

EXECUTIVE COMMITTEE

VIRENDER UPPAL	CHAIRMAN
ASHOK G. RAJANI	VICE-CHAIRMAN (WR)
LALIT GULATI	VICE-CHAIRMAN(ER)
N.CHANDRAN	VICE-CHAIRMAN(SR)
VIJAY KUMAR AGARWAL	
AMIT GOYAL	
R. B.GOENKA	
PREMAL. H. UDANI	
H.K.L. MAGU	
PRAVIN KUMAR AGARWAL	
A. SAKTHIVEL	
RISHI K RAJANI	
NARENDRA GOENKA	
HARISH AHUJA	
HARI KAPOOR	
PRITAM GOEL	
RAKESH VAID	
SUDHIR SEKHRI	
G. S. MADAN	
LALITTHUKRAL	
M.A.RAMASAMY	
RANJIT P SHAH	
JAGADISH N. HINDUJA	
J.B.JAIN	
MANAV GOYAL	
B SHANMUGASUNDARAM	
RAJEEV S. GOENKA	
A.S.SUBRAMANIAN	
RAHUL MEHTA	CO-OPTED MEMBER
ASHOK LOGANI	CO-OPTED MEMBER
V.ELANGO VAN	CO-OPTED MEMBER
ANIL BUCHASIA	CO-OPTED MEMBER
SUNAINA TOMAR	JT. SECRETARY, MINISTRY OF TEXTILES - (GOVT. NOMINEE)
KAVITA GUPTA	TEXTILE COMMISSIONER - (GOVT. NOMINEE)

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SECRETARY GENERAL

PUNEET KUMAR

Dy. SECRETARY GENERAL & SECRETARY

SANJIV MALHOTRA

LEGAL ADVISORG L RAWAL
KULJEET RAWAL
RAJESH RAWAL**AUDITOR**

S. P. PURI & CO.

BANKERSINDIAN OVERSEAS BANK
HDFC Bank
STATE BANK OF INDIA
STATE BANK OF BIKANER & JAIPUR
CORPORATION BANK
YES BANK
ALLAHABAD BANK
CANARA BANK
DENA BANK
LAKSHMI VILAS BANK LTD.
SYNDICATE BANK**REGISTERED OFFICE**A-223, OKHLA INDUSTRIAL AREA,
PHASE-1, NEW DELHI-110020
CIN : U74899DL1978NPL008877
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WEBSITE: WWW.AEPCINDIA.COM
TELEFAX: 011- 40501798**HEAD OFFICE**APPAREL HOUSE, INSTITUTIONAL
AREA, SECTOR-44, GURGAON - 122003,
HARYANA**OTHER OFFICES AT**NEW DELHI
NOIDA
JAIPUR
LUDHIANA
CHENNAI
TIRUPUR
BANGALORE
KOLKATA
MUMBAI**NOTES:**

- Council members are requested to bring their copies of the Annual Report with them, as spare copies will not be available at the meeting.
- 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 36th Annual General Meeting of the Council will be held on 18th December, 2015, Friday at 12.00 Noon at Niryat Bhawan (FIEO Office Building), Rao Tula Ram Marg, Opp. Army Hospital Research & Referral, New Delhi-110057, 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 31st March, 2015, along with the report of the Auditors and the Executive Committee of the Council.
2. To consider to appoint M/s S P Puri & Co., Chartered Accountants (Firm Registration No. 001152N) as Statutory Auditors of the Council to hold the office from the conclusion of this meeting until the conclusion of the 41st Annual General Meeting (subject to ratification at every AGM) and to fix their remuneration.
3. 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.
4. 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.
5. To elect & so appoint a Member to the Executive Committee, in place of Shri Rishi K Rajani from Western Region, who is retiring otherwise.
6. 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.
7. 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.
8. To elect & so appoint a Member to the Executive Committee, in place of Shri Pritam Goel from Northern 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 M. A. Ramasamy 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 Rajeev S Goenka from Southern Region, who retires by rotation and is eligible for re- election.
11. To elect & so appoint a Member to the Executive Committee, in place of Shri N. Chandran from Southern Region, who retires by rotation and is eligible for re- election.

By order of the Executive Committee

Place: Gurgaon
Date: 06.11.2015

SANJIV MALHOTRA
Deputy Secretary General & Secretary

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 will also be available at the meeting. 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 will also be available at the meeting.

NOTES:

[a] **A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and to vote at the meeting on his behalf.** Such proxy need to be a member of the AEPC. Proxies in order to be effective must be received by the Council at its Registered Office not less than forty-eight hours before the meeting.

A person can act as proxy on behalf of Members not exceeding fifty.

[b] The Register of Members of the Council will be closed from 12.12.2015 to 18.12.2015 (both days inclusive)

By order of the Executive Committee

Place: Gurgaon
Date: 06.11.2015

SANJIV MALHOTRA
Deputy Secretary General & Secretary

Registered Office:

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

Information and other instructions relating to e-voting for election of executive committee members are as under:

[a] The Notice of the AGM along with the Executive Committee's Report 2014-15 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Council, Physical copies of Notice of the AGM along with the Executive Committee's Report 2014-15 is also being sent to members.

[b] In compliance with the provisions of Section 108 of the Act and the Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on resolutions only for Election of the Executive Committee Members, set forth in this Notice (agenda point no 3 to 11).

[c] Agenda point 1 & 2 will be dealt as per provisions of Articles of Association of the Council.

The instructions for remote e-voting are as under:

A. 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 for election of executive committee members 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. Please note that the password is an initial password.

ii. Open the internet browser by typing the following URL: <https://www.evoting.nsd.com>

iii. Click on "Shareholder – Login"

iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.

- v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
 - vi. Password Change Menu will appear on your screen. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Please note your new password. We strongly recommend that you do not share your new password and take utmost care to keep your password confidential.
 - vii. Once the remote e-voting home page opens, click on remote e-voting> Active Voting Cycles.
 - viii. Select "EVEN" (E-Voting Event Number) of Apparel Export Promotion Council. Now you are ready for remote e-voting as Cast Vote page opens.
 - ix. 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.
 - x. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
 - xi. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual – Shareholders, available at the downloads section of www.evoting.nsdl.com or call NSDL toll free no. 1800-222-990.
- B.
- i. The remote e-voting period commences on 15.12.2015, TUESDAY, and ends on 17.12.2015 at 05:00 P.M. During this period, Members of the Council, whose name is entered in the Register of Members as on, 11.12.2015 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
 - ii. The facility for voting, through electronic voting system shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote-voting shall be able to exercise their right at the meeting.
 - iii. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
 - iv. The voting rights of members shall be one person one vote as on cut-off date i.e 11.12.2015. A person, whose name is recorded in the register of members on the cut-off date only, shall be entitled to avail the facility of remote e-Voting, voting through ballot form, or any other means.
 - v. Mr.G.K.Rajnish, Under Secretary, Ministry of Textiles, Govt. of India, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - vi. 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

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.nsdl.com or call NSDL toll free no.- 1800-222-990.

vii. The Scrutinizer shall, immediately after the conclusion of 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 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 authorised by him in writing who shall countersign the same.

viii. The results declared along with the Scrutinizer's Report shall be placed on the Council's website www.aepcindia.com and on the website of NSDL www.evoting.nsdl.com after the declaration of result by the chairman or a person authorised by him in writing.

By order of the Executive Committee

Place: Gurgaon
Date: 06.11.2015

SANJIV MALHOTRA
Deputy Secretary General & Secretary

Registered Office:

A-223, Okhla Industrial Area, Phase-1
New Delhi-110020
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EXECUTIVE COMMITTEE'S REPORT FOR THE FINANCIAL YEAR 2014-15

The Executive Committee of the Council has great pleasure in presenting the 36th Annual report along with the Income & Expenditure Account, Balance Sheet and the Auditor's Report for the Year ended 31st March, 2015.

REVIEW OF EXPORTS

India's RMG export to World for financial year 2014-15 was to the tune of USD 16,846mn. which is up by

12.3 percent compared to the same period of previous financial year. During 2013-14 India's apparel exports were to the tune of USD 15001 mn.

In rupee terms export for the cumulative period of 2014-15 was Rs. 1,03,020.6 Cr. as against Rs. 90,784 Cr. of the same period of previous financial year. During 2014-15, exports have grown by 13.5 per cent in rupee terms compared to same period of previous year.

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

Table 1 :India's RMG & Textile Export to World (Growth and Share in %)								
FY	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 %	
	A: RMG Export	B: Textile Export (Excluding RMG)	Total Textile (A:+B:)		RMG Export	Textile Export	RMG Export	Textile & RMG Exports
2005-2006	8627	8750	17377	50	8.4	8.5	31.2	25.2
2006-2007	8895	10109	19004	47	7	8	3.1	9.4
2007-2008	9693	12294	21987	44	5.9	7.5	9	15.7
2008-2009	10951	7790	18741	58	5.9	4.2	13	-14.8
2009-2010	10719	9907	20626	52	6	5.5	-2.1	10.1
2010-2011	11217	16354	27571	41	4.5	6.5	4.7	33.7
2011-2012	13737	20660	34398	40	4.5	6.8	22.5	24.8
2012-2013	12962	20233	33195	39	4.3	6	-5.9	-3.5
2013-2014	15001	22474	37475	40	4.8	6.4	15.7	12.9
2014-2015	16846	20807	37653	45	5.4	12.1	12.3	0.5

Source: DGCIS, 2015 ***Rounded up figure**

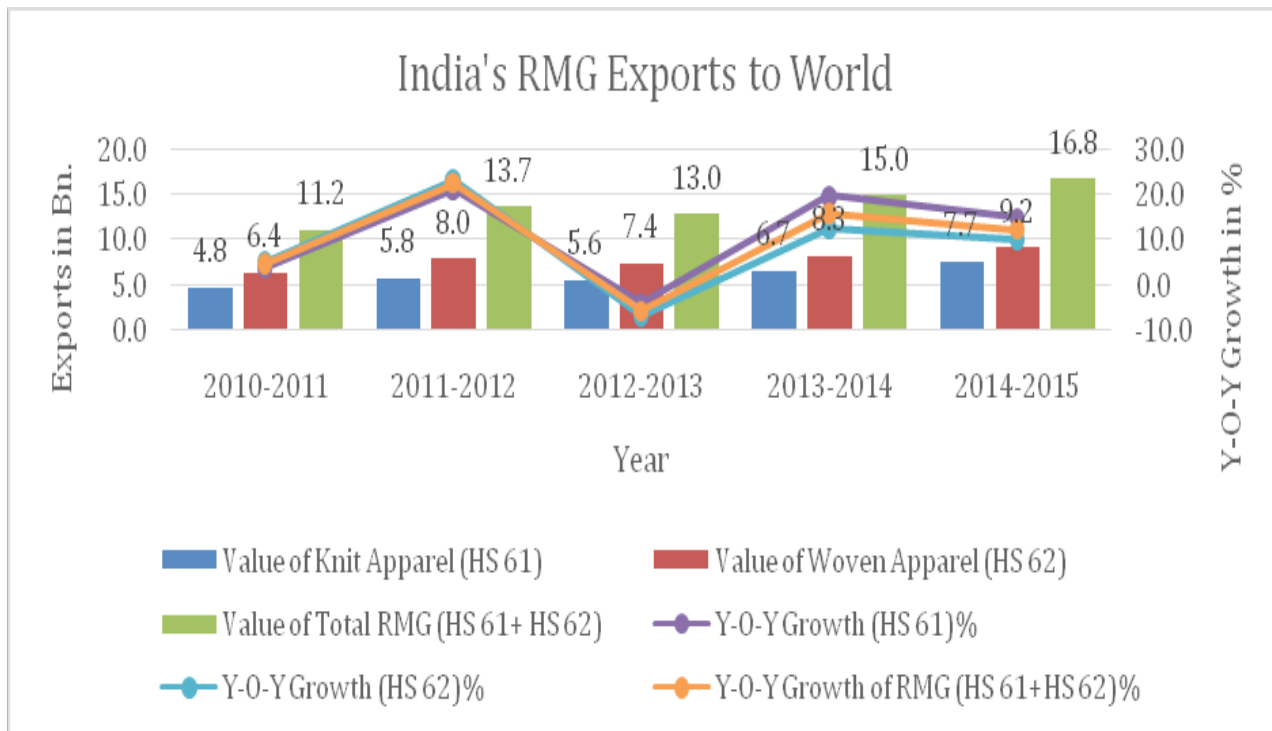


Share of Knitted & Woven garments

- (i) Knitted Exports USD Mn. 7654 mn. (2014-15), Share 45 %,Growth 15%
- (ii) Woven Exports USD Mn. 9192 mn. (2014-15), Share 55%,Growth 10%

In 2014-15 knit apparels growth was higher than the total apparel exports.

It is evident from the Fig given below that Indian Garment exports growth have seen fluctuation in the last five years on account of global economic uncertainty and loss of competitiveness vis-à-vis emerging economies in the region.



World Apparel Trade

Global Apparel Exports is US\$ 473.6 billion in 2014 (Source: UN Comtrade, 2015), out of which India exports were only US\$ 16.5 billion, while China exports around US\$173.5 billion, almost 11 times that of India, Bangladesh US\$ 28.1 bn. which are almost double of India’s apparel exports.

India is the 7th largest apparel exporter in globe with 3.5% share after China (36.6%), Bangladesh (5.9%) and Vietnam (4.5%), the economies comparable in their region.

The position of India vis-à-vis major competing countries in the global RMG exports since the complete phase out of quota regime in 2005 is given in the Table-2.

During the year 2014, Cambodia recorded a whopping growth of 70% over the previous year which is 14 times India’s growth. Vietnam grew 5 times and Malaysia 4 times compared to India.

It is also evident from the Table 2 below that India’s export growth in value and share terms is low amongst its top competitors of garment exporters in world.

