



# POWERLOOM DEVELOPMENT & EXPORT PROMOTION COUNCIL

26<sup>th</sup>

ANNUAL REPORT  
2020-21





Shri M. A. Ramasamy, Chairman, PDEXCIL addressing to the members of PDEXCIL on the occasion of the 25<sup>th</sup> Annual General Meeting held on 11<sup>th</sup> December, 2020 at West End Hotel, Mumbai.

Shri Mahesh N. Sanil, Executive Director, PDEXCIL addressing to members of PDEXCIL on the occasion of 25<sup>th</sup> Annual General Meeting held on 11<sup>th</sup> December, 2020 at West End Hotel, Mumbai.



Ms. Roop Rashi (IA&AS), Textile Commissioner, Office of the Textile Commissioner, Ministry of Textiles, Govt. of India addressing to members of PDEXCIL on the occasion of the 25<sup>th</sup> Annual General Meeting at Mumbai.

Committee of Administration (COA), PDEXCIL on the occasion of the 25<sup>th</sup> Annual General Meeting held on 11<sup>th</sup> December, 2020 at West End Hotel, Mumbai.





**POWERLOOM DEVELOPMENT & EXPORT PROMOTION COUNCIL**  
(Set up by Ministry of Textiles, Govt. of India)  
GC-2, Ground Floor, Gundecha Onclave, Kherani Road, Saki Naka, Andheri (East),  
Mumbai – 400 072.  
Phone : 022-28502050/2060 Fax : 022-28504146  
E-mail : pdexcilmumbai@gmail.com  
Website : www.pdexcil.org

Date : 01<sup>st</sup> November, 2021

To,

**All the members of the PDEXCIL**

Sub : **26<sup>th</sup> ANNUAL GENERAL MEETING OF THE PDEXCIL**

Sir/Madam,

It is hereby notified for the information of all the members of the Powerloom Development & Export Promotion Council (PDEXCIL) that the 26<sup>th</sup> Annual General Meeting of the PDEXCIL shall be held as per the following schedule;

DATE : 22<sup>nd</sup>, November, 2021 (Monday)

TIME : 11:30 am

THROUGH : Video Conferencing (VC) / Other Audio Visual Means (OAVM)

The notice of the 26<sup>th</sup> Annual General Meeting of the PDEXCIL, the report of its Committee of Administration along with its audited Balance Sheet as on 31<sup>st</sup> of March, 2021 and the Income & Expenditure Account of the Council for the financial year that ended on that day, are sent herewith.

You are requested to kindly make it convenient to attend the said meeting.

Yours faithfully,

Sd/-  
**(MAHESH N. SANIL)**  
**EXECUTIVE DIRECTOR**

Encl : As above.

**POWERLOOM DEVELOPMENT & EXPORT PROMOTION COUNCIL  
COMMITTEE OF ADMINISTRATION 2020-2021**



**Shri Vishwanath R. Agarwal**  
Vice-Chairman



**Shri M. A. Ramasamy**  
Chairman



**Shri Sunil Satgonda Patil**  
Immediate Past Chairman



**Shri Purushottam K. Vanga**



**Shri Dharmanna M. Sadul**



**Shri M. Duraisamy**



**Shri Bharatkumar M. Chhajer**



**Shri T. Karthikeyan**



**Shri Md. Ikram Ansari**



**Shri Rajgopal (RAJU)  
Bhagirath Rathi**



**Shri Gajanan Vishnu  
Hogade**



**Shri Lakshminarayan  
Kattakolla**



**Shri Vijay Kumar Agarwal**



**Shri T. Raajsekar**



**Shri Sunil Mandora**



**Shri Omprakash W. Shah**



**Shri Ashish Shreyansh  
Bhoje**



**Shri Avinash Annasaheb  
Magdum**



**Shri P. K. Balasubramanian**



**Shri K. Shaktivel**



**Shri Devesh Kantilal  
Patel**

**POWERLOOM DEVELOPMENT & EXPORT PROMOTION COUNCIL**

**COMMITTEE OF ADMINISTRATION**

**2020-2021**

1.	Shri Sunil S. Patil, Chairman ( Up to 22.11.2020)	14.	Shri T. V. Maruthi (Upto 11.12.2020)
2.	Shri M.A. Ramasamy, Vice-Chairman (Up to 22.11.2020) & Chairman (From 23.11.2020)	15.	Shri Lakshminarayan Kattékolla
3.	Shri Vishwanath.R.Agarwal, Vice Chairman (From 23.11.2020)	16.	Shri T. Raajsekar
4.	Shri Purushottam K. Vanga	17.	Shri Omprakash W. Shah
5.	Shri T. Karthikeyan	18.	Shri Ashish Shreyansh Bhoje
6.	Shri M. Duraisamy	19.	Shri Avinash Annasaheb Magdum
7.	Shri Md. Ikram Ansari	20.	Shri P. K. Balasubramanian (Co-opted member up to 11.12.2020 & COA member from 11.12.2020)
8.	Shri Bharatkumar M. Chhajer	21.	Shri Devesh Kantilal Patel (Co-opted member)
9.	Shri Dharmanna M. Sadul	22.	Shri K. Shaktivel (Co-opted member from 31.03.2021)
10.	Shri Sunil Mandora	23.	Joint Secretary, (Powerlooms), MOT (up to 13.08.2020)
11.	Shri Rajgopal Bhagirath Rathi	24.	Textile Commissioner, Govt. of India (up to 13.08.2020)
12.	Shri Vijay Kumar Agarwal	25.	Managing Director, NABARD
13.	Shri Gajanan Vishnu Hogade	26.	Managing Director, SIDBI

