing on 12.11.20
14. Chairman and Executive Director attended the meeting of Sub-Committee of MAI to consider proposal for assistance regarding organizing/ participating in virtual export promotion activities during 2020-21 on 12.11.20
15. Chairman, Vice chairman and Executive director attended the meeting for discussion on rationalizing of Textiles EPCs and implementing SOP on child labour through Video Conferencing on 20.11.20
16. Joint Director attended the meeting on Brand India campaign chaired by Dr. S Kishore, Additional Secretary, Department of Commerce and CEO, IBEF through video conferencing on 25.11.20
17. Chairman, Vice chairman and Executive director attended the meeting with the representatives from Trade chile towards discussion on organising virtual events in Chile region on 30.11.20
18. Executive Director attended the meeting under the chairmanship of Hon'ble CIM to discuss about the New Foreign Trade Policy through Video conferencing on 04.12.20
19. Joint Director attended the meeting to discuss the overlapping HS code in connection with the rationalization of EPCs with stakeholders through Video conferencing on 08.12.20

20. Joint Director attended the meeting with Shri Vidya Sagar Singh, General Manager-Digital Services, National Small Industries Corporation Ltd to promote and explore the collaboration possibility for facilitating MSMEs on 14.12.20
21. Deputy Director attended stake holder's consultation meeting on MAI scheme organised by Ministry of Commerce on 18.12.20
22. Joint Director attended the meeting the State level project Committee meeting, Director of Handloom and Textiles to discuss on the proposal of Marketing Incentive scheme for the year 2020-21 for state co-op societies on 21.12.20.
23. Joint Director attended the meeting to discuss the matter relating to identifying the mandatory supporting documents required during the process of clearance of goods in imports scheduled by Commissioner, Single Window project, CBIC with PGA's through Video conferencing on 04.01.21
24. Joint Director attended the Regional Advisory Committee (RAC) meeting on Off-Farm sector in Tamil Nadu to discuss the various aspects of Agri Start Ups in Tamil Nadu and potential market demand and future growth, hand-holding etc. for such enterprises organized by NABARD on 22.01.21
25. Executive Director and Joint Director attended the meeting of Stakeholder Consultation on FTP under the chairmanship of Hon'ble Minister of Commerce and Industry at 4.00 PM through video conferencing on 11.02.21
26. Joint Director presented a training session in Zonal Director General of Foreign Trade, Chennai on policies and procedures relating to imports/exports through video conferencing on 15.02.21
27. Joint Director attended the virtual meeting on Indo-Pacific theme on the challenges of trade in Indo-Pacific on 26.02.21
28. Senior Executive and Executive attended the Permanent Trade Facilitation Committee Meeting organised by O/o Commissioner of Customs, Commissionerate VII, Chennai to discuss about the BCD benefit for import through courier mode by the Exporters on 26.02.21
29. Joint Director attended the meeting of Meeting with EPCs to identify domestic and overseas constrains under the chairmanship of under the chairmanship of Shri Sanjay Chadha, Additional Secretary, DoC through video conferencing on 02.03.21.

30. Executive Director and Joint Director attended the webinar on the PLI Scheme announced for Textiles Sector presented by Hon'ble Prime Minister through video conferencing on 05.03.2021.
31. Joint Director attended the Virtual Interactive Session with Stakeholders regarding India EAEU Trade Agreement on 05.03.21.
32. Joint Director attended the inauguration of the Jute Training Programme on 10.03.21.
33. Executive Director and Joint Director attended CITI's Global Textiles Conclave 2021 through Virtual Platform on 12.03.21.
34. Executive Director and Joint Director attended the meeting of issues related to 'others' in ITC (HS) under the chairmanship of Hon'ble Minister of Commerce and Industry, Shri Piyush Goyal on 22.03.21 at 4.00 PM through video conference.
35. Chairman, Vice Chairman and Executive Director had meeting with Secretary (Textiles) and with Development Commissioner (Handlooms) on 24.03.21.

INDEPENDENT AUDITOR'S REPORT

To the Members of Handloom Export Promotion Council

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **HANDLOOM EXPORT PROMOTION COUNCIL** which comprise the Balance Sheet as at March 31, 2021, the Statement of Income and Expenditure and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the expenditure over Income and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit matters

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

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

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

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

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

Management's Responsibility for the Standalone Financial Statements

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

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

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

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

- c) The Balance Sheet, the Statement of Income and Expenditure and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the Members of Committee of Administration as on March 31, 2021 taken on record by the Committee of Administration, none of the Members of Committee of Administration is disqualified as on March 31, 2021 from being appointed as Member of Committee of Administration in terms of Section 164 (2) of the Act.
- f) As this company is registered as Company Limited by Guarantee under Companies Act and under section 12A of Income Tax Act, 1961, the reporting requirement on the Companies (Auditor's Report) Order, 2016 issued by the Central Government in terms of Section 143(11) of the Companies Act 2013 and internal financial controls under section 143(3)(i) of Companies Act 2013 is not applicable as per MCA Notification.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any.