Table 2: Global RMG Export, Countrywise

Rank in 2014	Exporters	Exports in US\$ Bn.					Share in %				
		2005	2013	2014	% Change 2014/13	CAGR 2005-14 in %	2005	2013	2014	% Change 2014/13	CAGR 2005-14 in %
	World	269.9	442.1	473.6	7.1	6.4	100.0	100.0	100.0	0.0	0.0
1	China	65.9	165.0	173.5	5.1	11.4	24.4	37.3	36.6	-1.9	4.6
2	Bangladesh	6.8	26.0	28.1	8.4	17.0	2.5	5.9	5.9	1.2	9.9
3	Italy	17.7	21.6	22.5	4.0	2.7	6.5	4.9	4.8	-2.9	-3.5
4	Viet Nam	4.6	16.7	21.1	26.0	18.6	1.7	3.8	4.5	17.6	11.4
5	Hong Kong, China	25.6	20.7	19.4	-6.4	-3.0	9.5	4.7	4.1	-12.6	-8.9
6	Germany	11.7	17.7	19.0	7.3	5.5	4.3	4.0	4.0	0.1	-0.9
7	India	8.2	15.7	16.5	5.3	8.1	3.0	3.6	3.5	-1.7	1.6
8	Turkey	11.5	15.0	16.3	8.8	4.0	4.2	3.4	3.4	1.5	-2.3
9	Spain	4.2	11.1	12.0	8.9	12.3	1.6	2.5	2.5	1.6	5.5
10	France	7.8	10.1	10.6	4.3	3.4	2.9	2.3	2.2	-2.7	-2.9
12	Cambodia	2.2	5.0	8.5	70.0	16.2	0.8	1.1	1.8	58.7	9.2
15	Indonesia	4.9	7.4	7.4	-0.3	4.6	1.8	1.7	1.6	-7.0	-1.7
17	Sri Lanka	2.7	4.3	4.7	9.6	6.1	1.0	1.0	1.0	2.3	-0.3
19	Pakistan	3.0	4.0	4.4	10.8	4.4	1.1	0.9	0.9	3.4	-2.0
35	Malaysia	1.2	1.1	1.4	22.8	1.5	0.5	0.3	0.3	14.6	-4.7
48	Mauritius	0.7	0.7	0.8	6.4	0.9	0.3	0.2	0.2	-0.7	-5.2

Source: UN Comtrade, 2015

India's Top 20 apparel export destination 2014-15

EU has remained the top region for India's RMG exports; India's exports to EU was US\$ 6229.6mn. in 2013-14; which has increased to US\$ 6632.8mn. in 2014-15; registering a growth of 6.5 percent in 2014-15 as compared to previous year. However, EU's share in India's RMG exports has been decreased by 5.2 percent in 2014 (From 41.5% share in 2013-14 to 39.4% share in 2014-15).

USA remained the top most export destination for RMG during 2014-15. India RMG exports to USA amounted to USD 3614.9mn. in 2014-15 as compared

to USD 3423.9mn in 2013 -14 marking an increase of 5.6 percent. Moreover, share of USA in India's RMG export has declined by 6 percent in 2014 as compared to previous year. (From USA 22.8% in 2013-14 to 21.5% in 2014-15).

United Arab Emirates (UAE) has now become the second largest export destination of India. RMG exports from India to UAE were to the tune of USD 2650.3mn. in 2014-15 which compared with the exports of USD 1737.8mn. in 2013-14, show an export growth of 52.5 percent in 2014-15. It is pertinent to mention that besides the growth in the value terms, share growth of India's RMG exports to UAE has also increased in 2014-15. (Table 3 below)

Table 3: Top 20 Destinations of India's Apparel Export to World, 2014-15

Rank	Country	In USD Mn.		% Change 2014-15/ 2013-14	% Share		% Change 2014-15/ 2013-14
		2013-14	2014-15		2013-14	2014-15	
	Total	15000.9	16846.1	12.3	100.0	100.0	0.0
	EU	6229.6	6632.8	6.5	41.5	39.4	-5.2
1	U S A	3423.9	3614.9	5.6	22.8	21.5	-6.0
2	U ARAB EMTS	1737.8	2650.3	52.5	11.6	15.7	35.8
3	U K	1659.3	1859.2	12.0	11.1	11.0	-0.2
4	GERMANY	1189.8	1220.6	2.6	7.9	7.2	-8.7
5	FRANCE	768.6	892.6	16.1	5.1	5.3	3.4
6	SPAIN	614.8	683.5	11.2	4.1	4.1	-1.0
7	ITALY	450.7	442.1	-1.9	3.0	2.6	-12.7
8	NETHERLAND	449.8	435.7	-3.2	3.0	2.6	-13.8
9	SAUDI ARAB	303.3	299.7	-1.2	2.0	1.8	-12.0
10	DENMARK	254.8	257.2	0.9	1.7	1.5	-10.1
11	BELGIUM	315.9	253.7	-19.7	2.1	1.5	-28.5
12	CANADA	246.6	242.4	-1.7	1.6	1.4	-12.5
13	JAPAN	221.9	202.5	-8.7	1.5	1.2	-18.7

Table 3: Top 20 Destinations of India's Apparel Export to World, 2014-15

Rank	Country	In USD Mn.		% Change 2014-15/ 2013-14	% Share		% Change 2014-15/ 2013-14
		2013-14	2014-15		2013-14	2014-15	
14	BRAZIL	178.5	189.1	6.0	1.2	1.1	-5.6
15	MALAYSIA	101.0	158.2	56.6	0.7	0.9	39.5
16	SWEDEN	148.7	154.9	4.2	1.0	0.9	-7.2
17	PANAMA REPUBLIC	82.2	146.0	77.6	0.5	0.9	58.2
18	MEXICO	141.2	145.1	2.8	0.9	0.9	-8.5
19	AUSTRALIA	115.8	143.9	24.3	0.8	0.9	10.7
20	POLAND	104.9	124.0	18.2	0.7	0.7	5.3

Source: DGCI&S, Kolkata, 2015

Region wise RMG export growth have seen the trend of diversification in the last five years. In value terms still India's exports are high in the North America (NA) and European Union. Moreover, there are signs of increasing RMG export from India to Latin America (LA), Gulf Cooperation Council (GCC) and Rest of the World (RoW). In case of RMG exports to South Asia

and CIS though India's RMG exports have increased; the overall share of these regions is significantly lower than other regions such as EU, NA, GCC& ROW.

The position of direction of exports during 2014-15, as compared to 2013-14 in value & share terms is given below:-

Table 4: India's RMG Exports: Region Wise

S. No.	Region	Exports in USD Mn.		Growth in 2014-15/2013-14	Share in %		Growth in 2014-15/2013-14
		2013-14	2014-15		2013-14	2014-15	
	Total	15001	16846	12.3	100.0	100.0	0.0
1	North America	3812	4002	5.0	25.4	23.8	-6.5
2	Latin America	458	525	14.7	3.1	3.1	2.2
3	European Union	6230	6633	6.5	41.5	39.4	-5.2
4	GCC	2289	3116	36.1	15.3	18.5	21.2
5	Africa	661	827	25.2	4.4	4.9	11.5
6	North East Asia	397	383	-3.5	2.6	2.3	-14.0
7	CIS & Baltic Countries	286	362	26.3	1.9	2.1	12.5
8	Oceania	139	171	22.8	0.9	1.0	9.3
	ROW	729	827	13.4	4.9	4.9	1.0

Source: DGCI&S, Kolkata, 2015

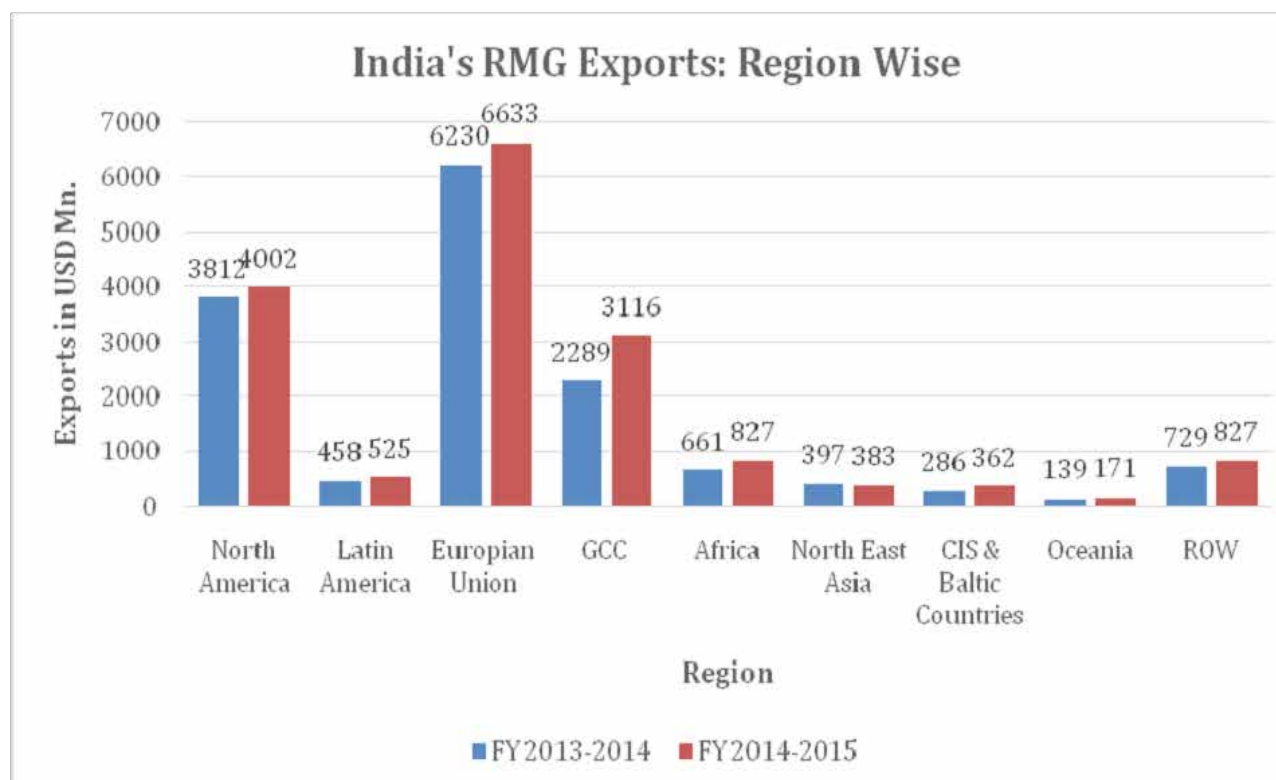
: North America including Canada

: EU - (EU 27)

: North East Asia - China, Japan, North Korea & South Korea

: GCC - Bahrain, Kuwait, Oman, Qatar, Saudi Arabia & United Arab Emirates

: RoW-Rest of the World



EXPORT PROMOTION

1. Buyer Seller Meets

Buyer Seller Meet – Spain:- Buyer Seller Meet was organized at Barcelona [04-05 September, 2014] and at Madrid in Spain [08-09 September, 2014] with 29 participants.

2. International Fairs

i) Hong Kong Fashion Week, Hong Kong [7-10 July, 2014] :- The Council participated with 52 participants.

ii) JFW International Fashion Fair (IFF), Tokyo, Japan [23-25 July, 2014]: The Council participated with 53 participants.

iii) Magic Fair, Las Vegas, USA [17-20 August, 2014]:- The Council participated with 62 participants.

iv) Australian International Sourcing Fair, Melbourne, Australia [18-20 November, 2014]:- The Council participated with 35 participants.

v) Hong Kong Fashion Week, Hong Kong [19-22 January, 2015] :- The Council participated with 37 participants.

vi) Magic Fair, Las Vegas, USA [16-19 February, 2015]:- The Council participated with 46 participants.

3. Domestic Events

i. 53rd India International Garment Fair was organized from 14 -16 July, 2014 at Pragati Maidan, New Delhi. The total number of participants participated in the fair was 387 and 991 buyers and 548 buying agents visited the during the three days of the fair.



ii. Tex-Trends India, 2015 (incorporating 54th IIGF) was organized from 28 – 30 January, 2015 at Pragati Maidan, New Delhi. 394 participants participated in the fair and 814 buyers and 291 buying agents visited during the three days of the fair.

iii. The Council also organized India Market Days at Apparel House, Gurgaon from 27 – 28 October, 2014. 44 Participants participated in the IMD October, 2014. 33 buyers and 14 buying agents visited the India Market Days held during October, 2014.

4. High Level Trade Delegations

i. Delegation to Hong Kong Fashion Week, Hong Kong [7-10 July, 2014]:- Two members delegation visited Hong Kong to attend Hong Kong Fashion Week held from 7-10 July, 2014. Meetings were held with the HKTDC fair authority and Embassy officials.

ii. Delegation to JFW International Fashion Fair (IFF), Tokyo, Japan [23-25 July, 2014]:- Three members, AEPC delegation visited in the Show in India Pavilion.



iii. Delegation to Magic Fair, Las Vegas, USA [17-20 August, 2014]:- Four members, AEPC delegation visited Las Vegas, USA to attend Sourcing at Magic Fair held from 17-20 August, 2014.

iv. Delegation to Buyer Seller Meet at Barcelona [04-05 September, 2014] and at Madrid in Spain [08-09 September, 2014] :- Two members, AEPC delegation visited Spain to attend Buyer Seller Meet at Barcelona [04-05 September, 2014] and at Madrid in Spain [08-09 September, 2014].



v. **Delegation to Australian International Sourcing Fair, Melbourne, Australia [18-20 November, 2014]:-** Two members, AEPC delegation visited Australian International Sourcing Fair, Melbourne, Australia [18-20 November, 2014].

vi. **Delegation to Hong Kong Fashion Week, Hong Kong [19-22 January, 2015] :-** One member, AEPC delegation visited Hong Kong to attend Hong Kong Fashion Week, Hong Kong.

vii. **Delegation to Magic Fair, Las Vegas, USA [16-19 February, 2015]:-** One member AEPC delegation visited Las Vegas, USA to attend Sourcing at Magic Fair held from 16-19 February, 2015.

5. Other Export Promotion Activities

i. Visit of UNIQLO team at Apparel House, Gurgaon

A team UNIQLO Japan visited Apparel House on 21st November, 2014. 17 major export houses attended the meeting. The meeting was also attended by Chairman – AEPC, Joint Secretary (Exports) Ministry of Textiles, Chairman – EP, AEPC, Chairman (F&B) – AEPC, ASG – AEPC

UNIQLO informed that they would like to be a part of Indian garment industries and wishes to open office in India in 2-3 years time frame. It was also informed that they would go through the profiles of Indian readymade garment manufacturing companies and would like to start contacting the manufacturers in due course of time. As per UNIQLO it functions on zero defect sales to its customers.

ii. Under export promotion initiatives, the Council launched Date Book for the export promotion events 2015-16. The date book was sent to all members for their active participation in the fairs / BSMs.