## NOTICE

Notice is hereby given that the 26<sup>th</sup> Annual General Meeting of the Powerloom Development & Export Promotion Council [PDEXCIL] will be held at 11.30 a.m. on Monday, 22<sup>nd</sup>, November, 2021 through Video Conferencing (VC)/ Other Audio Visual Means (OAVM), to transact the following business :-

1. To receive and adopt the Annual Report of the Committee of Administration [Committee] for the year 2020-2021, as required under article 34 of the Articles of Association of the Council;
2. To receive and adopt the audited Balance Sheet as on the 31<sup>st</sup> of March, 2021, and the Income and Expenditure Account of the Council for the financial year that ended on that day, together with the Committee's report thereon, as required under article 41 of the Articles of Association of the Council;

Note: (Any member desirous of asking any question on the said accounts at that meeting is requested to give notice thereof, in writing, to the Executive Director of the Council, on or before 2.30 p.m. of 15<sup>th</sup> November, 2021)

3. To elect a member to the Committee of Administration in place of Shri Purushottam K. Vanga who retires by rotation and is eligible for re-election thereto;
4. To elect a member to the Committee of Administration in place of Shri Dharmanna Sadul who retires by rotation and is eligible for re-election thereto;
5. To elect a member to the Committee of Administration in place of Shri Sunil S. Patil who retires by rotation and is eligible for re-election thereto;
6. To elect a member to the Committee of Administration in place of Shri Rajgopal B. Rathi who retires by rotation and is eligible for re-election thereto;
7. To elect a member to the Committee of Administration in place of Shri Gajanan V. Hogade who retires by rotation and is eligible for re-election thereto;
8. To elect a member to the Committee of Administration in place of Shri Omprakash W. Shah who retires by rotation and is eligible for re-election thereto;
9. To elect a member to the Committee of Administration in place of Shri Vijaykumar Agarwal who retires by rotation and is eligible for re-election thereto;
10. To elect a member to the Committee of Administration against existing vacancy in Southern Region;
11. To appoint Auditors from the conclusion of the said meeting and until the conclusion of the next Annual General Meeting of the Council and to fix their remuneration;

**By an order of the Committee of Administration**  
Sd/-  
**[MAHESH N. SANIL]**  
**EXECUTIVE DIRECTOR**

**Registered Office:**

PDEXCIL, GC-2, Ground Floor, Gundecha Onclave,  
Kherani Road, Saki Naka, Andheri (East), Mumbai – 400 072.  
Dated : 01<sup>st</sup>, November, 2021

## **IMPORTANT NOTES:-**

### **General instructions for accessing and participating in the 26<sup>th</sup> AGM through VC/OAVM Facility and voting through electronic means for all resolutions including remote e-Voting:-**

Due to massive outbreak of the COVID-19 pandemic, social distancing is norm to be followed and pursuant to the Circular No.14/2020 dated. 8<sup>th</sup> April 2020, Circular No.17/2020 dated.13<sup>th</sup> April 2020, issued by the Ministry of Corporate Affairs followed by Circular No.20/2020 dated.05<sup>th</sup> May 2020 and other applicable circulars issued by Ministry of Corporate Affairs, physical attendance of the members to the AGM/EGM venue is not required and Annual General Meeting (AGM) be held through video conference (VC) or other audio visual means (OAVM). Hence, members can attend and participate in the ensuing AGM/EGM through VC/ OAVM.

Pursuant to the Circular No.14/2020 dated 08<sup>th</sup> April 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM.

The Members can join the AGM/EGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015, the council is pleased to provide members facility to exercise their right to vote at the AGM/EGM by electronic means and the **business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).**

The Council has approached NSDL for providing e-voting services through their e-voting platform. In this regard, your membership number has been enrolled by the council for your participation in e-voting on resolutions placed on e-Voting system.

**The e-voting period commences on November 18, 2021 (10:00 am) and ends on November 21, 2021 (5:00 pm).** During this period member of the Company, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. All members of council as on being 31.10.2021 will be eligible to cast their vote on the resolutions proposed to be moved in the AGM.

The facility for voting through e-voting or Poling Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through e-voting at AGM venue.