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

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

Place: Chennai
Dated: 01.09.2021

HANDLOOM EXPORT PROMOTION COUNCIL
PART I - BALANCE SHEET AS AT 31ST MARCH 2021

S. No.	PARTICULARS	NOTE NO.	(IN RUPEES)	
			FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31 ST MARCH 2021	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31 ST MARCH 2020
I	EQUITY AND LIABILITIES			
1	<u>SHAREHOLDERS FUNDS</u>			
	(a) SHARE CAPITAL	A	NIL	NIL
	(b) RESERVES AND SURPLUS	A	13,54,90,150	14,60,23,196
	(c) MONEY REC. AGST. SHARE WARRANTS		NIL	NIL
	TOTAL(1)		13,54,90,150	14,60,23,196
2	<u>NON-CURRENT LIABILITIES</u>	B		
	(a) OTHER LONG-TERM LIABILITIES		6,93,198	17,22,268
	(b) LONG-TERM PROVISIONS		NIL	NIL
	TOTAL(2)		6,93,198	17,22,268
3	<u>CURRENT LIABILITIES</u>			
	(b) TRADE PAYABLES	C	80,28,060	92,62,708
	(c) OTHER CURRENT LIABILITIES	D	94,56,490	2,06,55,858
	(d) SHORT TERM PROVISIONS	E	80,89,094	75,13,273
	TOTAL(3)		2,55,73,644	3,74,31,839
	TOTAL(1+2+3)		16,17,56,992	18,51,77,303
	ASSETS			
1	<u>NON-CURRENT ASSETS</u>			
	(a) FIXED ASSETS	F		
	(i) TANGIBLE ASSETS		3,66,50,645	4,06,99,493
	(ii) INTANGIBLE ASSETS		NIL	NIL
	(iii) CAPITAL WORK-IN-PROGRESS		NIL	NIL
	(iv) INTANGIBLE ASSETS UNDER DEV.		NIL	NIL
	(b) NON-CURRENT INVESTMENTS		NIL	NIL
	(c) DEFERRED TAX ASSETS (NET)		NIL	NIL
	(d) LONG-TERM LOANS AND ADVANCES	G	1,08,570	1,08,570
	(e) OTHER NON-CURRENT ASSETS		NIL	NIL
	TOTAL(1)		3,67,59,215	4,08,08,063

HANDLOOM EXPORT PROMOTION COUNCIL
PART I - BALANCE SHEET AS AT 31ST MARCH 2021

S. No.	PARTICULARS	NOTE NO.	(IN RUPEES)	
			FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31 ST MARCH 2021	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31 ST MARCH 2020
2	<u>CURRENT ASSETS</u>			
	(a) INVENTORIES	H	-	-
	(b) TRADE RECEIVABLES		NIL	NIL
	(c) CASH AND CASH EQUIVALENTS	I	6,96,24,222	3,90,83,150
	(d) SHORT-TERM LOANS AND ADVANCES	J	1,25,99,420	1,27,22,815
	(e) OTHER CURRENT ASSETS	K	4,27,74,135	9,25,63,275
	TOTAL(2)		12,49,97,777	14,43,69,240
	TOTAL(1+2)		16,17,56,992	18,51,77,303

The accompanying notes are integral part of the financial statements

As per our report of even date

For S Narasimhan & Co.

Chartered Accountants

Firm Regn. No.: 002349S

FOR HANDLOOM EXPORT PROMOTION COUNCIL

sd/-

S Narasimhan

Partner

Membership No: 020875

sd/-

(N SREEDHAR)

EXECUTIVE DIRECTOR

sd/-

(T.V. CHANDRASEKARAN)

CHAIRMAN

sd/-

(P. GOPALAKRISHNAN)

VICE CHAIRMAN

PLACE : CHENNAI

DATED : 01.09.2021

HANDLOOM EXPORT PROMOTION COUNCILNOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2021