6. During the Financial Year 2014-15, following issues were taken-up with the Government and risk management

- (i) 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 installed at Apparel House, Gurgaon are covered under the appropriate insurance policies. Various adequate insurance policies, to cover various risks relating to its employees, are taken by the office.
- (ii) The Council has in place adequate internal financial control and internal auditor has been appointed.
- (iii) 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.

During the Financial Year 2014-15, following issues relating to industry were taken-up with the Government

Revenue related

- i. Inclusion of 2% fabric within 5% overall entitlement under Export Performance Certificate for improving fabric base under Customs Notification no. 10/2015-Cus dated 01.03.2015.
- ii. Actual implementation of 24 x 7 clearances of import and export must be ensured by Customs at all airports and shipping ports.
- iii. All Industry Duty Drawback:
 - a. Upward revision of all industry duty drawback rate for RMG industry
 - b. Disbursement of excise portion of all industry duty drawback wherever import of fabric is regulated under advance license and other raw material/consumables are procured duty paid domestically under corresponding value addition.
 - c. Full neutralization of state levies, electricity duty, OCTROI, currently charged to exporters, but not disbursed under duty drawback.

- iv. Service Tax:
- Readymade garment export sector should be put under the negative list of service tax
 - AEPC should be waived from service tax payment on organizing exhibition in domestic market
 - The manpower engaged by the contractors in the exporters premises who are involved in the manufacturing activity in terms of Section 2 (f) of Central Excise Act 1944, meant for Export should be fully exempted from the purview of Service Tax.
- v. Service Tax on grants
- The issue is to obtain a clarification about the non-applicability of service tax on the amount received as grant-in-aid for expenditure for approved projects / programmes of the Govt. of India by Apparel Export Promotion Council.
 - The Council receives grant-in-aid from Ministry of Textiles / Ministry of Commerce. These grant-in-aids are against the demand of the Ministry of Textiles / Ministry of Commerce. A clarification is required that grant – in – aid, received for the export promotion purposes, are not liable for service tax.
- vi. Amendment in Section 35 of IT Act 1961 for strategy for zero defect manufacturing
- (A) Current Position:** deductions in respect of expenditure on scientific research under Sub Section 35 (1) (ii), an amount equal to one and three-fourth times of any sum paid to a research association provided, that such association, university, college or other institution for the purpose of this clause.
- Is for the time being approved, in accordance with the guidelines, in the manner and subject to such conditions as may be prescribed; and
 - such association, university, college or other institution is specified as such, by notification in the Official Gazette, by the Central Government
- (B) Suggested Amendment:** The benefit of this section should be extended to readymade garment sample making to the extent of 5% of the turnover of that assessee in the same assessment year.
- (C) Justification**
- The garment making activity is in-fact is an outcome of scientific research.
 - It involves creation of a fabric, design, pattern and colors which vary according to need
 - Samples are made for 8 to 10 fashion seasons which are done in house and incurs extra cost on raw material, capital and man power
 - In garment sector, the only activity under R&D is sample development and in order to promote business, samples are given free of charge to the buyers.
 - The proposal will boost cost competitiveness of exports.
- vii. Amendment in Section 80JJAA of IT Act, 1961
- (a) Current Position:** deduction is allowed for the amount equal to 30% of “additional wages” paid to new regular workmen (in excess of 50 regular workmen) for workers employed for 300 days, subject to condition about nature of employment
- (b) Suggested Amendment:** employed for 300 days may be amended to 150 days and workmen should also include contract/casual workers, instead of regular workmen.
- (c) Justification:-**
- The RMG industry is seasonal
 - There is no business for Autumn/Winter season.
 - The factories are functional only for 6 to 8 months, therefore do not qualify for 300 days of working to a regular employees,
 - The proposal will boost investment in garment sector and increase the capacity.
- Banking related**
- viii. Announcement of 3% interest subvention scheme w.e.f. 1.4.2015 to partially mitigate high

cost of lending, which is hovering around 11-12% interest rates, as compared to 4 – 6% in competing countries. Till such time, separate chapter for pre and post shipment export credit at fixed rate of 7.0% interest, as done in the past, is announced by the Government, 3% Interest Subvention be announced for the RMG Sector.

FTP related

- ix. Merchandise Exports from India Scheme (MEIS) scrip @ 5% to major markets like USA, EU, Canada, Mexico, Australia, Switzerland, Russian Federation, Ireland, Brazil, China, Republic of Korea, Norway, Chile, Turkey, Saudi Arabia, South Africa & Malaysia be announced. Simplification in landing certificates, as proposed by AEPC, be considered.
- x. The Government has not given any indication about the finalization of India-EU FTA, CEPA with Canada, etc., This needs to be implemented on urgent basis, so as to mitigate the duty disadvantage suffered by India vis-a-vis our competitors like Bangladesh, Cambodia, Vietnam, Pakistan etc. in the major markets.

Labour law related

- xi. Labour laws – Immediate announcement of reforms for allowing Amendments to the Factories Act, which include increasing the overtime limit for employees from 50 hours a quarter to 100 hours, relaxing restrictions on night work for women in factories and overtime wages at the rate of one-and-one quarter times of the regular rate (as per ILO convention No 1 & No 30) instead of two times.

DRIVING INDUSTRY TOWARDS SUSTAINABLE HUMAN CAPITAL ADVANCEMENT (DISHA) – AEPC COMMON CODE OF CONDUCT

DISHA Programme Implementation Status

487 factories have been enrolled for DISHA programme and implementation was completed in 218 factories which are ready for final external assessment and certification. These participating factories undertook an internal self assessment after the completion of DISHA facilitation. These results were analyzed using MIS and it was observed that gaps in Social Compliance management system areas such as Policy, Responsibility, Procedures, and Training & Awareness had been reduced considerably after facilitation and through remediation action plans. Few factories have

achieved as high as 90% improvement in the observed gaps.

Program Monitoring

A midterm evaluation of the program, as per requirements of Ministry of Textiles, was undertaken by NITRA. NITRA visited 12 factories and highlighted impact areas & learning for the Apparel units, such as understanding importance of AEPC - CCC principles, Internal assessment methodology, clarity of management system, verification process of various documents, undertaking data review etc. All suggestions were incorporated in the implementation strategy.

Key DISHA promotion activities conducted during financial year 2014-15.

DISHA promotion was undertaken during following National/ International fairs.

- (i) 53rd IIGF Fair- July 2014 held at Pragati Maidan, New Delhi.
- (ii) Retail Source Fair, AEMA - July 2014 held at Pragati Maidan, New Delhi.
- (iii) Sourcing at Magic – August, 2014 held at Las Vegas, USA
- (iv) 5th Tex Trend India Fair - January 2015 held at Pragati Maidan, New Delhi.
- (v) Hong Kong Fashion Week - January, 2015 held at Hong Kong

The following DISHA promotional activities were undertaken during the above fairs:

- a) DISHA enrolled factories who participated in above mentioned fairs were given Factory Posters to demonstrate their voluntary step towards Responsible Business Practices to the Buyers visiting the fair.





- b) Further proactive steps were taken to apprise the buyers visiting the fair on DISHA Programme; to meet the enrolled factories for their feedback & explaining the programme to the prospective factories.

During the fairs DISHA team distributed & displayed DISHA posters for promotion of DISHA.

In DISHA, implementation was done by Program Management, Marketing & Promotion, Factory Capacity Building, Travel, Web Portal etc.

Revised DISHA Proposal

The revised advanced DISHA proposal with respect to the terms of making it more cost effective, time effective and imparting training through e-learning methodology was sent to Ministry of Textiles. Approximately 250 factories were already in DISHA bank data and problems of certification were being faced in the existing DISHA program.

Key Features of the revised program are as follows:

- **Digitalization, Electronic Communication & Data intelligence:** The knowledge and content are re-casted in digital multimedia format to reach out to a wider audience and fit the need and time availability of the beneficiaries to be imparted through distance training through webinars, video conferencing & workshops in the presence of buyer and brand representatives.
- **Cost Effectiveness:** Reduced shop floor training from mandatory 6 days to need based
- Focus on MSME
- Voluntary participation by the Industry
- Self Certification

The formal proposal was sent during 2014-15.

KNITWEAR TECHNOLOGY MISSION

KTM, Tirupur was inaugurated on 6th May, 2014 by the then Secretary Textiles. The testing of yarn, fabric and garments with respect to chemical, physical and wet processing testing was started from June, 2014. Imported tricot warping knitting machine has been installed in the facility and testing instruments like Xenon arc light fastness tester, platform scale, grey scales for testing colour changes and staining, electronic analytical balance have been installed to provide testing facility to the trade for testing of yarn, fabric and garments.

Services of blend analysis, PH test, sample dyeing, abrasion test, pilling test, yarn count fabric, fabric thickness, bursting strength, fabric GSM are also been provided to the industry by the KTM. The commercial fabric knitting after receiving the yarn from the beneficiaries have also been started, particularly for man-made fabrics in different designs and sizes.

EXPORT PERFORMANCE CERTIFICATE

The Council has issued Export Performance Certificates to its members/exporters for import of eligible items or trimming and embellishment under 5% duty free entitlement scheme of Govt. of India. During the year 2014-2015, 1315 Export Performance Certificates were issued. Post verification of Bank Certificate and CA certificate, deposited along with application for issuance of EPC, are being made by Head Office on random basis i.e. 20% of EPC issued. AEPC deputed representative (10% random cases of EPC issued) to ascertain that manufacturing activities of readymade garment are being carried out by the EPC holder. During 2014-2015, 134 nos. of units were visited by AEPC representatives.

AEPC RURAL DEVELOPMENT & LABOUR WELFARE FOUNDATION

The society conducted a Health Check up camp in association with M/s Iffco-Tokio General Insurance Co. Ltd on 26th November 2014 at the Head Office, Apparel House, Gurgaon. The health check up was organized through the medical supervision of Artemis Hospital, Gurgaon with following health specialists:

- 01 Cardiologist
- 02 Nursing Staff
- 01 ECG Technician

The health camp had following features were:

- I. BMI (Body Mass Index)
- II. Random Blood Sugar
- III. Blood Pressure
- IV. Cardiologist Consultation
- V. ECG (on Physician Consultation)

Over 100 employees of the Council attended the Health Check up Camp and most of the employees are found healthy and fit.

AEPC SKILL ASSESSMENT CELL

AEPC is an empanelled assessment agency authorized by DGE&T under the Skill Development Initiative (SDI) to conduct MES Assessments in the Apparel/ Garment sector & by the Ministry of Textiles under the Integrated Skill Development Scheme (ISDS) Component II to conduct assessments for Apparel/ Garment & Textile Sector.

In this endeavor, since its inception AEPC, Skill Assessment Cell has assessed over one lac candidates as on date under MES & NON MES category & for which AEPC has entered into 9 MOUs with implementing Agencies (IAs) namely M/s Technopak Advisors, ILFS Clusters, Wazir Advisors, Karthikeya Spinning & Weaving Mills, Sri Lakshmi Cotsyn, ARTJS, CMAI, Modelama Exports & Matrix Clothing.

The assessments are conducted in 18 states namely Haryana, Punjab, Rajasthan, Gujarat, Maharashtra, UP, Delhi, MP, Chhattisgarh, Jharkhand, West Bengal, Arunachal Pradesh, Assam, Orissa, Andhra Pradesh, Karnataka, Tamil Nadu and Kerala for MES and Non MES Courses.

Given below is the status report of the Skill Department for Non MES & MES assessments conducted during the period April 2014-March 2015.

No. of Candidates assessed

Category	Candidates assessed 1st April 2014- 31st March 2015
MES	17074
NON MES	28124
TOTAL	45198

Asset Management

The AEPC's premise at D-201, 202, Sanpada, Mumbai leased out to M/s. Reliance Corporate IT Park Ltd. @Rs. 38/- per sq. ft. per month for 5 years w.e.f. 20/11/2015. The leave and license agreement has been signed and registered with the O/o Sub-Registrar, Mumbai.

The tenant of Bhikaji Cama Place, New Delhi premises, M/s Teesta Urja Ltd. has cleared the rent w.e.f. December, 2014 onwards and handover the premises.

The statutory taxes such as property tax, maintenance charges, cess etc. have been deposited with authority concerned in respect of all AEPC's premises where applicable.

SECRETARIAL & MEMBERSHIP

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

During the year 2014-15, 1243 new Registered Exporters have been enrolled.

The latest position as on 31st March, 2015 is as under:

Type	MER	MCM	MAF	Total
Member Exporters	90	3	676	769
Registered Exporters	3219	133	4960	8312
G. Total				9081

MER : Merchant

MCM : Merchant cum Manufacturer

MAF : Manufacturer

The total number of Registered Exporters converted as Member as on date is 1914, since inception. System has been developed whereby intimation is sent to those Registered Exporters who fulfill the eligibility criteria for conversion to Member Exporters.

Number of Executive Committee Meeting

During Financial Year 2014-15, 4 Nos of Executive Committee meetings were held as detailed below:-

Serial No.	Date
1	21.07.2014
2	09.08.2014
3	29.11.2014
4	06.02.2015

Extract of Annual Return

The extract of Annual Return, in format MGT-9, for the Financial Year 2014-15 has been enclosed with this report at Annexure-A.

SUB-COMMITTEES

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

1. CO-ORDINATION 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 have active co-ordination and communication with various Ministries such as Commerce, Finance and Textiles etc.

2. EXPORT PROMOTION COMMITTEE

The committee will monitor and decide on various international and national fairs, delegations, buyer-seller meet, organizing of various seminars in the country, holding of export award function, WTO matters, Foreign Trade Policy matter, proposal to Ministry of Textiles/Commerce/Finance for funding, liaison with all Ministries /Committees to organize international & domestic road shows and other matters delegated from time to time.

3. EXHIBITION ADVISORY COMMITTEE

Exhibition Advisory Committee will be the Core Committee to look after the work related to Tex-Trends and India International Garment Fair.

4. Apparel Market Days - Core Committee

The committee will look after day to day work of Apparel Market Days & will Co-ordinate with the Apparel House Showroom Holders for organizing the Market Days at Apparel House. The above Core Committee will be part of Export Promotion Sub-Committee.

5. Apparel House Sub Committee

The committee will look after day to day function, regarding allotment of showrooms, re allotment of showrooms and managing of showrooms at Apparel House, Gurgaon, with the approval of Chairman, AEPC.