The procedure to login to e-Voting website is given below:

1. Open the attached PDF file **“e-Voting.pdf”** giving your membership no as password, which contains your “User ID” and “Password for e-voting”. Please note that the password is an initial password.
2. Launch internet browser by typing the URL **https://www.evoting.nsdl.com**
3. Click on “Shareholder / Member”.
4. Put User ID and password as initial password noted in step (1) above and Click Login. If you forgot your password, you can reset your password by using “Physical User Reset Password?” option available on **www.evoting.nsdl.com**
5. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof and login again with new password.
6. Home page of remote “e-Voting” opens.
7. Select “EVEN” of PDEXCIL. Members can cast their vote online from November 18, 2021 (10:00 am) till November 21, 2021 (5:00 pm).

Note: e-Voting shall not be allowed beyond said time.

8. Now you are ready for “e-Voting” as “Cast Vote” page opens.
9. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm”, when prompted.

Please note the following:

After each resolution Members may select/use option for each resolution before final submission. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

A person, whose name is recorded in the register of members as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of polling paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employee of the council and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

Other information:

- Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.
- Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the member.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members, who would like to express their views/have questions may send their questions in advance mentioning their company name, membership no., email id, mobile number at [pdexcilmumbai@gmail.com](mailto:pdexcilmumbai@gmail.com). The same will be replied by the company suitably.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no: 1800 1020 990/1800 224 430 or send an email to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**By an order of the Committee of Administration**

**Sd/-**

**[MAHESH N. SANIL]**

**EXECUTIVE DIRECTOR**



**THE ANNUAL REPORT OF THE POWERLOOM DEVELOPMENT & EXPORT  
PROMOTION COUNCIL (PDEXCIL) FOR THE FINANCIAL YEAR 2020-2021**

The 25<sup>th</sup> Annual General Meeting of the PDEXCIL was held on the 11<sup>th</sup>, of December, 2020 at West End Hotel, 45 New Marine Lines, Mumbai: 400 020.

2. The composition of the Committee of Administration of the PDEXCIL has thereafter been as follows:-

1.	Shri M. A. Ramasamy, Chairman	14.	Shri P. K. Balasubramanian
2.	Shri Vishwanath R. Agarwal, Vice-Chairman	15.	Shri Lakshminarayan Kattakolla
3.	Shri Sunil S. Patil	16.	Shri Gajanan Vishnu Hogade
4.	Shri Purushottam K. Vanga	17.	Shri T. Raajsekar
5.	Shri T. Karthikeyan	18.	Shri Sunil Mandora
6.	Shri M. Duraisamy	19.	Shri Omprakash W. Shah
7.	Shri Md. Ikram Ansari	20.	Shri Ashish Shreyansh Bhoje
8.	Shri Bharatkumar M. Chhajjer	21.	Shri Avinash Annasaheb Magdum
9.	Shri Dharmanna M. Sadul	22.	Shri Devesh Kantilal Patel
10.	Shri Rajgopal Bhagirath Rathi	23.	Managing Director, NABARD
11.	Shri Vijay Kumar Agarwal	24.	Managing Director, SIDBI

3. During the year under review, the Committee of Administration (Committee) met 4 times on 03.09.2020, 05.11.2020 under the chairmanship of Shri Sunil Patil and on 11.12.2020 & 22.03.2021 under the chairmanship of Shri M. A. Ramasamy to consider and decide on matters concerning the development & export promotion of Powerloom products. The Committee was assisted in its task by the following statutory Panels/Committee:-

a) **Development & Extension Panel**

b) **Export Promotion Panel**

c) **Staff Committee**

d) **Finance Panel**

4. Shri M. A. Ramasamy, Chairman, PDEXCIL during his address on the occasion of the 25<sup>th</sup> Annual General Meeting of PDEXCIL held on 11.12.2020 thanked all COA Members and Members of the council. He informed that the council has completed 25 years of its dedicated service to the powerloom sector.

Chairman also thanked Shri. Mahesh N. Sanil, Executive Director, PDEXCIL for joining this council and with his vast experience the council will raise to newer heights.

Chairman placed on record his sincere thanks to Shri Sunil Satgonda Patil, Immediate Past Chairman, PDEXCIL who has extended his full support to the council. Chairman then requested him to address all esteemed members about the Council's past activities during his tenure as Chairman, PDEXCIL.

With the permission of Chair, Shri Sunil Satgonda Patil, Immediate Past Chairman, PDEXCIL briefed about the current situation of powerloom sector. He informed about the unprecedented global breakout of the COVID-19 pandemic leading to a humanitarian crisis, lockdown across many countries and significant economic fallout.

Immediate Past Chairman then briefed about the export scenario during the year. PDEXCIL and TEXPROCIL has common HS-Code and export are shown under common head.

He then informed about the total export of textiles and clothing during 2019-20 stood at around 37 Bn USD. The export of cotton fabrics and made-ups during the year 2018-19 was 5947.19 Mn USD which was increased to 5967.74 Mn USD in 2019-20.