NOTE NO.	S. No.	PARTICULARS	(IN RUPEES)	
			FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31 ST MARCH 2021	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31 ST MARCH 2020
A	1	<u>RESERVE & SURPLUS:</u>		
		<u>OTHER RESERVES</u>		
		OPENING BALANCE	14,60,23,196	12,61,16,030
		ADDITIONS DURING THE YEAR	(1,05,33,046)	1,99,07,166
		UTILIZATIONS DURING THE YEAR	-	-
		GRAND TOTAL	13,54,90,150	14,60,23,196
		Notes: No Reserve specifically earmarked for investments		
B		<u>OTHER LONG-TERM LIABILITIES:</u>		
		HEZ- THIRUVANNAMALAI	1,27,646	11,56,716
		DUE TO GOVT-SPECIAL ASSISTANCE FOR EXPORTS	5,65,552	5,65,552
			6,93,198	17,22,268
C		<u>TRADE PAYABLES</u>		
		SUNDRY CREDITORS	80,28,060	92,62,708
			80,28,060	92,62,708
D	1	<u>OTHER CURRENT LIABILITIES</u>		
		TDS PAYABLE	79,480	1,18,104
	2	<u>INCOME RECEIVED IN ADVANCE</u>		
		-MEMBERSHIP FEES	8,55,617	19,26,000
		-PARTICIPATION FEES	40,29,668	30,12,100
		-GRANT PAYABLE	-	10,919
		-GRANT PAYABLE TO EXPORTERS	43,29,325	1,54,26,335
	3	SECURITY DEPOSIT	1,62,400	1,62,400
	4	PREPAID INCOME	-	-
			94,56,490	2,06,55,858

NOTE NO.	S. No.	PARTICULARS	(IN RUPEES)	
			FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31 ST MARCH 2020	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31 ST MARCH 2019
E		SHORT-TERM PROVISIONS		
		(a) PROVISIONS FOR EMPLOYEE BENEFITS	80,89,094	75,13,273
			80,89,094	75,13,273
F	(a)	FIXED ASSETS	3,66,50,645	4,06,99,493
			3,66,50,645	4,06,99,493
G	a	LONG TERM LOANS AND ADVANCES:		
		SECURITY DEPOSITS	1,08,570	1,08,570
			1,08,570	1,08,570
H	a	OTHER NON-CURRENT ASSETS	NIL	NIL
		INVENTORIES:		
	(b)	l OTHERS;(STOCK OF BOOKS)	-	-
			-	-
I	a	CASH & CASH EQUIVALENTS :		
		(a) BALANCE WITH BANKS		
		<u>IN FIXED DEPOSITS</u>		
		EARMARKED BALANCES WITH BANKS HELD AS MARGIN MONEY AGAINST BORROWINGS,	6,15,622	6,15,622
		AND OTHER COMMITMENTS.	NIL	NIL
		MATURITY WITH MORE THAN 12 MONTHS	NIL	NIL
		OTHERS- FIXED DEPOSITS	3,21,19,380	1,82,90,419
		<u>IN CURRENT ACCOUNTS:</u>	38,82,755	1,08,08,695
		SAVINGS ACCOUNTS	3,29,99,691	93,61,846
		(b) CASH ON HAND	6,774	6,567
		Funds In Transit	-	
			6,96,24,222	3,90,83,150

NOTE NO.	S. No.	PARTICULARS	(IN RUPEES)	
			FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31 ST MARCH 2021	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31 ST MARCH 2020
J	α	SHORT TERM LOANS & ADVANCES:		
		(1) ADVANCE TO PARTIES	11,28,029	13,02,627
		(2) RECEIVABLE FROM REVENUE AUTHORITIES	1,10,43,429	1,14,20,188
		(3) RENT RECEIVABLE	4,27,962	-
		1,25,99,420	1,27,22,815	
K	α	OTHER CURRENT ASSETS:		
		GRANT RECEIVABLE - FAIR PARTICIPATION	4,21,44,054	9,19,50,946
		INTEREST ACCRUED ON INVESTMENTS	6,30,081	6,12,329
		4,27,74,135	9,25,63,275	

HANDLOOM EXPORT PROMOTION COUNCILNOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2021

NOTE NO.	S. No.	PARTICULARS	(IN RUPEES)	
			FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31 ST MARCH 2021	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31 ST MARCH 2020
L		CONTINGENT LIABILITIES AND COMMITMENTS		
		(TO THE EXTENT NOT PROVIDED FOR)	17,27,59,125	17,33,63,955
	i	<u>CONTINGENT LIABILITIES</u>		
		(a) CLAIM AGAINST THE COMPANY NOT ACKNOWLEDGED AS DEBTS;	NIL	NIL
		(b) GUARANTEES;	NIL	NIL
		(C) OTHER MONEY FOR WHICH THE COMPANY IS CONTINGENTLY LIABLE.		
	ii	<u>COMMITMENTS</u>		
		(a) ESTIMATED AMOUNT OF CONTRACTS REMAINING TO BE EXECUTED ON CAPITAL ACCOUNT AND NOT PROVIDED FOR;	NIL	NIL
		(b) UNCALLED LIABILITY ON SHARES AND OTHER INVESTMENTS PARTLY PAID;	NIL	NIL
		(c) OTHER COMMITMENTS	NIL	NIL
M		THE AMOUNT OF DIVIDENDS PROPOSED TO BE DISTRIBUTED TO EQUITY AND PREFERENCE SHAREHOLDERS FOR THE PERIOD		
		AMOUNT PER EQUITY SHARE	NA	NA
N		ISSUE OF SECURITIES FOR SPECIFIC PURPOSE	NA	NA

NOTE NO.	S. No.	PARTICULARS	(IN RUPEES)	
			FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31 ST MARCH 2021	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31 ST MARCH 2020
○		DETAIL OF ANY ASSETS OTHER THAN FIXED ASSETS AND NON-CURRENT INVESTMENTS WHICH DO NOT HAVE A VALUE ON REALISATION IN THE ORDINARY COURSE OF BUSINESS AT LEAST EQUAL TO THE AMOUNT AT WHICH THEY ARE STATED.	NA	NA

As per our report of even date

For S Narasimhan & Co.