6. STAFF COMMITTEE

To monitor, regulate and decide about the service matters.

7. 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.

8. KNITWEAR TECHNOLOGY MISSION

- To develop new blends and technology to enhance the knitwear export from the country.
- To look into various ways and method to enhance productivity in knitted apparel manufacturing units
- Interact with the industry for their requirement in different areas of production.
- To take decision regarding day to day functioning of Knitwear Technology Mission at Tirupur.
- To take all decision regarding KTM projects.

9. STATE PARTNERSHIP SUB COMMITTEE

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

As the focus is on working with particular State Governments therefore, the meetings will be convened Region Wise.

10. INNOVATIVE GARMENT TECHNOLOGY MISSION

- To identify the products to improve India competitiveness/ dominance in such categories where India has already strong hold.
- To identify the products where India's competitors are strong, whereas India should get in to new product categories, to improve our competitiveness in the World Apparel Market.

11. CCC-DISHA Sub-Committee

- To oversee the day-to-day implementation of programme and coordination with the industry as well as other agencies.
- This committee will also be responsible for setting up the strategies that governs the implementation of the program.

APPAREL HOUSE

The Apparel House has Showrooms, Auditorium, Exhibition Hall, Art Gallery, Cafeteria, Plaza Area, Amphitheater, Conference room, Travel Desk and Bank/ATM is located at Gurgaon.

The Head Office of Apparel Export Promotion Council is also located at Apparel House. The Registered Office of AEPC Rural Development and Labour Welfare Foundation and AEPC Society for Human Resource Development are located at Apparel House.

During the year prestigious India Market Days/ Apparel Industry related seminars were also organized at Apparel House, Gurgaon to facilitates the showroom holders / Apparel industry.

The Energy Audit Implementation in Apparel House has been completed. This is part of our Green Initiative and Energy Management. Council has also applied for Bee star rating status for the building.

Fire mock drill were organised through trained fire officer in the presence of the fire department official, Gurgaon during the year from time to time in order to make the occupants aware about the precautions to be taken in the course of fire breaks out in the building. Occupants were also educated about the use of fire equipments and procedures to provide first aid to fire victims etc.

State of Company affair

FINANCIAL REVIEW OF THE COUNCIL

The Salient features of the annual accounts are summarized below:-

- The net results shows a surplus of Rs.15.36 Crore as against surplus of Rs. 3.81 Crore during the previous year;

Particular	Amount 2014-15	Amount 2013-14	Difference, Increase (decrease)
Rs. In Crore			
Total Income	65.22	63.39	1.83
Total Expenditure	49.86	59.58	(9.72)
Net Surplus	15.36	3.81	11.55

- The total income of the Council during the current year is Rs.65.22 Crore as compared to Rs. 63.39 Crore during the previous year, indicating an increase of Rs.1.83 Crore;

Source Of Income	Amount 2014-15	Amount 2013-14	Difference, Increase (decrease)
Rs. In Crore			
Membership Income	5.66	5.63	0.03
Council Fees	5.82	4.35	1.47
Export Promotion Receipts	26.38	28.85	(2.47)
Assessment Income	3.08	2.69	0.39
Rent	11.97	10.59	1.38
Interest	10.74	10.19	0.55
Others	1.57	1.09	0.48
Total	65.22	63.39	1.83

- The total expenditure of the Council during the current year is Rs.49.86 Crore as compared to Rs. 59.58 Crore during the previous year, indicating a decrease of Rs 9.72 Crore;

Head of Expenditure	Amount 2014-15	Amount 2013-14	Difference, Increase (decrease)
Rs. In Crore			
Salaries & Staff Benefits	10.55	8.30	2.25
Administrative & Office Expenditure	6.96	7.94	(0.98)
Export Promotion Expenses	24.03	35.30	(11.27)
Assessment Expenditure	0.36	0.90	(0.54)
Depreciation	6.16	5.02	1.14
Service Tax Provision	1.80	0.68	1.12
Donations	0.00	0.37	(0.37)
Support To AMH SSC	0.00	0.50	(0.50)
W/o of Old Recoverable from IAM.	0.00	0.57	(0.57)
Total	49.86	59.58	(9.72)

- iv An amount of Rs. 24.03 Crore (including Rs. 9.26 Crore spent on Tex Trend/IIGF Fair and Rs. 0.93 Crore under education and training initiatives of the Council) was incurred on Export Promotion Activities (previous year Rs35.30 Crore). The contribution/income on EP Projects (including Govt. Grants of Rs. 11.36 Crore) during the current year was Rs. 26.38 Crore as against Rs. 28.86 Crore during previous year.
- v An amount of Rs. 1.00 Crore on BG/EMD for feiture amount has been retained on 31.03.2015 by the Council (Previous year Rs. 1.28 Crore).
- vi During the year Council has incurred/ capitalized following capital expenditure on Building construction/renovation, Machinery & Equipment's etc;

S.N.	Description	Amount in Crores
1	Machinery-KTM	3.33
2	Motor Cars	0.68
3	Computers & Software	0.23
4	Others	0.71
	Total	4.95

Amounts Transferred to Reserves

The Executive Committee of the Council has decided to carry Rs 5.50 crores in the capital assets funds as per Section 11(2) of Income Tax Act 1961 and Rs. 1 crores in the building repairs and replacement funds for upkeeping and maintenance of Apparel House building at Gurgaon.

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 2014-15 till the date of this report.

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.

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:

Steps taken for conservation	Segregating Lighting arrangements from 2nd floor to 7th floor for better electricity usage management at Apparel House, Gurgaon.
Steps taken for utilizing alternate sources of energy	Tender is being floated to utilize 100 KW of solar energy and integrating with grid power.
Capital investment on energy conservation equipments	NIL

b) Technology Absorption:

Efforts made for technology absorption	Warp knitting machine was imported during 2013-14 however, made operational during June, 2014 at KTM Tirupur. This machine is the latest in technology particularly for manufacturing man made yarns, knitted fabrics in different designs.
Benefits derived	The industry at Tirupur shall be benefitted while using this machine for manufacturing of knitted fabrics as per their buyers requirement
Expenditure on Research & Development, if any	Nil
Details of technology imported, if any	Warp knitting machine was imported during 2013-14 and made operational w.e.f. June, 2014 at KTM Tirupur
Year of import	2013-14
Whether imported technology fully absorbed	Industry has started obtaining benefits.
Areas where absorption of imported technology has not taken place, if any	NA

c) Foreign Exchange Earnings/ Outgo:

Earnings	NIL
Outgo	Rs. 12.93 crores

Corporate Social Responsibility (CSR) Policy

The net profit of the council during the financial 2014-15 is Rs 15.5 Crores which is more than the limit prescribed under Section 135(1) of the Companies Act 2013.

Therefore the Executive Committee in its meeting held on 10/09/2015 has constituted the CSR committee comprising of 4 Executive Committee members of the Council. The said committee will recommend the action plan and amount to be utilized for the CSR activities to be initiated by the council for approval of Executive Committee.

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Council has constituted a committee to safeguard the interest of women against the Sexual Harassment at Workplace with following functions:-

- i) Provide a safe working environment to the employees of Council.
- ii. 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.
- iii) Organize workshops and awareness programmes at regular intervals for sensitizing employees on the issues and implications of workplace sexual harassment and organizing orientation programmes for members of the internal complains committee.
- iv. Treat sexual harassment as misconduct under the service rules and initiate action for misconduct.
- v. The committee is meeting once in a quarter and as and when need be.

During the year under review, there was no case reported pursuant to the sexual harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Directors Responsibility Statement

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 31st March, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Executive Committee had 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 31st March, 2015 and of the income & expenditure of the Company for that period;
- c) the Executive Committee had 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 had prepared the annual accounts on a going concern basis;
- e) the Executive Committee had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Explanation to Auditor's Remarks

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 2014-2015 does not contain any qualification, reservation or adverse remarks.

Particulars of Loan, Guarantees and Investments under Section 186

During the F.Y 2014-2015, Council doesn't provides 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) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is annexed herewith as Annexure III to this Report.

Particulars of Contracts or Arrangements with Related Parties

During the year the Council had not entered 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 2014-15, in the prescribed format, AOC 2 has been enclosed with the report as Annexure-II.

RETIRING MEMBERS

In accordance with the provision of the act and Articles of Association of the Council Sh. R.B. Goenka, Sh. Ashok G. Rajani, from Western Region, Sh. Virender Uppal, Sh. Harish Ahuja, Sh. Pritam Goel from Northern Region and Sh. M. A. Ramasamy, Sh. Rajeev S Goenka, Sh. N Chandran from Southern Region are retiring by rotation. Sh. Rishi K Rajani from Western Region is retiring otherwise. The Executive Committee places on record its appreciation for the guidance and valuable services rendered by the outgoing Executive Committee Members.

AUDITORS

M/s. S.P. Puri & Co. Chartered Accountants, Auditors of the Council were appointed for a period of one year and are eligible for reappointment.

ACKNOWLEDGEMENT

The Executive Committee of AEPC express their sincere gratitude for the cooperation, assistance and support extended by Shri Santosh Kumar Gangwar, Hon'ble Minister of State (Independent Charge) (Textiles), Shri Sanjay Kumar Panda, IAS, Secretary (Textiles), Ms. Sunaina Tomar, IAS Joint Secretary (Exports) and other officers of the Ministry of Textiles.

It is pertinent to mention that the Ministry of Textiles has helped and contributed in all projects, to address the concern of Apparel Industry, in the best possible manner. The Executive Committee members of AEPC,

therefore, place on record its sincere gratitude towards the Government.

The Committee also expresses its deep appreciation for the assistance, cooperation and support extended by Ministry of Commerce & Industry, Textiles Commissioner, DGFT, Textiles Committee, Central Board of Excise and Customs and other officers of the Government of India for promotion of export of readymade garments to various countries.

The Executive Committee thanked of AEPC officers and staff for the dedication they have shown in handling their work during the year.

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 by continues support, guidance and co-operation given by the trade in various fields towards meeting the goals set forth for the readymade garment industry.

For and on behalf of Executive Committee

Virender Uppal
Chairman

Place: Gurgaon
Date: 06.11.2015

Form No. MGT-9**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on March 2015

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

I. REGISTRATION AND OTHER DETAILS:

1.	Corporate Identification Number (CIN)	U74899DL1978NPL008877
2.	Registration Date	22.02.1978
3.	Name of the Company	Apparel Export Promotion Council
4.	Category/Sub-Category of the Company	Company limited by Guarantee without having share capital
5.	Address of the Registered office and contact details	A-223, Okhla Industrial Area, Phase-I, New Delhi-110020. Telefax: +011-40501798 E mail ID -smalhotra@aepcindia.com
6.	Whether listed company	No
7.	Name, Address and Contact details of Register and Transfer Agent	Company has not appointed any Register and Transfer Agent

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	Organization of conventions and trade shows	823	

*As per National Industrial Classifications 2008 (NIC-2008)

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	NA	NA	NA	NA	NA

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01/04/2014				No. of Shares held at the end of the year i.e. 31/03/2015				% Changes during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters	-	-	-	-	-	-	-	-	-
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Bank/Fl	-	-	-	-	-	-	-	-	-
f) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	-	-	-	-	-	-	-	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs –Individual	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Crop.	-	-	-	-	-	-	-	-	-
d) Banks/Fl	-	-	-	-	-	-	-	-	-
e) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	-	-	-	-	-	-	-	-	-
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/Fl	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) Sate Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Flls	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
(i-a) Foreign Portfolio Investor -II	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):-	-	-	-	-	-	-	-	-	-
2. Non- Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individual	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Other (specify)	-	-	-	-	-	-	-	-	-
(c-i) Clearing Members	-	-	-	-	-	-	-	-	-
(c-ii) Non-Resident Indians	-	-	-	-	-	-	-	-	-
Sub-total (B) (2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	-	-	-	-	-	-	-	-

ii) Shareholding of Promoters

Name of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2014			No. of Shares held at the end of the year i.e. 31.03.2015			% change in shareholding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

iii) No Change in Promoters' Shareholding

iv) Shareholding of top ten shareholders (other than Directors, Promoters and holders of GDRs and ADRs):
There is no other Shareholder, other than Directors, Promoters and Holders of GDRs and ADRs Shareholder.

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	N.A	N.A	N.A	N.A
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A	N.A	N.A	N.A
	At the end of the year	N.A	N.A	N.A	N.A
2.	At the beginning of the year	N.A	N.A	N.A	N.A
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A	N.A	N.A	N.A
	At the end of the year	N.A	N.A	N.A	N.A
3.	At the beginning of the year	N.A	N.A	N.A	N.A
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A	N.A	N.A	N.A
	At the end of the year	N.A	N.A	N.A	N.A
4.	At the beginning of the year	N.A	N.A	N.A	N.A
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A	N.A	N.A	N.A
	At the end of the year	N.A	N.A	N.A	N.A
5.	At the beginning of the year	N.A	N.A	N.A	N.A
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A	N.A	N.A	N.A
	At the end of the year	N.A	N.A	N.A	N.A

6.	At the beginning of the year	N.A	N.A	N.A	N.A
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A	N.A	N.A	N.A
	At the end of the year	N.A	N.A	N.A	N.A
7.	At the beginning of the year	N.A	N.A	N.A	N.A
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A	N.A	N.A	N.A
	At the end of the year	N.A	N.A	N.A	N.A
8.	At the beginning of the year	N.A	N.A	N.A	N.A
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A	N.A	N.A	N.A
	At the end of the year	N.A	N.A	N.A	N.A
9.	At the beginning of the year	N.A	N.A	N.A	N.A
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A	N.A	N.A	N.A
	At the end of the year	N.A	N.A	N.A	N.A
10.	At the beginning of the year	N.A	N.A	N.A	N.A
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A	N.A	N.A	N.A
	At the end of the year	N.A	N.A	N.A	N.A

v) Shareholding of Directors and Key Managerial Personnel:

S. No	Name of Director/ KMP	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.		At the beginning of the year	N.A	N.A	N.A	N.A
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	N.A	N.A	N.A	N.A
		At the end of the year	N.A	N.A	N.A	N.A

V. INDEBTEDNESS

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

(Rs. In Crores)

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

- A. No Remuneration has been paid to Managing Director, Whole- time Directors, Manger.
- B. No Remuneration has been paid to other directors.
- C. No Remuneration to Key Managerial Personnel other than Managing Director, Whole- time Directors, Manager (As per provision of section 203 of the Companies Act 2013 KMP is not applicable on AEPC)

S. No.	Particulars of Remuneration	kmp	Total Amount
		(in ₹)	(in ₹)
1.	Gross Salary		0
	(a) Salary as per provisions Contained in Section 17(1) of the Income-Tax Act, 1961	0	
	(b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	0	0
	(c) Profits in lieu of Salary under Section 17(3) Income-Tax Act, 1961	0	0
2.	Stock Option	0.0	0.00
3.	Sweat Equity	0.00	0.00
4.	Commission	0.00	0
	- as% of profit	0	0.00%
	- others, specify....	0	0
5.	Others, please specify	0.00	0.00
	Total (A)	0	0

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

During the year under review neither any penalty imposed nor any order for punishment or compounding passed by any authority under the provisions of Companies Act against the Company, it's Director or its other officers.