Immediate Past Chairman also briefed about the issues being faced by the MSME units such as getting loans from banks, delay in refund of input taxes and reduction of subsidies recently. The MSME units is under financial pressure due to cancellation/delay in payments of orders because of global pandemic outbreak.

Immediate Past Chairman informed about the issues being taken up with concerned authorities for policy interventions, import duty based on invoice value & correlated to width of weaving loom, expanding export to China and USA, Pradhan Mantri Shram Yogi Maan-dhan (PMSYM) to be extended to small powerloom weavers, relief package for powerloom sector due to ailing effect of COVID-19 pandemic.

Immediate Past Chairman then informed about the various activities carried out by PDEXCIL for the promotion of domestic and export market.

Immediate Past Chairman expressed his thanks and gratitude to Shri Narendra Modi Ji, Hon'ble Prime Minister of India, for introducing various schemes and untiring efforts for the overall development of powerloom sector and the Council. He expressed his gratitude to Smt. Smriti Zubin Irani, Then Hon'ble Minister of Textiles for her dynamic approach and support. He thanked Shri Piyush Goyal, Then Hon'ble Minister of Commerce and Industry. He also thanked Shri Ravi Kapoor, Secretary (Textiles), Shri Jay Karan Singh, Trade Advisor, Shri Jogiranjana Panigrahi, Joint Secretary (Powerlooms), Ministry of Textiles. Ms. Roop Rashi, Textile Commissioner, Shri Moloy Chandan Chakraborty, Ex- Textile Commissioner, Shri Ajit B. Chavan, Additional Textile Commissioner (Additional Charge), Shri S. P. Verma, Joint Textile Commissioner, Office of the Textile Commissioner, Ministry of Textiles, Govt. of India. All Joint Textile Commissioners and senior officers of the Textile Commissioner Office including past officers, Regional Officers of Textile Commissioner and Officers of Powerloom Development Cell (PDC). Dr. Anup Wadhawan, Then Commerce Secretary, Ms. Nidhi Mani Tripathi, Joint Secretary, Shri Amit Yadav, Director General, Smt. Usha Pralhad Pol, Then Deputy Director General, DGFT. He also thanked all other senior officers in the Ministry of Textiles and Ministry of Commerce.

Immediate Past Chairman place on record his sincere thanks to Shri Vishwanath R. Agarwal, Vice Chairman, PDEXCIL, Conveners of various panel and sub-Committees as well as Member of Committee of Administration and Members of PDEXCIL, who have extended their full support and guidance.

Immediate Past Chairman also acknowledged the contribution and hardwork of officials and staff members of PDEXCIL for the hard work and smooth functioning of the Council.

5. The General body [A.G.M.] of the Council had also unanimously passed resolutions adopting the annual report of the Committee, the Council's audited balance-sheet and income & expenditure account for the financial year that ended on the 31<sup>st</sup> of March, 2020, appointing the auditors of the Council, amendment of Memorandum & Article of Association of the Council, amendment of Election Rules of COA & fresh Election Rules of Vice- Chairman of the Council and noting the election of the following members to the Committee:-

**A) Western Region:**

1. Shri Bharatkumar M. Chhajjer
2. Shri Sunil Mandora

**B) Southern Region:**

1. Shri T. Karthikeyan
2. Shri M. A. Ramasamy
3. Shri P. K. Balasubramanian
4. Shri. Lakshminarayan Katttekolla

**C) Eastern Region :**

1. Shri Sachin Daga

6. From time to time PDEXCIL has represented powerloom related issues to higher authorities in order to promote and support the development and export of powerloom products with Policy interventions. Some of the important representations made are as follows:

- A representation regarding request for increasing validity of forward contracts was sent to Smt. Nirmala Sitharaman, Hon'ble Finance Minister Ministry of Finance, Smt. Smriti Zubin Irani, Hon'ble Minister of Textiles and Women & Child Development, Ministry of Textiles, Shri Piyush Goyal, Hon'ble Minister of Commerce & Industry & Railways, Ministry of Commerce & Industry, Govt. of India, Shri Shaktikanta Das, Governor, Reserve Bank of India.
- PDEXCIL being member of National Committee on Textile & Clothing (NCTC) had sent a representation jointly with other members of NCTC to the Hon'ble Prime Minister of India making an earnest appeal for the immediate policy interventions to safeguard the T&C Sector amid lockdown situation due to COVID-19 Pandemic, along with Industry issues.
- Representation for intervention for powerloom sector due to ill effects of Covid-19 pandemic sent to Smt. Nirmala Sitharaman, Hon'ble Finance Minister, Ministry of Finance, Govt. of India. Representation on the same was also sent to Shri Shaktikanta Das, Governor, Reserve Bank of India, Mumbai, Smt. Smriti Zubin Irani, Hon'ble Minister of Textiles and Women & Child Development, Ministry of Textiles and Shri Piyush Goyal, Hon'ble Minister of Commerce & Industry & Railways, Ministry of Commerce & Industry, Govt. of India.
- Representation regarding removal of COVID - 19 Tax on Imports of Viscose Staple Fibre and also remove Anti Dumping Duty (ADD) on the same was sent to Shri Ravi Capoor, Secretary (Textiles), Ministry of Textiles, GOI and Dr. Anup Wadhawan, Commerce Secretary, Ministry of Commerce & Industry, GOI.
- Representation regarding removal of anti dumping duty on viscose staple fibre was sent to Dr. Ajay Bhusan Prasad Pandey, Finance Secretary, Ministry of Finance, Dr. Anup Wadhawan, Commerce Secretary, Ministry of Commerce & Industry, Shri Ravi Capoor, Secretary (Textiles), Ministry of