Chartered Accountants

Firm Regn.No.: 002349S

FOR HANDLOOM EXPORT PROMOTION COUNCIL

sd/-

S Narasimhan

Partner

Membership No: 020875

sd/-

(N SREEDHAR)

EXECUTIVE DIRECTOR

sd/-

(T.V. CHANDRASEKARAN) (P. GOPALAKRISHNAN)

CHAIRMAN

sd/-

(P. GOPALAKRISHNAN)

VICE CHAIRMAN

PLACE : CHENNAI

DATED : 01.09.2021

Schedule for Fixed Assets for the financial year 2020-21

Sl.No	Asset Category	Gross Value 01. 04. 2020	Addition	Deletion	Gross Value 31. 03. 2021	Acc Dep 01. 04. 2020	Depreciation for the year	Dep Reversal	Acc Dep 31. 03. 2021	WDV 31. 03. 2021	WDV 31. 03. 2020
	Tangible:										
1	Land	2,980,144			2,980,144	-	-	-		2,980,144	2,980,144
2	Building	62,125,700			62,125,700	27,603,912	3,300,629		30,904,541	31,221,159	34,521,788
3	Generator	1,111,053			1,111,053	710,713	80,212		790,925	320,128	400,340
4	Furniture	5,484,603			5,484,603	4,574,512	242,627	-	4,817,138	667,465	910,091
5	M V Panel	585,792			585,792	556,502	-		556,502	29,290	29,290
6	Electrical Equipments	2,365,190			2,365,190	1,976,514	103,727		2,080,241	284,949	388,676
7	Office Equipments	1,299,486	27,140		1,326,626	1,072,772	96,333	-	1,169,105	157,521	226,714
8	Airconditioner	2,257,662			2,257,662	2,142,978	1,800	-	2,144,778	112,884	114,684
9	Fax	15,440			15,440	14,668	-	-	14,668	772	772
10	Cell Phone	124,599	73,490		198,089	97,090	19,496	-	116,587	81,502	27,509
11	Fan	23,070			23,070	21,916	-	-	21,916	1,154	1,154
12	Computer	1,241,543			1,241,543	1,152,569	23,106	-	1,175,674	65,869	88,974
13	Stabiliser	5,306			5,306	5,041	-	-	5,041	265	265
14	20 Kva Ups	515,497			515,497	489,722	-	-	489,722	25,775	25,775
15	Vehicles	2,372,574			2,372,574	1,454,190	281,550	-	1,735,740	636,834	918,384
16	Computerisation	1,298,697			1,298,697	1,233,762	-	-	1,233,762	64,935	64,935
		83,806,356	100,630	-	83,906,986	43,106,862	4,149,479	-	47,256,341	36,650,645	40,699,494

PART II - STATEMENT OF INCOME AND EXPENDITURE
HANDLOOM EXPORT PROMOTION COUNCIL
 INCOME AND EXPENDITURE STATEMENT AS AT 31ST MARCH 2021

S. No.	PARTICULARS	NOTE NO.	(IN RUPEES)	
			FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31 ST MARCH 2021	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31 ST MARCH 2020
	<u>REVENUE FROM OPERATIONS</u>			
I	REVENUE FROM OPERATIONS	1	2,15,66,171	11,19,85,644
II	OTHER INCOME	2	24,64,577	30,68,915
III	TOTAL REVENUE(I+II)		2,40,30,748	11,50,54,559
IV	EXPENSES:			
a	EMPLOYEE BENEFITS EXPENSES	3	2,26,23,304	2,17,18,193
b	FINANCE COSTS	4	4,058	29,832
c	DEPRECIATION AND AMORTIZATION EXPENSE	5	41,49,479	51,21,385
d	OTHER EXPENSES	6	77,41,018	6,70,30,425
	TOTAL EXPENSES		3,45,17,859	9,38,99,835
V	BEFORE EXCEPTION (PRIOR PERIOD)	7	(1,04,87,111)	2,11,54,724
			(1,04,87,111)	2,11,54,724
	LESS: PRIOR PERIOD EXPENSES		45,935	12,47,558
	EXPENDITURE OVER INCOME		(1,05,33,046)	1,99,07,166

As per our report of even date

For S Narasimhan & Co.