Annexure-II**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:

Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name(s) of the related party and nature of relationship	Nil
(b)	Nature of contracts/arrangements/transactions	Nil
(c)	Duration of the contracts / arrangements/transactions	Nil
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
(e)	Date(s) of approval by the Board, if any	Nil
(f)	Amount paid as advances, if any	Nil

Date : Gurgaon
Place: 06.11.2015

For and on behalf of Executive Committee for
Apparel Export Promotion Council

Virender Uppal
Chairman

**STATEMENT OF PARTICULARS OF EMPLOYEES
FOR THE YEAR ENDED 31ST MARCH, 2015**

(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) Rules, 2014)

Name of the Employee	Designation of the Employee	Remuneration received (in Rs.)	Nature of Employment	Qualification	Age (years)	Total Experience (years)	Date of Joining	Last Employment held	Whether any such employee is relative of any director and if so name of such Director
Mr. Puneet Kumar, IAS	Secretary General	Rs. 88,70,156/-	On Deputation as a non-central staffing scheme	B.Tech, M. Tech., M. Phil (Social Sciences)	48	22	29.11.13	Director (Highways), Ministry of Road Transport & Highways , Govt. of India	None

S. P. PURI & CO.

4/18, ASAF ALI ROAD, NEW DELHI – 110002

CHARTERED ACCOUNTANTS

PH: 23274888, 23277410

FAX: 91 – 11 – 23272805

E-mail: office@sppuri.com

Website: www.sppuri.com

INDEPENDENT AUDITOR'S REPORTTO THE MEMBERS OF
APPAREL EXPORT PROMOTION COUNCIL**Report on the financial statements**

We have audited the accompanying financial statements of APPAREL EXPORT PROMOTION COUNCIL ("the Council") which comprise the Balance Sheet as at 31st March, 2015, and the Statement of Income and Expenditure and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our knowledge and according to the explanations given to us, the aforesaid financial statements give the information 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 Council as at 31st March, 2015, and its income and expenditure and cash flows for the year ended on that date.

Report on other legal and regulatory requirements

- i) The Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, is not applicable to the Council in terms of clause 1(2)(iii) of the Order.
- ii) 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 purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Council so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the Branches of the Council not visited by us.
 - 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 and returns.
 - 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) Rule, 2014;
 - e) On the basis of written representations received from the Executive Committee members of the Council as on 31st March, 2015 taken on record by the Executive Committee of the Council, none of the Executive Committee members of the Council is disqualified as on 31st March, 2015 from being appointed as Executive Committee member in terms of Section 164(2), of the Act; and
 - f) 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Council has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 20 of the 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.

For S. P. PURI & CO.,
 CHARTERED ACCOUNTANTS
 FIRM REGISTRATION NO. : 001152N

PLACE : Mumbai
 DATED: 10th September, 2015

(VIDUR PURI)
 PARTNER
 MEMBERSHIP No. 90163

**APPAREL EXPORT PROMOTION COUNCIL
(LIMITED BY GUARANTEE)
BALANCE SHEET AS AT 31st MARCH, 2015**

Particulars	Note No.	AS AT 31st March, 2015 (₹)	AS AT 31st March, 2014 (₹)
EQUITY AND LIABILITIES			
Reserves and surplus	2	1,264,990,272	1,060,871,479
Sub-Total		1,264,990,272	1,060,871,479
Non-current liabilities			
Other Long term liabilities	3	124,284,446	153,108,790
Long-term provisions	4	23,073,506	19,261,649
Sub-Total		147,357,952	172,370,439
Current liabilities			
Trade payables	5	36,145,970	37,733,378
Other current liabilities	6	777,963,458	763,988,735
Short-term provisions	4	121,569,623	108,253,942
Sub-Total		935,679,051	909,976,055
	Total	2,348,027,275	2,143,217,973
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	7	645,008,051	687,524,428
Intangible assets	7	2,191,628	1,280,237
Capital work-in-progress	7	-	34,804,835
Long-term loans and advances	8	318,387,464	224,066,518
Other non-current assets	9	34,297,469	35,106,435
Sub-Total		999,884,612	982,782,453
Current assets			
Trade receivables	10	4,405,047	5,244,536
Cash and bank balances	11	1,180,646,752	1,013,414,356
Short-term loans and advances	8	60,884,447	32,692,104
Other current assets	9	102,206,417	109,084,524
Sub-Total		1,348,142,663	1,160,435,520
	Total	2,348,027,275	2,143,217,973

Significant accounting policy and notes -1, 19 to 34

The accompanying notes are an integral part of the financial statements

As per our report of even date
For S. P. Puri & Co
Chartered Accountants
FRN 001152N

For and on behalf of the Executive Committee

Virender Uppal
Chairman

H K L Magu
Chairman (F&B)

Vijay Mathur
Additional Secretary General

Vidur Puri
Partner
Membership no : 90163

Sanjiv Malhotra
Secretary

Kundan Srivastava
General Manager-Finance

Place : Delhi
Dated : 10.09.2015

Mumbai
10.09.2015

**APPAREL EXPORT PROMOTION COUNCIL
(LIMITED BY GUARANTEE)**

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31st MARCH, 2015

Particulars	Note No.	Year ended	Year ended
		31st March 2015 (₹)	31st March 2014 (₹)
Income			
Income from operations	12	263,180,246	248,236,968
Other income	13	389,008,904	385,623,487
Total Income		652,189,150	633,860,455
Expenses			
Employee benefits expense	14	105,491,798	82,999,267
Finance costs	15	9,127,542	7,384,653
Depreciation and amortization expense	16	61,600,368	50,161,226
Other expenses	17	322,361,344	455,283,020
Total Expenses		498,581,052	595,828,166
Surplus before tax		153,608,098	38,032,289
Tax expense			
Current year		-	8,000,000
Earlier Years Taxes		(69,203,671)	7,766,509
Total tax expenses		(69,203,671)	15,766,509
Surplus for the year		222,811,769	22,265,780

Significant accounting policy and notes -1, 19 to 34

The accompanying notes are an integral part of the financial statements

As per our report of even date
For S.P.Puri & Co
Chartered Accountants
FRN 001152N

For and on behalf of the Executive Committee

Virender Uppal
Chairman

H K L Magu
Chairman (F&B)

Vijay Mathur
Additional Secretary General

Vidur Puri
Partner
Membership no : 90163

Sanjiv Malhotra
Secretary

Kundan Srivastava
General Manager-Finance

Place : Delhi
Dated : 10.09.2015

Mumbai
10.09.2015

APPAREL EXPORT PROMOTION COUNCIL
(LIMITED BY GUARANTEE)
Notes to financial statements for the year ended 31st March, 2015

Particulars	AS AT 31st March, 2015 (₹)	AS AT 31st March, 2014 (₹)
Note 2 Reserves & Surplus		
Capital Fund	4,200,000	4,200,000
Building Reserve Fund*		
Balance as per the last financial statements	329,700,000	329,700,000
Add: Transferred from building Fund during the year	-	-
Sub-Total	329,700,000	329,700,000
Capital Asset Fund-Govt Grant		
a) Non Depreciable Assets		
Balance as per the last financial statements	129,593,582	129,593,582
Sub-Total	129,593,582	129,593,582
b) Depreciable Assets		
Balance as per the last financial statements	161,809,994	186,615,662
Add: Transferred/Adjusted during the year	-	-
Less: Depreciation provided during the year	29,331,433	24,805,668
Sub-Total	132,478,561	161,809,994
Entrance Fees		
Balance as per the last financial statements	66,498,510	65,395,510
Add: Received during the year	1,245,000	1,103,000
Sub-Total	67,743,510	66,498,510
Building Repairs Replacement Fund		
Balance as per the last financial statements	20,000,000	10,000,000
Add: Transferred from I&E statement during the year	10,000,000	10,000,000
Sub-Total	30,000,000	20,000,000
Capital Assets Fund		
Balance as per the last financial statements	-	-
Add: Transferred from I&E statement during the year	55,000,000	-
Sub-Total	55,000,000	-
Surplus in the statement of Income & Expenditure		
Balance as per the last financial statements	349,069,393	336,803,613
Add: Surplus for the year	222,811,769	22,265,780
Less: Transferred to building repairs fund	10,000,000	10,000,000
Less: Transferred to capital assets fund	55,000,000	-
Add: Previous Year Adjustment	9,393,457	-
Net Surplus in the statement of Income & Expenditure	516,274,619	349,069,393
Total reserves and surplus	1,264,990,272	1,060,871,479

*Building Reserve Fund consist of Funds accumulated from Surplus and Appropriation as per Income Tax Act utilised for construction of buildings.

**APPAREL EXPORT PROMOTION COUNCIL
(LIMITED BY GUARANTEE)**

Notes to financial statements for the year ended 31st March, 2015

Particulars	AS AT 31st March, 2015 (₹)	AS AT 31st March, 2014 (₹)
Note 3 Other long term liabilities		
Security deposit	8,811,368	22,901,543
Security deposits- Show Rooms	111,989,889	127,770,802
OTS Premium payable	216,445	216,445
Advance Received for Subscription	3,266,744	2,220,000
Total	124,284,446	153,108,790

Notes to financial statements for the year ended 31st March, 2015

Particulars	Long-term		Short-term	
	AS AT 31st March, 2015 (₹)	AS AT 31st March, 2014 (₹)	AS AT 31st March, 2015 (₹)	AS AT 31st March, 2014 (₹)
Note 4 Provisions				
Provision for employee benefits				
Ex-Gratia	-	-	6,646,186	5,763,640
Medical Leave Encashment	5,609,875	7,000,180	-	-
Earned Leave Encashment	15,871,859	12,026,314	178,547	153,351
Gratuity	1,591,772	235,155	-	-
Sub-Total	23,073,506	19,261,649	6,824,733	5,916,991
Other provisions				
Provision for property tax	-	-	4,825,999	10,988,430
Provision for Service Tax	-	-	99,805,480	80,201,282
Provision for DISHA Facilitators	-	-	9,483,614	9,483,614
Provision for Assessing Activities	-	-	629,797	1,663,625
Sub-Total	-	-	114,744,890	102,336,951
Total	23,073,506	19,261,649	121,569,623	108,253,942

APPAREL EXPORT PROMOTION COUNCIL
(LIMITED BY GUARANTEE)
Notes to financial statements for the year ended 31st March, 2015

Particulars	AS AT 31st March, 2015 (₹)	AS AT 31st March, 2014 (₹)
Note 5 Trade payable		
Trade Payables	36,145,970	37,733,378
(for details of dues to micro and small enterprises refer details below)		
Total	36,145,970	37,733,378

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, 2015	31st March, 2014
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	-	-
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 payment made to the supplier beyond the appointed day during each accounting year.	-	-
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 Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year, and 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 available with the council.		

**APPAREL EXPORT PROMOTION COUNCIL
(LIMITED BY GUARANTEE)**

Notes to financial statements for the year ended 31st March, 2015

Particulars	AS AT 31st March, 2015 (₹)	AS AT 31st March, 2014 (₹)
Note 6 Other current liabilities		
Security deposits	1,557,988	3,603,167
Security deposits- Show Rooms	34,664,811	3,968,461
Penalties & EMD Forfeited	10,025,000	12,537,548
Taxes payable **	5,211,437	4,354,717
Other payables*	19,596,611	11,347,946
Advance Received for EP Activities	15,370,682	21,975,636
Advance Received for Subscription	14,067,415	14,614,521
Advance Received for Assessing Activities	7,022,143	7,097,069
Earnest Money Deposits	486,240,580	485,788,676
AEPC- Showroom Security Deposit Refundable	550,937	2,599,305
Unutilised Grant received from Govt.	38,224,472	42,656,903
EMD PDC Forfeited-Dishonoured	137,617,668	139,292,912
MDA Fund for Exporter - Unutilised	7,187,450	13,559,317
Due to Executive Committee members	626,264	592,557
Total	777,963,458	763,988,735

* Other payables includes, payment due to employees, contribution to PF, etc.