Textiles, Ms. Roop Rashi Mahapatra, Textile Commissioner, Office of the Textile Commissioner, Govt. of India. The council represented to concerned authorities for removing anti dumping duty on viscose staple fibre to make available the raw material for fabric production at globally competitive price for powerloom manufacturers.

- Joint representation of PDEXCIL regarding an appeal to remove Anti-Dumping Duty on import of Viscose Stable Fibre to help the MSME Textile Sector was sent to Hon'ble Prime Minister, Hon'ble Union Minister of Finance, Hon'ble Minister for Commerce & Industry and Railways, Hon'ble Minister of Textiles, Finance Secretary, Commerce Secretary and Secretary (Textiles), GOI, alongwith various councils/associations.
- Representation was sent to Shri Sunil Mehta, Chief Executive, Indian Banks' Association, regarding waiver for BRC requirement for Exported Goods to Nepal.
- Representation regarding request for providing 2 years Moratorium to the MSME sector of Textile Industry was sent to Hon'ble Finance Minister, Hon'ble Minister of Commerce & Industry & Railways, Hon'ble Minister of Textiles, Governor of Reserve Bank of India and Textile Commissioner, GOI.
- Representation was sent to The Textile Commissioner, Office of the Textile Commissioner, Ministry of Textiles, GOI regarding consideration of claim under ATUFS by PDEXCIL Member.
- Representation was given by Shri Sunil S. Patil, Immediate Past Chairman. PDEXCIL to Hon'ble Minister of Textiles and Secretary (Textiles) regarding Regulation on fluctuation of textile yarn rate.
- Representation was given to Parliamentary Standing Committee on Labour during their visit at Tiruppur on 19.01.2021 regarding issues related in labour powerloom sector by Shri M. A. Ramasamy, Chairman, PDEXCIL.

## 7. **Developmental Programmes:**

### **A] Seminars/Meetings:**

The Chairman, Vice-Chairman and other COA members were attending various meetings, convened by MOT, TXC office, MOC etc. and other forum and represented their views on various issues connected with powerloom sector which were heard/presented for remedial policy intervention for the overall development of powerloom sector. Some of such meetings are:-

1. A Video Conference was held under the Chairpersonship of Smriti Zubin Irani, Hon'ble Minister of Textiles and Women & Child Development, Ministry of Textiles, Govt. of India on 07.04.2020 to discuss issues related to textile industry. Shri Sunil Satgonda Patil, Chairman, PDEXCIL has attended the said conference.

2. Video Conference was held under the Chairmanship of Shri Piyush Goyal, Hon'ble Minister of Commerce & Industry & Railways, Ministry of Commerce & Industry, Govt. of India on 08.04.2020. Shri Sunil Satgonda Patil, Chairman, PDEXCIL has attended the said conference.
3. Federation of Indian Export Organisations (FIEO) had organised an exclusive video conferencing meeting with Shri Subhash Desai, the Hon'ble Minister for Industries, Mining and Marathi Language, Government of Maharashtra on 27.04.2020 to discuss problems in the textile business and ways to revive the trade at Maharashtra. Shri Sunil Satgonda Patil, Chairman, PDEXCIL has attended the said conference.
4. DGFT, Department of Commerce, New Delhi has organized a Video Conference meeting with all EPCs 15.05.2020 on trade defence measures. Shri T. Raajasekar, COA member, PDEXCIL has attended the said conference.
5. An interaction meeting of EPCs was held under the Chairmanship of Shri Piyush Goyal, Hon'ble Minister of Commerce & Industry & Railways, Ministry of Commerce & Industry, Govt. of India on 26.05.2020 through Video conferencing. Shri Omprakash W.Shah, COA member, PDEXCIL has attended the said conference.
6. Meeting through video conferencing was held on 12.06.2020 under the chairmanship of Secretary (Textiles), Ministry of Textiles, GOI to explore business opportunities between Indian EPCs and Bangladeshi counterparts and also look into possibility of conducting virtual events. Shri Sunil Satgonda Patil, Chairman, PDEXCIL has attended the said conference.
7. Confederation of Indian Textile Industry (CII) has organised a webinar on MSME - Extending A Helping Hand on 12.06.2020. Ms. Lavany Saxena, Assistant Director, PDEXCIL has attended the said webinar.
8. A meeting of 17<sup>th</sup> Technical Advisory - Cum - Monitoring Committee (TAMC) under Amended Technology Upgradation Fund Scheme (ATUFs) was organized by the Office of the Textile Commissioner, Mumbai on 29.07.2020 through Video Conference. Shri Satgonda Patil, Chairman, PDEXCIL has attended the said conference.
9. In order to promote exports the Govt. of India has suggested to convert each district into an Export Hub. The Govt. of Tamil Nadu has constituted the District Export Promotion Committee (DEPC) for Erode District in which PDEXCIL is also a member. PDEXCIL COA Member Shri T. Karthikeyan attended the meeting convened by the District Collector on 24.08.2020.
10. A meeting was conducted on 01.09.2020 with Ms. Nidhi Mani Tripathi, Joint Secretary, MOC, GOI through video conferencing mode for interaction with EPCs of the textile sector to have an overview of the sector and discuss the way forward in promoting export of various sub- sectors of textiles. Shri