Chartered Accountants

Firm Regn.No.: 002349S

FOR HANDLOOM EXPORT PROMOTION COUNCIL

sd/-

S Narasimhan

Partner

Membership No: 020875

sd/-

(N SREEDHAR)

EXECUTIVE DIRECTOR

sd/-

(T.V. CHANDRASEKARAN) (P. GOPALAKRISHNAN)

CHAIRMAN

sd/-

VICE CHAIRMAN

PLACE : CHENNAI

DATED : 01.09.2021

HANDLOOM EXPORT PROMOTION COUNCIL

NOTES TO AND FORMING PART OF STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31ST MARCH 2021

NOTE NO.	PARTICULARS	(IN RUPEES)	
		FIGURES FOR THE CURRENT REPORTING PERIOD 31 ST MARCH 2021	FIGURES FOR THE PREVIOUS REPORTING PERIOD 31 ST MARCH 2020
1	<u>REVENUE FROM OPERATIONS</u>		
	-MEMBERSHIP FEES	1,01,45,569	99,42,000
	CONTRIBUTION TOWARDS PARTICIPATION FOR TRADE FAIR	42,44,010	8,41,26,035
	GRANT TO EXPORTERS	-	-
	NHDP SCHEMES	-	70,65,278
	-MAI SCHEMES	-	41,55,664
	RENT	71,29,932	66,25,667
	SERVICE CHARGES	46,660	71,000
	NET REVENUE FROM OPERATIONS	2,15,66,171	11,19,85,644
2	<u>OTHER INCOME</u>		
	<u>Interest income on</u>		
	FIXED DEPOSIT	14,55,544	10,93,239
	SAVING BANK ACCOUNTS	7,70,749	5,14,489
	OTHER NON OPERATING INCOME	2,38,284	14,61,187-
		24,64,577	30,68,915
	Notes; Other Non Operating Income includes Interest on TDS Refund - Rs.233282/-		
3	<u>EMPLOYEE BENEFITS EXPENSE</u>		
	<u>SALARY AND WAGES</u>		
	OFFICE STAFF SALARY	1,93,31,641	1,82,70,502
	DIRECTOR REMUNERATION	NIL	NIL
	<u>CONTRIBUTION TO PROVIDENT AND OTHER FUNDS</u>		
	CONTRIBUTION TO PROVIDENT FUND	20,84,174	15,91,190
	CONTRIBUTION TO EMPLOEES STATE INS. FUND	NIL	NIL

HANDLOOM EXPORT PROMOTION COUNCIL

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

NOTE NO.	PARTICULARS	(IN RUPEES)	
		FIGURES FOR THE CURRENT REPORTING PERIOD 31ST MARCH 2021	FIGURES FOR THE PREVIOUS REPORTING PERIOD 31ST MARCH 2020
4	CONTRIBUTION TO OTHER FUNDS - GRATUITY	7,59,272	14,01,728
	<u>OTHER EXPENSES</u>		
	WORKERS AND STAFF WELFARE	93,149	89,705
	BONUS	3,55,068	3,65,068
		2,26,23,304	2,17,18,193
	<u>FINANCIAL COSTS:</u>		
	a <u>INTEREST EXPENSE</u>		
	BANK CHARGES	4,058	29,832
	INTEREST TO PARTIES/ DISTRIBUTORS (NET)	NIL	NIL
	INTEREST TO DEPOSITORS	NIL	NIL
INTEREST TO BANK ON VEHICLE LOAN	NIL	NIL	
INTEREST ON TDS & OTHER TAXES	NIL	NIL	
b OTHER BORROWING COSTS	NIL	NIL	
c APPLICABLE NET GAIN/ LOSS ON FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS	NIL	NIL	
	4,058	20,423	
5	<u>DEPRECIATION AND AMORTIZATION EXPENSES:</u>		
	DEPRECIATION	41,49,479	51,21,385
	ADDITIONAL DEPRECIATION	41,49,479	51,21,385