** Taxes payable includes withholding tax, service tax etc.

APPAREL EXPORT PROMOTION COUNCIL
(LIMITED BY GUARANTEE)

Notes to financial statements for the year ended 31st March 2015

Note 7 Fixed Asset

Description	GROSS BLOCK			DEPRECIATION			WRITTEN DOWN VALUE			
	Cost as at 31.03.14 (₹)	Addition during the year (₹)	Sales/ Adju during the year (₹)	Total as on 31.03.15 (₹)	Depreciation as at 31.03.14 (₹)	Provided during the year (₹)	Adjusted during the year (₹)	Upto 31.03.15 (₹)	W.D.V as on 31.03.15 (₹)	W.D.V as on 31.03.14 (₹)
TANGIBLE ASSETS										
Land	64,750,534	-	-	64,750,534	-	-	-	-	64,750,534	64,750,534
Office Premises	521,345,569	2,952,320	-	524,297,889	245,885,092	20,952,385	-	266,837,477	257,460,412	275,460,477
Plant & Machinery										
Plant & Machinery-Chiller	23,529,416	-	-	23,529,416	17,569,442	1,527,581	-	19,097,023	4,432,393	5,959,974
Plant & Machinery-Lifts	12,657,027	-	-	12,657,027	9,218,785	886,777	-	10,105,562	2,551,465	3,438,242
Plant & Machinery-General	2,100,234	33,265,813	-	35,366,047	721,955	9,150,195	-	9,872,150	25,493,897	1,378,279
Office Equipments										
Office Equipments-General	24,299,168	1,199,395	-	25,498,563	14,081,444	7,696,647	-	21,778,091	3,720,472	10,217,724
Office Equipments-AC, Coolers	5,469,563	443,503	-	5,913,066	4,421,019	1,151,914	-	5,572,933	340,133	1,048,544
Electric Fitting										
Electric Fitting-General	32,698,336	443,018	-	33,141,354	22,510,082	4,188,870	-	26,698,952	6,442,402	10,188,254
Fans	156,529	-	-	156,529	152,963	2,305	-	155,268	1,261	3,566
Furniture & Fixture										
Furniture & Fixture	40,962,463	1,120,717	-	42,083,180	23,398,970	8,032,250	-	31,431,220	10,651,960	17,563,493
Wooden Partitions	1,864,378	986,471	-	2,850,849	1,774,495	435,289	-	2,209,784	641,065	89,883
Vehicle										
Motor Cars	12,170,287	6,778,611	2,418,603	16,530,295	8,695,002	2,148,258	2,277,858	8,565,402	7,964,893	3,475,285
Motor Cycles	151,023	-	-	151,023	106,952	31,203	-	138,155	12,868	44,071
Motor Vehicle-Commercial										
Computers	1,233,173	-	-	1,233,173	499,435	343,513	-	842,948	390,225	733,738
Books	14,243,175	898,486	-	15,141,661	10,275,851	3,912,156	-	14,188,007	953,654	3,967,324
INTANGIBLE ASSETS										
Books	2,042,231	-	-	2,042,231	1,194,417	673,189	-	1,867,606	174,625	847,814
	2,334,561	1,379,228	-	3,713,789	1,054,324	467,837	-	1,522,161	2,191,628	1,280,237
Sub Total (Rs.)	762,007,667	49,467,562	2,418,603	809,056,626	361,560,228	61,600,368	2,277,858	420,882,739	388,173,887	400,447,439

APPAREL EXPORT PROMOTION COUNCIL
(LIMITED BY GUARANTEE)
Notes to financial statements for the year ended 31st March 2015

Note 7 Contd.

Description	GROSS BLOCK			DEPRECIATION			WRITTEN DOWN VALUE			
	Cost as at 31.03.14 (₹)	Addition during the year (₹)	Sales/Adj during the year (₹)	Total as on 31.03.15 (₹)	Depreciation as at 31.03.14 (₹)	Provided during the year (₹)	Adjusted during the year (₹)	Upto 31.03.15 (₹)	W.D.V as on 31.03.15 (₹)	W.D.V as on 31.03.14 (₹)
(A) ASSETS GIVEN ON LEASE										
Office Premises	36,589,493	-	-	36,589,493	27,767,279	576,286	-	28,343,565	8,245,928	8,822,214
Plant & Machinery	48,545,234	-	-	48,545,234	45,643,404	742,719	-	46,386,123	2,159,111	2,901,830
Office Equipments	2,908,613	-	-	2,908,613	2,830,831	48,783	-	2,879,614	28,998	77,782
Office Equipments-AC, Cooler	1,236,394	-	-	1,236,394	1,193,606	30,880	-	1,224,486	11,908	42,788
Electric Fitting										
Electric Fitting-General	1,708,106	-	-	1,708,106	1,683,155	12,171	-	1,695,326	12,780	24,951
Electric Fitting-Fans	445,621	-	-	445,621	445,277	4,112	-	449,389	(3,768)	344
Furniture & Fixture										
Furniture & Fixture	16,446,229	-	-	16,446,229	14,824,471	1,149,853	-	15,974,324	471,905	1,621,757
Computers	14,595,141	-	-	14,595,141	14,356,299	92,891	-	14,449,190	145,951	238,842
Books	2,555,152	-	-	2,555,152	2,400,934	128,666	-	2,529,600	25,552	154,218
Sub Total (Rs.)	125,029,983	-	-	125,029,983	111,145,256	2,786,361	-	113,931,617	11,098,365	13,884,726
(B) OTHER FIXED ASSETS										
Land	129,593,582	-	-	129,593,582	-	-	-	-	129,593,582	129,593,582
Office Premises	266,051,598	-	-	266,051,598	151,887,515	7,825,335	-	159,712,850	106,338,748	114,164,083
Plant & Machinery										
Plant & Machinery-Chiller	57,021,277	-	-	57,021,277	51,312,711	5,138,353	-	56,451,064	570,213	5,708,566
Plant & Machinery-Lift	15,269,660	-	-	15,269,660	13,478,278	448,486	-	13,926,764	1,342,896	1,791,382
Plant & Machinery-General	10,233,320	-	-	10,233,320	5,088,776	1,288,167	-	6,376,943	3,856,377	5,144,546
Office Equipments										
Office Equipments-General	46,937,436	-	-	46,937,436	42,597,002	3,871,059	-	46,468,061	469,375	4,340,433
Office Equipments-AC, Coolers	392,840	-	-	392,840	353,513	35,399	-	388,912	3,928	39,327
Electric Fitting	74,616,810	-	-	74,616,810	67,152,991	4,007,696	-	71,160,687	3,456,123	7,463,819
Furniture & Fixture	30,612,081	-	-	30,612,081	24,424,685	3,923,239	-	28,347,924	2,264,157	6,187,396
Computers	64,013,507	-	-	64,013,507	63,974,141	7,338	-	63,981,479	32,028	39,366
Sub Total (Rs.)	694,742,111	-	-	694,742,111	420,269,612	26,545,072	-	446,814,684	247,927,427	274,472,500
CAPITAL WORK-IN-PROGRESS INCLUDING ADVANCES (Rs.)										
GRAND TOTAL (Rs.)	1,581,779,761	49,467,562	2,418,603	1,628,828,720	892,975,096	90,931,801	-	981,629,040	647,199,679	723,609,500
PREVIOUS YEAR (Rs.)	1,512,089,634	70,171,292	481,165	1,581,779,761	818,432,846	74,966,894	424,644	892,975,096	723,609,500	

Consequent to the adoption of the revised estimation of the useful life of the fixed assets of the Company as stipulated in Schedule II of the Companies Act 2013 with effect from 1st April 2014, the depreciation for the current year is higher by Rs.8229777.

**APPAREL EXPORT PROMOTION COUNCIL
(LIMITED BY GUARANTEE)**

Notes to financial statements for the year ended 31st March, 2015

Particulars	Non-current		Current	
	AS AT 31st March, 2015 (₹)	AS AT 31st March, 2014 (₹)	AS AT 31st March, 2015 (₹)	AS AT 31st March, 2014 (₹)
Note 8 Loans and advances				
(Unsecured, considered good unless otherwise stated)				
Security Deposits	2,925,200	3,121,940	-	-
Sub-Total	2,925,200	3,121,940	-	-
Loans and advances to related parties (Refer Note 33)	-	-	37,301	25,829
Sub-Total	-	-	137,301	25,829
Other loans and advances				
Advance recoverable in cash or kind				
a) Considered Good	4,059,968	136,400	52,257,285	19,704,678
b) Considered Doubtful	3,910,640	3,910,640	-	-
Less: Provision for Doubtful	(3,910,640)	(3,910,640)	-	-
Earnest Money Deposit -FDR	-	-	3,893,010	4,390,779
Earnest Money Deposit PDC-Recoverable				
a) Considered Good	-	-	-	-
b) Considered Doubtful	137,617,668	139,292,912	-	-
Loans and advances to employees				
a) Considered Good	-	-	-	4,791,895
b) Considered Doubtful	-	-	-	-
Less: Provision for Doubtful	-	-	-	-
Prepaid expenses	-	-	3,464,062	3,711,652
Balance with Service tax authorities	-	-	1,132,789	67,271
Advance income tax [Net of provision for income tax previous year of Rs 53437162/-]	173,784,628	81,515,266	-	-
Sub-Total	315,462,264	220,944,578	60,747,146	32,666,275
Total	318,387,464	224,066,518	60,884,447	32,692,104

Notes to financial statements for the year ended 31st March, 2015

Particulars	Non-current		Current	
	AS AT 31st March, 2015 (₹)	AS AT 31st March, 2014 (₹)	AS AT 31st March, 2015 (₹)	AS AT 31st March, 2014 (₹)
Note 9 Other assets				
(Unsecured, considered good unless otherwise stated)				
Other Receivable	616,949	3,851,197	30,367,558	21,854,533
Interest accrued on bank fixed deposits	-	-	18,122,779	18,425,180
Grant receivable	-	-	45,135,287	61,965,419
AEPC- Showroom Maintenance charges receivable	-	-	8,320,300	6,603,659
Other Income receivable	-	-	4,282	4,283
Due from executive committee members	-	-	256,211	231,450
Deposit with LIC	33,680,520	31,255,238	-	-
Total	34,297,469	35,106,435	102,206,417	109,084,524

**APPAREL EXPORT PROMOTION COUNCIL
(LIMITED BY GUARANTEE)**

Notes to financial statements for the year ended 31st March, 2015

Particulars	AS AT 31st March, 2015 (₹)	AS AT 31st March, 2014 (₹)
Note 10 Trade receivables		
(Unsecured, considered good)		
Receivables outstanding for a period exceeding six months from the date they are due for payment	253,078	885,481
Receivables outstanding - Others	4,151,969	4,359,055
Total	4,405,047	5,244,536

Notes to financial statements for the year ended 31st March, 2015

PARTICULARS	Non-current		Current	
	AS AT 31st March, 2015 (₹)	AS AT 31st March, 2014 (₹)	AS AT 31st March, 2015 (₹)	AS AT 31st March, 2014 (₹)
Note 11 Cash and bank balances				
Cash and cash equivalents				
Balances with banks:				
a) Current Accounts	-	-	-	-
b) Saving Accounts				
(i) General	-	-	17,041,519	39,925,202
(ii) Export Promotion Fund	-	-	11,335,711	12,863,098
(iii) Other Savings*	-	-	9,893,800	14,466,320
Cash on hand	-	-	44,102	42,523
Sub Total	-	-	38,315,132	67,297,143
Other bank balances				
On Council's Deposits				
Fixed deposits with original maturity for more than 3 months and less than 12 months	-	-	1,142,331,620	943,402,308
Fixed deposits with original maturity for more than 12 months	-	-	-	2,714,905
Sub Total	-	-	1,142,331,620	946,117,213
Total	-	-	1,180,646,752	1,013,414,356

* Others saving includes FDI, MDA, MAI, Escrow, 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 31st March, 2015

Particulars	Year ended 31st March, 2015 (₹)	Year ended 31st March, 2014 (₹)
Note 12 Income from operations		
Membership Subscription	56,602,997	56,279,012
Council Fees	58,242,203	43,450,138
Other Income (Refer note 18)	148,335,046	148,507,818
Total	263,180,246	248,236,968

Notes to financial statements for the year ended 31st March, 2015

Particulars	Year ended 31st March, 2015 (₹)	Year ended 31st March, 2014 (₹)
Note 13 Other income		
Interest income		
- Bank	106,331,385	93,058,816
- Long term investment	-	2,951,643
- Others - from employees and tax refund	1,105,760	5,874,548
Profit on sale of fixed Assets	442,756	4,479
Rent	119,671,658	105,906,602
Participation Forfeiture (Refer Note 18)	1,816,791	2,862,063
Assessing Centre	30,804,280	26,898,760
Revenue Grant from Government for export expenses (Refer Note 18)	113,634,518	137,181,152
Sundry credit balances no longer required written back	8,469,604	99,885
Other non-operating income including miscellaneous income	6,732,152	10,785,539
Total	389,008,904	385,623,487

Notes to financial statements for the year ended 31st March, 2015

Particulars	Year ended 31st March, 2015 (₹)	Year ended 31st March, 2014 (₹)
Note 14 Employee benefits expense		
Salaries, Wages and Allowances	93,682,992	73,813,139
Contribution to Provident and Other Funds	7,174,524	5,329,374
Employees Welfare Expenses	4,634,282	3,856,754
Total	105,491,798	82,999,267

Notes to financial statements for the year ended 31st March, 2015

Particulars	Year ended 31st March, 2015 (₹)	Year ended 31st March, 2014 (₹)
Note 15 Finance costs		
Interest on Utilized MAI Grant	-	519,727
Bank and Other Finance Charges	53,595	59,465
Interest On Service Tax Liability	9,073,947	6,805,461
Total	9,127,542	7,384,653

**APPAREL EXPORT PROMOTION COUNCIL
(LIMITED BY GUARANTEE)**

Notes to financial statements for the year ended 31st March, 2015

Particulars	Year ended 31st March, 2015 (₹)	Year ended 31st March, 2014 (₹)
Note 16 Depreciation and amortization expense		
Depreciation of tangible assets	90,463,964	74,499,981
Amortization of intangible assets	467,837	466,913
	90,931,801	74,966,894
Less: Transferred to Capital Assets Fund	29,331,433	24,805,668
Total	61,600,368	50,161,226

Notes to financial statements for the year ended 31st March, 2015

Particulars	Year ended 31st March, 2015 (₹)	Year ended 31st March, 2014 (₹)
Note 17 Other expenses		
Export promotion expenses (Refer Note 18)	240,343,486	352,975,085
Power and Fuel	14,159,257	14,198,486
Rent	246,015	240,984
Rates and taxes	3,223,209	4,111,556
Insurance	1,449,766	514,542
Meeting Expenses	7,029,105	8,029,453
Repair and maintenance - Buildings	1,446,892	2,195,507
Repair and maintenance - Plant & Machinery	7,176,191	8,834,777
Repair and maintenance - Others	7,052,142	8,539,533
Traveling, Conveyance and Vehicle expenses	6,626,627	8,118,691
Communication & Postage Expenses	2,912,880	3,043,544
Printing & Stationery Expenses	2,578,334	2,054,747
Legal & Professional Fees	6,585,314	8,497,815
Security Charges	5,249,930	4,673,864
Business Promotion	1,299,433	1,212,940
Courier & Forwarding Expenses	594,488	937,223
Advertising & Publicity	221,043	1,214,029
Expenses recoverable absorbed during the year	-	5,748,176
Auditors remuneration (Refer Note 25)	585,300	578,000
Prior period expenses (Refer Note 27)	96,208	449,232
Miscellaneous Expenses	871,774	1,403,548
Assessing Centre - MES Scheme	3,695,263	9,011,288
Provision for Service Tax	8,918,687	-
Donation	-	3,700,000
Support to Apparel Made-Ups and Home Furnishing Sector Skill Council	-	5,000,000
Total	322361344	455283020