Purushottam K. Vanga, Immediate Past Chairman, PDEXCIL, had attended the meeting.

11. Shri T. Raajasekar, COA member had attended a meeting held on 03.09.2020 with Hon'ble CIM through video conference mode. The meeting was held with all EPCs.
12. Department of Revenue, Central Board of Indirect Taxes and Customs has organised an online meeting to discuss the matters pertaining to eSANCHIT and API integration of PGAs on 07.09.2020. Mr. Abhijit Neve, Assistant Secretary and Mr. Pankesh Chipkar, Assistant PDEXCIL attended the meeting.
13. The 34<sup>th</sup> meeting of the Project Approval Committee (PAC) to review the projects approved under POWERTEX India was held on 24.09.2020. Shri Purushottam K. Vanga, Immediate Past Chairman, PDEXCIL had attended the meeting through video conferencing.
14. The first District Export Promotion Committee (DEPC), Karur, was held on 30.09.2020. COA Member Shri P.K. Balasubramanian had attended the said meeting.
15. The 18<sup>th</sup> meeting of Technical Advisory-cum-Monitoring Committee (TAMC) under Amended Technology Upgradation Fund Scheme (A-TUFS) held on 09.10.2020 under the Chairpersonship of the Textile Commissioner through Video Conference. Shri Sunil S. Patil, Chairman, PDEXCIL attended the said meeting.
16. Government has brought recently many changes in labour laws for its reform. Therefore, to give wide publicity and spread proper understanding and awareness of it among the user industry, a virtual Webex meeting was held on 22.10.2020. Shri Vishwanath.R. Agarwal and Shri Rajgopal Bhagirath Rathi, COA Members attended the said meeting.
17. A meeting on rationalization of textiles EPCs and implementing SOP on child labour was held on 20.11.2020 through VC under the Chairmanship of Shri Jay Karan Singh, Trade Advisor, Ministry of Textiles. Shri Purushottam K. Vanga, Shri V.R. Agarwal and Shri Bharatkumar M. Chhajer, Past Chairman and COA Members, PDEXCIL attended the meeting. The meeting was conducted on the basis of study done by Dept. of Commerce through IIFT on Rationalization of EPCs.
18. A meeting was held on 04.12.2020 regarding new Foreign Trade Policy (FTP (2021-26)) of Hon'ble Minister of Commerce and Industry with all EPCs. Shri Bharatkumar Chhajer, Past Chairman and COA Member, PDEXCIL attended the said meeting wherein he discussed about the MEIS and RoDTEP schemes for fabric sector, review of FTAs, EPCG export obligation etc.
19. A meeting was held on 18.12.2020 regarding stakeholders consultation on MAI scheme under the chairpersonship of Ms. Nidhi Mani Tripathi, Joint Secretary, Ministry of Commerce and Industry, GOI. Shri Mahesh N. Sanil, Executive Director, PDEXCIL attended the meeting wherein he

discussed about the changes/modifications required in the said scheme. He informed that MSME powerloom sector should be given more benefit as it is contributing highly in employment generation, is labour intensive and major share in export of fabrics and production. Various other suggestions were given by him during the meeting.