HANDLOOM EXPORT PROMOTION COUNCIL

NOTES TO AND FORMING PART OF STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED AS AT 31ST MARCH 2021

NOTE NO.	PARTICULARS	(IN RUPEES)			
		FIGURES FOR THE CURRENT REPORTING PERIOD 31ST MARCH 2021		FIGURES FOR THE PREVIOUS REPORTING PERIOD 31ST MARCH 2020	
6	<u>OTHER EXPENSES:</u>				
A	<u>ADMINISTRATIVE EXPENSE</u>				
	CAR EXPENSES		2,13,860		3,06,057
	FESTIVAL CELEBRATION EXPENSES		13,039		15,010
	SUBSCRIPTION/MEMBERSHIP FEES		8,250		7,375
	ELECTRICITY EXPENSES (OFFICE)		4,85,398		5,98,855
	ENTERTAINMENT EXP.		1,59,470		2,99,040
	RATES & TAXES, OTHER FEES, INSURANCE		3,14,679		11,40,025
	GENERAL EXPENSES & INTEREST		6,51,162		9,66,404
	LEGAL EXPENSES		1,00,000		3,32,500
	NEWS PAPER & PERIODICALS		3,708		21,678
	PAYMENT TO THE AUDITORS		70,000		82,600
	POSTAGE & COURIER EXP.		36,105		3,21,311
	PRINTING & STATIONERY		2,57,221		7,00,820
	REPAIR TO BUILDINGS & MAINTENANCE		8,94,263		10,23,557
	NHDP SCHEMES- EXHIBITIONS & OTHER PROJECTS	1,19,18,748		6,65,30,940	-
	LESS: GRANT UTILIZED - EXHIBITIONS	1,12,89,548	6,29,200	5,44,72,597	1,20,58,343
	MAI SCHEMES- EXHIBITIONS	7,54,933		5,85,90,027	
	LESS; GRANT UTILIZED - EXHIBITIONS	6,50,000	1,04,933	2,37,46,888	3,48,43,139
	EVENT PARTICIPATION, WEBINAR		2,56,890		-
	LIASON OFFICE		16,027		73,651
	-MAI EXPORTER GRANT		-		41,55,664
	-TRAVEL GRANT TO EXPORTERS		-		70,65,278

HANDLOOM EXPORT PROMOTION COUNCIL

NOTES TO AND FORMING PART OF STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED AS AT 31ST MARCH 2021

NOTE NO.	PARTICULARS	(IN RUPEES)	
		FIGURES FOR THE CURRENT REPORTING PERIOD 31ST MARCH 2021	FIGURES FOR THE PREVIOUS REPORTING PERIOD 31ST MARCH 2020
	REPAIR & MAINTENANCE (GENERAL)- AMC	4,12,711	4,99,454
	TELEPHONE EXP.	2,26,477	1,83,792
	CONFERENCE EXPENSES & TA to COMMITTEE MEMBERS	1,94,377	4,34,317
	TRAVELLING EXPENSES TA to OFFICERS STAFF	3,59,533	11,67,243
	HONORARIUM & SALARY TO CONTINGENT STAFF	3,60,000	3,60,000
	SHORT PAYMENT IN GRANTS	5,83,530	-
	RENT RO OFFICE	48,000	48,000
	ADVERTISEMENT CHARGES	42,966	12,422
	INTEREST FOR REFUND OF GRANT	32,411	3,13,890
	SOCIAL MEDIA CHARGES	2,66,808	-
	PM RELIEF FUND	10,00,000	-
		77,41,018	6,70,30,425
	<u>SELLING & DISTRIBUTION EXPENSE</u>		
	ADVERTISEMENT EXPS.	NIL	NIL
	ADVERTISEMENT (MEDIA)	NIL	NIL
	CONFERENCE EXPENSES	NIL	NIL
	FREIGHT & CARTAGE(OUTWARD)	NIL	NIL
	DR./CR. W/O	NIL	NIL
	SALE COMMISSION & INCENTIVES	NIL	NIL
	PENALTIES	NIL	NIL
	TRAVELLING EXPENSES	NIL	NIL
	MARKETING STAFF TOUR EXPENSES	NIL	NIL
		NIL	NIL
	GRAND TOTAL	77,41,018	6,70,30,425

HANDLOOM EXPORT PROMOTION COUNCIL

ADDITIONAL INFORMATIONS TO AND FORMING PART OF STATEMENT OF
INCOME AND EXPENDITURE FOR THE YEAR ENDED 31ST MARCH 2021

NOTE NO.	PARTICULARS	(IN RUPEES)	
		FIGURES FOR THE CURRENT REPORTING PERIOD 31 ST MARCH 2021	FIGURES FOR THE PREVIOUS REPORTING PERIOD 31 ST MARCH 2020
	PAYMENT TO THE AUDITORS AS PAYMENT TO THE AUDITORS AS AUDITOR		
	FOR TAXATION MATTERS	50,000	50,000
	FOR COMPANY LAW MATTERS		
	FOR MANAGEMENT SERVICES	20,000	20,000
	FOR OTHER SERVICES		
	FOR REIMBURSEMENT OF EXPENSES		
	TOTAL	70,000	70,000
	VALUE OF IMPORTS CALCULATED ON C.I.F BASIS BY THE COMPANY DURING THE FINANCIAL YEAR IN RESPECT OF		
I	RAW MATERIALS;	NIL	NIL
II	COMPONENRTS AND SPARE PARTS;	NIL	NIL
III	CAPITAL GOODS;	NIL	NIL
	TOTAL	NIL	NIL
	EXPENDITURE IN FOREIGNN CURRENCY DURING THE FINANCIAL YEAR ON ACCOUNT OF		
	ROYALTY	NIL	NIL
	KNOWHOW	NIL	NIL
	PROFESSIONAL AND CONSULTATION FEES	NIL	NIL
	INTEREST	NIL	NIL
	FOREIGN TREVELLING	NIL	NIL
	FEES AND TAXES	NIL	NIL
	OTHER PROMOTIONAL EXPENSES OF HANDLOOM EXPORT	18,77,628	10,32,31,118
	TOTAL	18,77,628	10,32,31,118