**APPAREL EXPORT PROMOTION COUNCIL
(LIMITED BY GUARANTEE)**

Notes to financial statements for the year ended 31st March, 2015

Particulars	Year ended 31st March, 2015 (₹)	Year ended 31st March, 2014 (₹)
Note 18 Export promotion expenses		
Overseas Expenses		
Foreign Exhibition Expenses	107,930,228	202,520,182
Foreign Delegation Expenses	9,223,451	13,930,335
Domestic Fairs		
Trade Fairs	2,920,881	2,189,654
Tex Trends Fair	92,581,373	79,515,442
Source Zone Fair	179,792	3,120,206
India Market Week Fair	4,374,188	8,196,743
Apparel Education & Training	9,338,296	7,153,519
Seminar & Workshop	451,701	6,529,421
Other Export Promotion Expenses		
Magazine & Publicity Material	2,201,616	5,400,000
Award Function	-	1,037,308
Disha Common Compliance Code	5,857,946	2,399,600
Economic & Consultancy Activities	67,673	319,995
Sponsorship	1,200,000	-
Duty Draw Back	2,335,094	2,803,634
Study on Competitiveness	-	6,684,021
Innovative Garment Technology Mission -IGTM	295,000	2,568,699
E-Commerce	-	2,000,000
Other	1,386,247	6,606,327
TOTAL(1)	240,343,486	352,975,086
Less: Contribution Received		
Foreign Exhibition	89,120,000	90,066,000
Domestic Fairs:		
Tex Trends Fair	56,030,350	51,739,200
Source Zone Fair	-	4,406,250
Magazine & Publicity Material	1,513,051	1,849,764
Disha	1,000	146,916
Other	1,670,645	299,688
	148,335,046	148,507,818
Participation Forfeiture	1,816,791	2,862,063
Revenue Grant from Government: (Refer note No. 23)		
For Overseas Events	31,268,611	89,206,218
For Domestic Events & DISHA	81,804,420	47,974,934
For Training Activities	561,487	-
TOTAL(2)	263,786,355	288,551,033
TOTAL(1-2)	(23,442,869)	64,424,053

**APPAREL EXPORT PROMOTION COUNCIL
(LIMITED BY GUARANTEE)**

Notes to financial statements for the year ended 31st March, 2015

Note No. 1

(A) COMPANY OVERVIEW:

Apparel Export Promotion Council ("the Company/Council") is formed for promoting exports of readymade garments from India. It is registered 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 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.

1.2 Use of Estimates: The preparation of the financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

1.3 Fixed Assets:

- a) Fixed Assets are capitalized at cost inclusive of all expenses incurred in bringing the asset to its working condition for its intended use.
- b) Fixed Assets are shown at historical cost.
- c) Intangible Assets comprise of computer software.

1.4 Depreciation & Amortization:

Tangible Assets:

- a) **Method of depreciation:-** Reducing balance method of depreciation 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.

Till the year ended 31st March 2014, Schedule XIV to the Companies Act 1956 prescribed requirements concerning depreciation of fixed assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act 2013. The applicability of Schedule II has resulted in the following changes related to the depreciation of fixed assets. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

Considering the applicability of Schedule II, the management has re-estimated residual values of all its fixed assets and have taken useful life of its fixed assets as prescribed by Schedule II to the Companies Act 2013 and / or useful life estimated by the management supported by technical value's independent assessment. The management believes that depreciation rates currently used fairly reflect its estimates of the useful lives and residual values of fixed assets.

Till the year ended 31 March 2014, to comply with the requirements of Schedule XIV to the Companies Act, 1956, the company was charging depreciation @ 100% on assets costing less than Rs. 5000/- in the year of purchase. Schedule II to the Companies Act 2013, applicable from the current year, does not recognize such practice. However considering that the materiality of impact is not significant on the financial statement, the Company continues with the existing policy.

- b) **Rates of depreciation:** - Depreciation on fixed assets has been provided on the basis of life prescribed under schedule II of Companies Act, 2013, and library books at a life 5 years.

- c) **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 and which is carrying in the books at Rs. 1/- is carried at Rs. 1/- only.

- d) **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.
- e) Depreciation of Fixed Assets acquired out of Capital Grants is debited to the Capital Assets Fund.
- f) Fixed Assets are reviewed for impairment on Balance Sheet date as per AS-28. Impairment of Assets".
- f) Modular Employable Skill (MES): Revenue is recognized on the basis of number of candidates assessed and the corresponding completion of pre-conditions of DGET (Director General of Employment and Training) and RDAT (Regional Directorate of Apprenticeship and Training).
- g) Non Modular Employable Skill (Non-MES): Revenue is recognized on the basis of number of candidates assessed.

Intangible Assets:

- a) Intangible Assets is stated at cost less accumulated amortization and accumulated impairment loss if any.
- b) 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 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 period up to date of maturity.

1.6 Revenue Recognition:

- a) Revenue of the Council has been recognized on accrual basis to the extent that it is probable that economic benefits will flow to the Council and the revenue can be reliably measured.
- 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 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) Assessment Income: For Skill Assessments under Skill Development Initiative (SDI) Scheme of Director General of Employment and Training (DGET).

- h) Rent: Rent income is recognized on a time proportion basis taking into account the condition of signed agreement.

1.7 Retirement & other Employee Benefits:

- a) Contribution to defined contribution Plan such as Employees provident fund scheme etc., are charged to the Income and Expenditure Account as incurred. The contributions are made to a Government Administered Provident Fund towards which the company 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 for based on valuations, as at the Balance Sheet Date made by independent actuary. Terminations benefits are recognized as expenses as and when incurred.

1.8 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 against recoverable amount is recognized in the Income & Expenditure account in the year of its actual receipt.
- c) Grants in the nature of capital are transferred to Capital Assets Fund to the extent of amount actually utilized and amount not utilized is carried as current liability.

1.9 Foreign Exchange Transactions:

- a) Foreign currency transactions are recorded using the exchange rates prevailing on the dates of respective transactions.
- b) Transactions for refunds in Foreign Exchange are accounted for as per amounts actually realized.
- c) Monetary assets and liability denominated in foreign currencies at the year-end are translated at the rates prevailing at the year end.

1.10 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) Deterred 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 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.

1.11 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 liabilities are disclosed in the notes.

1.12 Lease:**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 Profit and Loss 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 Profit and Loss on a straight-line basis over the lease term. Cost, including depreciation are recognized as an expenses in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

1.13 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 investment with an original maturity of three month or less.

Note No. 19**Capital Commitments against Running Projects:**

Followings are the capital commitments of the Council at the yearend against the running projects

Sr. No.	Name of the Project	Current Year (₹)	Previous Year (₹)
1.	AEPC-Mumbai-Bajaj Bhawan	Nil	1,74,324
2.	KTM-Machinery	8,17,172	16,51,228

Note No. 20**Contingent liabilities:****Claims against Council not acknowledge as debts;**

- a) Rs. 1,42,00,000/- (Previous Year Rs. 1,42,00,000/-) in respect of disputed escalation claims from various contractors of Apparel House Building, but the same is not acknowledged as debts.
- b) The Council is registered u/s 12A of the Income Tax Act and has been claiming to be taxable U/s. 11 as a charitable entity.

The Income Tax department did not accept the contention for the Assessment Year 2009-10, 2010-11 & 2011-12 and Income Tax demand was created by Assessing Officers for those years, the year wise demand was as under;

S.N.	Assessment Year	Amount of Demand (₹)
1.	2009-10	4,08,44,993/-
2.	2010-11	4,39,25,110/-
3.	2011-12	92,60,900/-

The CIT (A) decided the matter in favour of the Council. The tax department is in Appeal in the ITAT, considering the favorable order of CIT (A) for above Assessment Years and the Assessing Officer accepting the Council's return for Assessment Year 2012-13 u/s.11, the Council has reversed the provisions created in the books amounting to Rs.6,92,03,671/- which was created considering its alternate computation for the assessment year 2009-10 to 2013-14.

- c) Service Tax assessment for period 16.06.2005 to 06.07.2009 was completed with a demand of Rs. 3,78,08,115/- along with proposed interest and a penalty of Rs.3,78,08,115/- .The Council has filed an appeal in CESTAT, Delhi. The CESTAT, Delhi has granted Stay for depositing of Demanded Tax through its stay order dated 30.10.2014.

Based on the demand notice a provision of Rs. 3,78,08,115/-,(principal tax amount) and Rs. 4,42,75,340/- as Interest until 31.03.2015 (Previous Year Rs. 3,52,01,393/-)had made in the books, however no provision for penalty has been made considering the matter is in the appeal on merits.

- d) Due to introduction of negative list concept in 2012 the Govt. Grants received by the Council for organizing/conducting events in India are brought in to the tax net. Based on the expert opinion the Council had provided Service Tax liability of Rs. 71,91,774/- for Grant received during July 2012 to March 2013, however no provision has been made during 2013-14 as the Council has represented the matter to the Government for clarification. Since no response is received from the Government, the Council has decided to provide Service Tax liability for Grant received for Domestic events during 2013-14 & 2014-15, therefore, a liability of Rs.89,18,687/- (Rs. 38,00,264/- for 13-14 & Rs. 51,18,423/- for 14-15) is provided in the books. The Council is making further representations to the Government for issuing clarification in this regards, therefore the deposit of total tax liability till 31st March 2015 amounting to Rs. 1,61,10,461/- is deferred.
- e) The matter is in dispute in respect of compensation demanded by one of the Showroom holder and also an employee, which

is pending in Delhi high court for which the contingent liability is estimated to Rs.35,20,748/-

Note No. 21

Other Commitments:

- a) The Council in view of pending litigation has a sum of 8,29,96,349/-excluding RLA cases (Previous Year 9,89,03,918/- excluding RLA cases) pending based on data as on 31.03.2015, 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 31.03.15	as on 31.03.15	as on 31.03.14	as on 31.03.14
	Nos.		Nos.	
Bank	28	89,73,653	104	1,88,74,950
TXC	1	20,68,716	6	75,25,642
Ministry	12	1,82,39,153	14	1,85,23,461
Court	136	5,37,14,827	140	5,39,79,865
Total	177	8,29,96,349	264	9,89,03,918

Apart from the above cases, there are 1902 cases where forfeiture amount of Rs. 72,54,74,650/- (approx.) previous year 1904 cases Rs. 72,63,23,908/- (approx.) have been referred to Regional Licensing Authority (RLA).

Note No. 22

Penalties and Earnest Money Forfeited of Rs. 1,00,25,000/- (Previous year Rs.1,25,37,548/-) 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. 23

- 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 is as under:

Sl. No	Name of the Project	Balance carried forward from last year		Grant Received from Govt. during the year	Grant Refunded/ Adjusted during the Year	Admissible Grant during the year	Balance carried forward	
		Liability	Recoverable				Liability	Recoverable
1	MAI Grants:	₹	₹	₹	₹	₹	₹	₹
	EP Projects- MAI (Overseas & Domestic)	11723248*	59114397	128884384	9451472*	110096031	2118355	40172623
2	Other Grants :							
	MDA Code Activities	Nil	Nil	2977000	Nil	2977000	Nil	Nil
	DISHA	28615878	Nil	5723176**	Nil	Nil	34339054	Nil
	Establishment of Five Apparel Training Center in Bihar	250532	Nil	10773	Nil	Nil	261305	Nil
	PSQC Training of North East Students	2067245	Nil	Nil	Nil	561487	1505758	Nil
	Claims of reimbursement of administrative expenses of EMD-BG work being done on behalf of Ministry of Textiles Govt. of India.	Nil	2851023	3326023	Nil	5437664	Nil	4962664
	Total	42656903	61965420	140921356	9451472	119072182	38224472	45135287

*Includes interest provided on unutilized grant of Rs. 5,19,727/- (Rs. 1,46,339/- for BSM Tel Aviv Israel-2013, Rs. 71,436/- for Hong Kong Fair-Jan 14 and Rs. 3,01,952/- for BSM South Africa-March 14).** Amount of interest provided on 31.03.2015 on unutilized DISHA Grant for 2013-14 & 2014-15.

- b) The expenditure for DISHA project consist of Rs.58,57,947/-including provision of interest of Rs. 57,23,176/-for 13-14 & 14-15 on unutilized grant(previous year Rs. 23,99,600/-)as reported in note no. 18 and the additional following expenses debited to the natural accounting heads;

Particulars	Current Year	Previous Year
Salary & Staff Benefits	40,15,413	91,06,239
Total	40,15,413	91,06,239

The acceptability of complete claim is in discussion with Ministry of Textiles, pending formal acceptance no further amount has been recognized from the unutilized grant of Rs. 2,86,15,878/-.

Note No. 24

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

Description	Current Year ₹	Previous Year ₹
Expenditure on Travel, Delegations, Trade Fairs, Seminars, Market Study, and Publicity etc.	12,93,31,045	18,69,47,780
Total	12,93,31,045	18,69,47,780

Note No. 25

Auditor's Remuneration includes:

Description	Current Year ₹	Previous Year ₹
As Auditors		
Audit Fees (Excluding Service Tax)	3,99,300	3,63,000
Tax Audit Fees	0	1,10,000
Taxation Matters	1,96,124	1,05,000
Total	5,95,424	5,78,000

Note No. 26

Market Development Assistance (MDA) included in Unutilized Funds Received from Government shown in Current Liabilities represent balance remained unutilized 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:

Particulars	Current Year ₹	Previous Year ₹
Opening Balance	1,35,59,317	86,80,317
Funds Received during the year (Including Interest)	33,37,358	1,00,55,902
Total	1,68,96,675	1,87,36,219
Less: Amount disbursed/ refunded during the year	97,09,225	51,76,902
Closing Balance	71,87,450	1,35,59,317

Note No. 27

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

Sl. No	Particulars	Current Year ₹	Previous Year ₹
1	EP Activity	0	1,53,573
2	Repairs & Maintenance	62,500	10,417
3	Bandwidth Charges-AMC Net Work	0	1,99,785
4	Stationery Printed	0	70,980
5	Electricity Expenses	0	14,477
6	Others	33,708	0
	Total	96,208	4,49,232

Note No. 28

The breakup of Net Deferred Tax Assets is as under;

	As on 31.03.2015	As on 31.03.2015	As on 31.03.2014	As on 31.03.2014
	Deferred Tax Assets	Deferred Tax Liability	Deferred Tax Assets	Deferred Tax Liability
	₹	₹	₹	₹
Timing differences on account of:				
Difference in book and Income tax Depreciation under Income Tax Act, 1961	Nil	Nil	5,03,95,693	Nil
Provision of Doubtful Advances	Nil	Nil	57,48,176	Nil
Medical Leave Encashment Provision	Nil	Nil	3,39,674	Nil
Earned Leave Provision	Nil	Nil	21,05,982	Nil
Provision for Gratuity	Nil	Nil	2,35,155	Nil
Disallowances U/s 40 (a)(ia)	Nil	Nil	16,63,625	Nil
Disallowances U/s 43 (B)	Nil	Nil	68,05,461	Nil
Total	Nil	Nil	6,72,93,766	Nil
Net Timing Differences	Nil	Nil	6,72,93,766	Nil
Deferred Tax Assets @32.4459% (Net)	Nil	Nil	2,18,34,068	Nil

The Council being Company under Section 8 of the Companies Act, 2013 is registered under Section 12A of the Income Tax Act, 1961 and its entire income is treated as application of income under the provisions of Section 11 of the Income Tax Act, 1961 (refer Note No.21- b) and therefore there are no 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" issued by the Institute of Chartered Accountant of India. However, previous year's informations are shown for reference purposes.