20. Meeting of Technical Advisory cum Monitoring Committee (TAMC) under ATUFS was held on 23.12.2020. Shri Mahesh N. Sanil, Executive Director, PDEXCIL attended the meeting.
21. A meeting regarding discussion of NCTC with Ms Roop Rashi, Textile Commissioner, O/o Textile Commissioner on TUFS issues was held on 04.02.2021 through video conference. Shri. Mahesh N. Sanil, Executive Director & Ms. Lavany Saxena, Assistant Director, PDEXCIL attended the meeting. The meeting was conducted on the basis of textile and clothing industry is facing huge challenges, especially with regard to pending TUF subsidies and its stringent formalities.
22. A stakeholder consultation meeting with Hon'ble Commerce & Industry Minister on FTP 2021-26 was held on 11.02.2021 through video conference. Shri. Mahesh N. Sanil, Executive Director & Shri. T. Raajasekar, COA Member, PDEXCIL attended the meeting. The meeting was conducted to focus on the point of the New Foreign Trade Policy 2021-26.
23. Shri. Mahesh N. Sanil, Executive Director, & Shri. M. A. Ramasamy, Chairman, PDEXCIL met newly appointed Secretary, Ministry of Textiles, Shri. Upendra Prasad Singh on 12.02.2021 to discuss various issues related to powerloom industry & New Foreign Trade Policy 2021-26. Executive Director, PDEXCIL, also met Shri. Jogiranjana Panigrahi, Joint Secretary, and discussed various issues related to powerloom sector.
24. 35<sup>th</sup> meeting of the Project Approval Committee (PAC) was held on 19.02.2021 through video conference under the Chairpersonship of Ms. Roop Rashi, Textile Commissioner, O/o Textile Commissioner. Shri. Vishwanath R. Agarwal, Vice-Chairman, PDEXCIL, attended the meeting. The meeting was conducted to review the projects approved under components of PowerTex India Scheme.
25. 20<sup>th</sup> meeting of the Technical Advisory-cum-Monitoring Committee (TAMC) under Amended Technology Upgradation Fund Scheme (A-TUFS) was held on 23.02.2021 through video conference under the Chairpersonship of Ms. Roop Rashi, Textile Commissioner, O/o Textile Commissioner. Shri. Mahesh N. Sanil, Executive Director & Shri. Vishwanath R. Agarwal, Vice-Chairman, PDEXCIL, attended the meeting. The meeting was conducted to review the progress of TUFS etc.
26. A meeting with Stakeholders on the Unified e-RCMC Framework was held on 23.02.2021 through video conference under the Chairmanship of Shri. Amit Yadav, Director General, Directorate General of Foreign Trade. Shri. Mahesh N. Sanil, Executive Director, Mr. Abhijit Neve, Assistant Secretary,



PDEXCIL attended the said meeting. The meeting was conducted to discuss on a Unified Registration-cum-Membership-Certificate (RCMC) Framework.

27. 21<sup>st</sup> meeting of the Technical Advisory-cum-Monitoring Committee (TAMC) under Amended Technology Upgradation Fund Scheme (A-TUFS) was held on 02.03.2021 through video conference under the Chairpersonship of Ms. Roop Rashi, Textile Commissioner, O/o Textile Commissioner. Shri. Mahesh N. Sanil, Executive Director. The meeting was conducted to review the progress of TUFS etc..
28. A webinar on PLI Scheme of textile sector was held on 05.03.2021 through video conference. Hon'ble Prime Minister addressed the webinar organized by Department for Promotion of Industry and International Trade and NITI Aayog. Shri. Mahesh N. Sanil, Executive Director, PDEXCIL attended the meeting. Speaking on the steps taken to boost trade and industry in this year's Union Budget, the Prime Minister said that over the past 6-7 years, several successful efforts have been made to encourage Make in India at different levels.
  - PLI in 13 sectors demonstrates government's commitment
  - PLI benefits the entire ecosystem associated with the sector
  - Speed and scale have to be increased to boost manufacturing
  - Make in India, Make for the world
  - India has become a big brand all over the world, chalk out strategies to leverage the newfound trust
29. Virtual meeting of NCTC and major regional Associations representing the entire textile value chain was held on 12.03.2021 on yarn supply and price issues. Shri. Mahesh N. Sanil, Executive Director & Shri. Purushottam K. Vanga, Past Chairman & COA Member, PDEXCIL attended the said meeting.
30. Virtual meeting of NCTC and major regional Associations representing the entire textile value chain was held on 12.03.2021 on yarn supply and price issues. Shri. Mahesh N. Sanil, Executive Director & Shri. Purushottam K. Vanga, Past Chairman & COA Member, PDEXCIL attended the said meeting.
31. A meeting of all export promotion councils with Shri. Piyush Goyal, Hon'ble Commerce & Industry Minister was held on 22.03.2021 through video conference. Shri. Mahesh N. Sanil, Executive Director & Shri. Bharatkumar M. Chhajer, Past Chairman & COA Member, PDEXCIL attended the meeting. PDEXCIL officials discussed and requested ministry to consider MAI grant of 90% for powerloom sector. Simplification of textile trade with Nepal, export procedures should be completed at the place of shipment/exporter, bill of export (shipping bill) to be generated by the customs at the dispatch point and not at the lands custom borders, Nepal shipping bills, should be marked as NFEI (No Foreign Exchange Involved), requirement of BRC to be waived off. Nepal shipping bills should not be linked to the Banks EDPMS, as the trade is in Indian Rupees and not in convertible currency.

To include entire textile value chain under RoDTEP Scheme require 8% to 10% incentive.