HANDLOOM EXPORT PROMOTION COUNCIL
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

PARTICULARS	31-Mar-21	31-Mar-20
Cash flows from Operating Activities:		
Profit/(Loss) Before Tax from Continuing Operations	(1,05,33,046)	1,99,07,165
Adjustments for:		
Depreciation/Amortization on continuing operation	41,49,479	57,74,477
Finance Cost	4,058	29,832
Provision for Employee Benefit	5,75,821	15,45,080
Interest income	(24,59,575)	(16,07,728)
Operating profit before working capital changes	(82,63,263)	2,56,48,826
Movements in Working Capital:		
Increase/(Decrease) in Long Term Liabilities	(10,29,070)	
Increase/(Decrease) in Trade Payables	(12,34,648)	5,16,712
Increase/(Decrease) in other Current Liabilities	(1,11,99,368)	(44,00,982)
Decrease(Increase) in Loans and advances	9,45,058	41,48,432
Decrease/(Increase) in Other Current Assets	4,97,89,140	(1,93,14,578)
Cash generated from/(used in) operations	2,90,07,849	65,98,410
Less: Direct taxes paid/TDS(net of refunds)	8,21,664	18,69,930
Net Cash Flow from/(used in) operating activities (A)	2,81,86,185	47,28,480
B. Cash Flow from Investing Activities		
Payment for acquisition of Tangible/intangible assets	(1,00,630)	
Interest Received	24,59,575	16,07,728
Net Cash Flow from/(used in) Investing Activities (B)	23,58,945	16,07,728
C. Cash Flow from Financing Activities		
Interest Paid	(4,058)	(29,832)
Net cash flow from/(used in) in financing activities (C)	(4,058)	(29,832)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	3,05,41,072	63,06,376
Cash and Cash Equivalents at the beginning of the year	3,90,83,150	3,27,76,774
Cash and Cash Equivalents at the end of the year	6,96,24,222	3,90,83,150

As per our report of even date

For S Narasimhan & Co.

Chartered Accountants

Firm Regn.No.: 002349S

sd/-

S Narasimhan

Partner

Membership No: 020875

PLACE : CHENNAI / DATED : 01.09.2021

FOR HANDLOOM EXPORT PROMOTION COUNCIL

sd/-

(T.V. CHANDRASEKARAN) (P. GOPALAKRISHNAN)

CHAIRMAN

VICE CHAIRMAN

sd/-

(N SREEDHAR)

EXECUTIVE DIRECTOR

HANDLOOM EXPORT PROMOTION COUNCIL
NOTES FORMING PART OF ACCOUNTS AS AT 31st MARCH 2021

NOTES ON ACCOUNTS

1. Significant Accounting Policies:

1.01. Basis of preparation

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

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

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

1.02 Use of estimates

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

1.03 Tangible fixed assets

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

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

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

1.04 Depreciation on tangible fixed assets

Depreciation on tangible fixed assets is provided on written down value method, at the rates and manner prescribed in part C of Schedule II to the Companies Act, 2013.

1.05 Segment Reporting:

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

1.06 Revenue recognition

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

(i) Revenue from operations:

The revenue from the members is recognized on receipt basis.

(ii) OTHER INCOME:

Revenue is recognized with respect to other income on accrual basis. Amenities Receipts is recognized on receipt basis.

1.07 Employee Benefits:

a. Defined Benefit/contribution plan:

- i. The company operates a defined benefit plan for its employees i.e. Gratuity Liability covering all the employees. Provision for Gratuity is made on the norms of the Company on undiscounted basis. The Provision for Gratuity has not transferred to the Gratuity Trust maintained by the Company.

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

b. Short term employee benefits:

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

1.08 Income tax:

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

1.09 Provisions:

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

1.10 Contingent liabilities:

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

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

Demand Amount	Assessment year	Appeal pending before
Rs.1,28,58,623/-	2009-10	Commissioner of Income Tax Appeals.
Rs.1,65,62,811/-	2010-11	Commissioner of Income Tax Appeals.
Rs.2,22,35,150/-	2011-12	Appeal is preferred by DCIT before ITAT. Reverted back to AO
Rs.1,76,85,085/-	2012-13	Appeal is preferred by DCIT before ITAT. Reverted back to AO
Rs.2,69,57,480	2013-14	Appeal is preferred by DCIT before ITAT. Reverted back to AO
Rs.3,62,11,266/-	2014-15	Appeal is preferred by DCIT before ITAT. Reverted back to AO
Rs.4,02,48,710/-	2017-18	Commissioner of Income Tax Appeals.