Note No. 29

Defined Benefit Plans:

		Current Year ₹		Previous Year ₹			
i)	The Company has recognized in the Income and Expenditure Accounts for the Year ended March 31, 2015 an amount of expenses under defined contributions plans benefit (Contribution to Provident Fund)	51,40,048		46,85,401			
ii)	The Company operates post retirement defined benefit plan for retirement Gratuity & Leave Encashment which is funded.						
		Gratuity		Earned Leave Encashment		Medical Leave Encashment	
		C. Year ₹	P. Year ₹	C. Year ₹	P. Year ₹	C. Year ₹	P. Year ₹
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	2,98,13,420	2,46,66,943	1,21,79,665	1,00,73,683	70,00,180	66,60,506
(b)	Current Service Cost	18,84,267	17,99,337	9,73,373	11,57,102	3,25,967	5,85,431
(c)	Interest Cost	23,85,074	19,73,355	9,74,373	8,05,895	5,60,014	5,32,840
(d)	Actuarial (Gain)/Loss	1,69,272	14,31,254	25,70,855	7,72,960	(22,76,286)	(7,78,597)
(e)	Benefits Paid	(0)	(57,469)	(6,48,300)	(6,29,975)	0	0
(f)	Obligation as at the end of the year	3,42,52,033	2,98,13,420	1,60,50,406	1,21,79,665	56,09,875	70,00,180
(2)	Change in Plan Assets (Reconciliation of Opening and Closing balances):						
(a)	Fair value of plan asset as at the beginning of the year	2,95,78,265	2,66,18,007	3,12,55,238	29,90,0156	-	-
(b)	Actual return of plan assets	26,62,779	23,51,800	28,11,970	19,85,057	N/A	N/A
(c)	Contribution	4,30,060	6,66,732	2,61,612	-	-	-
(d)	Benefits paid	(0)	(57,469)	(6,48,300)	(6,29,975)	-	-
(e)	Charges deducted	(10,843)	(805)	-	-	-	-
(f)	Fair value of plan assets as at the end of the year	3,26,60,261	2,95,78,265	3,36,80,520	3,12,55,238	-	-
(3)	Reconciliation of obligation & plan Assets:						
(a)	Present Value of obligation as at the end of the year	3,42,52,033	2,98,13,420	1,60,50,406	1,21,79,665	56,09,875	70,00,180
(b)	Fair Value of Plan Assets as at the end of the year	3,26,60,261	2,95,78,265	3,36,80,520	3,12,55,238	-	-
(c)	Assets/ (Liabilities) recognized in the Balance Sheet	(15,91,772)	(2,35,155)	1,76,30,114	1,90,75,573	(56,09,875)	(70,00,180)
(d)	Assets/ (Liabilities) Not recognized in the Balance Sheet	-	-	-	-	-	-
(4)	Expenses recognized during the year:						
(a)	Current Service Cost	18,84,267	17,99,337	9,73,813	11,57,102	3,25,967	5,85,431
(b)	Interest Cost	23,85,074	19,73,355	9,74,373	8,05,895	5,60,014	5,32,840
(c)	Expected Return on Plan Assets	(25,88,098)	(23,29,076)	28,12,971	20,18,261	-	-
(d)	Actuarial Gain/Loss recognized during the period	94,591	14,08,530	25,71,856	8,06,164	(22,76,286)	(7,78,597)
(e)	Expenses/(Income) recognized during the Year in the I&E	17,75,834	28,52,146	17,07,071	7,50,900	(13,90,305)	3,39,674
(5)	Assumption:						
(a)	Discount Rate (p.a.)	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
(b)	Expected Rate of Return on Planned Assets (p.a.)	8.75%	8.75%	9.00%	6.75%	N/A	N/A
(c)	Rate of Escalation in Salary (p.a.)	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
(d)	Average remaining Working Lives of Employees(years)	8.96	10.44	12.80	13.94	12.80	13.94
(6)	Experience Adjustments:						
	Experience Adjustment loss/(Gain)-Plan	0	1,10,366	(7,02,241)	7,08,707	-	-
	Experience Adjustment loss/(Gain)-Obligations	1,69,272	14,31,254	25,70,855	7,72,960	(22,76,286)	(7,78,597)

(7) Reconciliation of fair value of assets and obligations for the past years:	31st March 2013			31st March 2012			31st March 2011		
	Gratuity ₹	EL ₹	ML ₹	Gratuity ₹	EL ₹	ML ₹	Gratuity ₹	EL ₹	ML ₹
Present Value of Obligation	2,46,66,943	1,00,73,683	66,60,506	2,07,81,086	93,62,279	52,75,004	1,85,67,360	85,13,776	56,19,765
Fair Value of Plan (Assets)	2,66,18,007	2,99,00,156	-	2,01,62,122	2,77,56,626	-	1,45,29,835	2,57,89,740	-
(Assets)/Liability Recognized in the Balance Sheet	(19,51,064)	1,98,26,473	(66,60,506)	(6,18,964)	1,30,75,580	(52,75,004)	(40,37,525)	1,30,75,580	(56,19,765)

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. 30

Leases:

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

Operating leases

Some of the terms of lease of office premises have an initial lock-in period. 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 ₹	Previous Year ₹
a)	Total of minimum lease payments receivable <ul style="list-style-type: none"> The total of minimum lease payments receivable for a period Not later than one year Later than one year and not later than five years Later than five years 	81,80,636 17,35,916 Nil	82,47,321 97,38,451 Nil
b)	Gross block Accumulated depreciation and Depreciation for the year	Not Ascertainable being a part of building, value of the portion is not ascertainable.	Not Ascertainable being a part of building, value of the portion is not ascertainable.
c)	A general description of significant leasing arrangements- The Council has entered into operating lease arrangements for office premises/buildings.	Not Ascertainable being a part of building, value of the portion is not ascertainable.	Not Ascertainable being a part of building, value of the portion is not ascertainable.

Notes No. 31

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 geographical segment.

Notes No. 32

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

Enterprises where the Council exercises control by way of power to nominate the majority of the composition of the governing bodies,

a) List of related parties;

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)

b) Key Management Personnel;

Chairman - Sh.Virender Uppal

Note: (No remuneration or monetary benefit was given to them).

c) Transaction /balances outstanding with related parties (Amount in Rs.);

Particulars	ATDC		AEPC Society for HR Development (IAM)		AEPC RD&LWF	
	C. Year	P. Year	C. Year	P. Year	C. Year	P. Year
	₹	₹	₹	₹	₹	₹
Transaction during the Year;						
Lease Charges Received	38,02,404	32,20,110	4,34,988	3,87,144	Nil	Nil
Reimbursement of Expenses/Contribution-paid	15,87,066	9,04,988	56,84,396	72,48,176	Nil	Nil
Reimbursement of Expenses/Contribution -received	45,74,635	13,00,070	20,81,457	18,63,259	Nil	2,859
Advance/Loan Given	Nil	Nil	Nil	Nil	Nil	Nil
Advance/Loan Refunded	Nil	Nil	Nil	Nil	Nil	Nil
Balance at the end of the year:						
Amount due to	Nil	16,75,964	Nil	Nil	Nil	Nil
Amount Due From	13,26,737	Nil	16,51,623	18,72,510	2,859	2,859

Notes No. 33

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

As per our report of even date
For S. P. Puri & Co
Chartered Accountants
FRN 001152N

For and on behalf of the Executive Committee

Virender Uppal
Chairman

H K L Magu
Chairman (F&B)

Vijay Mathur
Additional Secretary General

Vidur Puri
Partner
Membership no : 90163

Sanjiv Malhotra
Secretary

Kundan Srivastava
General Manager-Finance

Place : Delhi
Dated : 10.09.2015

Mumbai
10.09.2015

**APPAREL EXPORT PROMOTION COUNCIL
(LIMITED BY GUARANTEE)
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015**

PARTICULARS	Year ended 31st March, 2015 ₹	Year ended 31st March, 2014 ₹
Note 34 Cash Flow Statement		
A. Cash Flow From Operating Activities :		
Excess Of Income Over Expenditure Before Tax	153,608,098	38,032,289
Adjustment For :		
Depreciation/Amortisation	61,600,368	50,161,226
(Profit)/Loss On Sale Of Fixed Assets	(442,756)	(4,479)
Provision For Service Tax & Others	8,918,687	6,105,045
Sundry Credit Balance Written Back	(8,469,604)	(99,885)
Interest Income	(107,437,145)	(101,885,007)
Operating Income Before Working Capital Changes	107,777,648	(7,690,811)
(Increase)/Decrease In Trade Receivables	839,489	(3,227,327)
(Increase)/Decrease In Loans & Advances/ Other Current/Non Current Assets	(22,531,164)	(17,056,721)
Increase/(Decrease) In Trade Payables, Current Liabilities & Provisions	9,609,196	41,324,559
Cash Generated From Operations	95,695,169	13,349,700
Income Tax Paid (Net Of Income Tax Refund)	(23,065,692)	(22,181,098)
Net Cash From Operating Activities (A)	72,629,477	(8,831,398)
B. Cash Flows From Investing Activities		
Purchase Of Fixed Assets (Including Cwip)	(14,662,727)	(60,168,916)
Proceeds From Sale Of Fixed Assets	583,501	61,000
Interest Received	107,437,145	100,408,501
Proceeds From Redemption Of Investment	-	50,375,713
Redemption/Maturity Of Bank Deposits Or (Investment) In Bank Deposits	(196,214,407)	(69,221,395)
Net Cash (Used) / Raised From Investing Activities (B)	(102,856,488)	21,454,903
C. Cash Flow From Financing Activities		
Entrance Fee Received	1,245,000	1,103,000
Net Cash Used In Financing Activities (C)	1,245,000	1,103,000
Net Increase In Cash & Cash Equivalents (A+B+C)	(28,982,011)	13,726,505
Cash & Cash Equivalents As At 31.03.2014	67,297,143	53,570,637
Cash & Cash Equivalents As At 31.03.2015	38,315,132	67,297,143

NOTES TO THE CASH FLOW STATEMENT :

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

As per our report of even date
For S. P. Puri & Co
Chartered Accountants
FRN 001152N

For and on behalf of the Executive Committee

Virender Uppal
Chairman

H K L Magu
Chairman (F&B)

Vijay Mathur
Additional Secretary General

Vidur Puri
Partner
Membership no : 90163

Sanjiv Malhotra
Secretary

Kundan Srivastava
General Manager-Finance

Place : Delhi
Dated : 10.09.2015

Mumbai
10.09.2015





ATTENDANCE SLIP

APPAREL EXPORT PROMOTION COUNCIL

CIN: U74899 DL 1978 NPL 008877

(Regd. Office :- A-223 Okhla Industrial Area Phase-I, New Delhi-110020)

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 /Proxy)

I certify that I am a Member/Proxy for the Member of the Council

I hereby accord my presence, at the 36th Annual General Meeting of the Council held on 18th December, 2015, Friday at 12.00 Noon at Niryat Bhawan (FIEO Office Building), Rao Tula Ram Marg, Opp. Army Hospital Research & Referral, New Delhi-110057

Signature (of Member / Proxy)

PROXY

APPAREL EXPORT PROMOTION COUNCIL

CIN: U74899DL1978NPL008877

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

Name of the Member (s) (Firm/Company):-----

Membership No & Region:-----

Registered Address:----- E-mail Id:-----

I / we, being the member (s) of Apparel Export Promotion Council, hereby appoint

1. Name of Person:----- Membership No----- of

M/s.-----

address:-----

E-mail Id:-----

Signature-----, or failing him

2. Name of Person:----- Membership No----- of

M/s.-----

address:-----

E-mail Id:-----

Signature-----, or failing him

3. Name of Person:----- Membership No----- of

M/s.-----

address:-----

E-mail Id:-----

Signature-----

as my / our proxy to attend and vote (on poll or E-Voting) for me / us and on resolution at the 36th Annual General Meeting of the Council, to be held on 18.12.2015, Friday at 12.00 Noon at Niryat Bhawan (FIEO Office Building), Rao Tula Ram Marg, Opp. Army Hospital Research & Referral, New Delhi-110057 and at any adjournment thereof.

As witness my/our hand(s) this-----day of -----2015.

Signature of the said (Member (s))-----Membership No.-----

Signature of Proxy Holder(s) (1)----- (2)----- (3)-----

Affix Rs.1
Revenue
Stamp

- Note:**
1. Proxy need to be a Member of the AEPC as per pursuant section 105(1) of the Companies Act 2013 and Rule No. 19(1) of Companies (Management and Administration) Rule, 2014.
 2. Proxy cannot act on behalf of member exceeding 50 as per section 105(1) of the Companies Act 2013 and Rule No. 19(2) of Companies (Management and Administration) Rule, 2014.
 3. Please ensure proxy form is duly filled and signed in all relevant places and affix revenue stamp of Rs1/- duly defaced.
 4. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Council, not less than 48 hours before the commencement of the Meeting.



INSTRUCTIONS:

1. All blanks must be filled up, including the Membership Number.
2. Proxy Form issued by AEPC will be accepted as valid Proxy