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

1.11 As per the Notification # K-11020/303/2018-E&MDA received from Ministry of Commerce & Industry – Government of India Dated: 19/06/2019 the Membership Fee has been graded on the Export Turnover & the excess Membership Fee Received by the company is kept under current Liabilities to be adjusted against future Membership Fees. The Shortfall in Membership Fee has not been recognised.

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

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

1.13 **GST:** The Management is collecting GST on Membership fees and other service charges remitting to GST department. The Ineligible Input Credit and the Common Input Credit on Exempted Turnover is not reckoned in the Financials and the GST Portal.

1.14 **Income Tax:** Refund of Rs. 6,04,830 received on 28/10/2020 for the Assessment Year 2014-15 has been adjusted against Outstanding Demand by IT Department. Since the year of adjustment is not available, it has been taken for the Assessment Year 2009-10.

2. Remuneration to Auditor:

Particulars	Current year ended 31.03.2021	Previous year ended 31.03.2020
Statutory Auditors	50,000	50,000
Internal Auditors	20,000	20,000
PF Auditors	Nil	Nil

3. Earning in Foreign Currency:

Particulars	Current year ended 31.03.2021	Previous year ended 31.03.2020
i. Export of Goods / Services calculated on FOB Basis	NIL	NIL
ii. Royalty, know-how, professional and consultancy fees	NIL	NIL
iii. Interest and Dividend	NIL	NIL
iv. Other Income	NIL	NIL

4. Expenditure in Foreign Currency:

Particulars	Current year ended 31.03.2021	Previous year ended 31.03.2020
i Royalty	NIL	NIL
ii. Know-how	NIL	NIL
iii. Professional Fees	NIL	NIL
iv. Consultancy Fees	NIL	NIL
v. Interest	NIL	NIL
vi. Other Promotional expenses of Handloom export	Rs. 18,77,628.37	Rs. 10,32,31,118/-
vii.Amount remitted in foreign currency on account of dividend	NIL	NIL

5. Detail of Prior period adjustment:

Particulars	Current year ended 31.03.2021	Previous year ended 31.03.2020
Income	NIL	NIL
Expenditure	Rs. 45,935/-	Rs.12,47,557/-
Excess Provision made on Grant	Rs. 583,530/-	-

6. Detail of Grant for the year 2020-21

Particulars	Ministry of Textiles	Ministry of Commerce & Industry
	Virtual Exhibitions and other projects	Virtual Exhibitions
Grant Received	83,01,850	19,50,000
Grant Receivable	75,37,698	-
Total Grant	1,58,39,548	19,50,000
Grant Utilized	1,12,89,548	6, 50,000
Refunded to Ministry	45,50,000	13,00,000
Closing balance	-	-

7. Details of Gratuity Fund

Opening balance	2020-21	2019-20
Opening balance	71,87,213.00	57,85,485.00
Less : Transfer to Gratuity Fund	-	-
Add: Provision for the year	7,59,272.00	14,01,728.00
Closing balance	79,46,485.00	71,87,213.00

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

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

For S Narasimhan & Co.

Chartered Accountants

Firm Regn.No.: 002349S

FOR HANDLOOM EXPORT PROMOTION COUNCIL

sd/-

S Narasimhan

Partner

Membership No: 020875

sd/-

(N SREEDHAR)

EXECUTIVE DIRECTOR

sd/-

(T.V. CHANDRASEKARAN)

CHAIRMAN

sd/-

(P. GOPALAKRISHNAN)

VICE CHAIRMAN

PLACE : CHENNAI

DATED : 01.09.2021

THE HANDLOOM EXPORT PROMOTION COUNCIL

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

FORM NO. MGT-11**PROXY**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN :**Name of the company** :**Venue** :

Name of the member (s) :

Registered address :

E-mail Id :

Folio No/ Client Id :

DP ID :

I/We, being the member (s) of..... Shares of the above named company, hereby appoint-

Name :

Address :

E-mail Id :

Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 52nd Annual general meeting of the company, to be held on Monday, the 27th September, 2021 at time at

_____, the Registered Office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No:

1.Title of resolutions

Signed this day of 2021

Signature of shareholder.....

Signature of Proxy holder(s).....

Affix
Revenue
Stamp

THE HANDLOOM EXPORT PROMOTION COUNCIL

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

ATTENDANCE SLIP

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

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

Membership No.

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

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

I hereby accord my presence, at the Fifty Second Annual General Meeting of the Council to be held on 27th September 2021 at 12.00 Noon on Monday the 27th September 2021, through Hybrid and Physical Mode (Hotel Raintree, 636, Anna Salai, Teynampet, Chennai-600 035), to transact the following business.

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