32. Review meeting of NCTC and major regional Associations representing the entire textile value chain was held on 30.03.2021 on Yarn supply and price issues. Shri. Mahesh N. Sanil, Executive Director & Shri. Purushottam K. Vanga, Past Chairman & COA Member, PDEXCIL attended the said meeting.

**B] Other Activities:**

1. PDEXCIL has taken initiative to appeal all the members of the powerloom Industry to download Arogya Setu app in their mobiles and to make effective use of the said app which is aimed to break the chain of transmission of novel coronavirus.
2. PDEXCIL has taken initiatives to appeal all members of the powerloom industry to donate to the PM CARES fund as a measure for relief to the persons affected from the outbreak of Covid-19. Members also contributed by donating masks, food items, accommodation etc. in their respective clusters for the needy and poor people who are affected by COVID-19 lockdown. PDEXCIL employees had also donated to the PM CARES fund for relief to the persons affected from the outbreak of Covid-19.
3. Webinar on "Decoding The Economic Package For MSME" PDEXCIL had organized a Webinar in association with M/s Connect Easy on 'Decoding the Economic Package for MSME' on 22.06.2020. Shri A.R. Gokhe, Director, MSME Development Institute, Mumbai, Ministry of MSME, Govt. of India and Shri Vedant K. Parikh (B.com, ACA, FAFD), were the speakers. Shri Sunil S. Patil, Chairman, PDEXCIL welcomed the speakers. Shri. S.P. Verma, Executive Director on Additional Charge, PDEXCIL and Shri. Virag Shah, Founder and CEO, Connect Easy convened the webinar. About 150 persons registered for the webinar. Mr. A.R. Gokhe, informed participants about the major highlights of changes recently done by MSME Ministry such as the new definition of MSME. He also explained Cluster Development program, Credit Linked Capital Subsidy scheme, Credit Guarantee scheme etc. Shri Shailendra Singh, Assistant Director, MSME Development Institute, Mumbai also presented about the various schemes of MSME and about 'Champions portal' etc. Mr. Vedant K. Parikh, presented about the new package announced by the Govt. of India. He informed the Emergency working capital for Businesses including MSME, Page 2 of 2 rescheduling of payments on term loan and working capital etc. He further explained about the schemes of powerloom sector present for the benefit of powerloom weavers. The participants were requested to visit MSME website for latest updates by the Ministry and 'Champions portal' for their queries, grievances and suggestions.
4. The council promoted #Local4Diwali and #Local4vocal during the Diwali week, to promote domestically produced goods by our artisans. The council tweeted about the same and had put it on its website also.

5. PDEXCIL had participated in virtual event Globiz “Connecting Business Globally” organized by FICCI held from 21.02.2021 to 03.03.2021. PDEXCIL participated with 2 exhibitors in the said event.
6. PDEXCIL organised a group participation of 20 textile exporters in the event ”India Woolen Expo 2021”, Reverse Buyer Seller Meet (RBSM) under MAI Scheme of Govt. of India, held from 25.03.2021 to 27.03.2021, at New Delhi organized by Wool & Woollens Export Promotion Council (WWEPC). This exclusive 3- Days event provided an opportunity for the Indian entrepreneurs to network successful business deals with the potential clients. The ultimate objective of the event was to strengthen "Brand India" image of Made in India Textiles products globally.
7. PDEXCIL supporting the initiative “Be Vocal about Local Toys”, “India Toy Fair 2021” organized by Export Promotion Council for Handicrafts (EPCH) held from 27.02.2021 to 02.03.2021.

**8. Issues and Action taken by PDEXCIL:**

**i. Court Cases :**

- a) The case filed by Mr. Janardhan Naik an ex-temporary peon before the Central Industrial cum Labour Court at Sion is still pending as the matter is adjourned by the court from time to time. The case is being appropriately defended in the interest of PDEXCIL. The last hearing was held on 07.09.2021 and now adjourned for 18.10.2021.

**ii. Other issues :**

- a) As reported in the annual report for the year ended on 31.03.2020, show cause notices were issued by the Regional Director, Dept of Company Affairs for the year 2011-12 and 2012-13. The council has taken appropriate action to rectify these inadvertent lapses in consultation with professional Company Secretary subsequently. PDEXCIL has also taken up these issues with higher officers in the Ministry of Corporate Affairs. Council is hopeful for favorable decision in this matter from competent authority at earliest.
- b) PDEXCIL has received a demand notice for tax on interest earned from investments for the assessment year 2017-18 since AY 2011-12. The PDEXCIL has filed appeal against the decision of the assessing officer of IT dept before Competent Authority. The total amount so demanded is Rs.2,41,81,918/- for AY 2011-12 to AY 2017-18. PDEXCIL has paid Rs. 39,02,915/- against the total demand raised by IT dept., as required while filling CIT Appeal. TDS refund of Rs. 10,27,907/-, Rs.12,01,430/- & Rs.11,21,170/- for the assessment year 2015-16, 2017-18 & 2018-19 respectively, has been adjusted against assessment year 2011-12 & 2013-14 respectively.

The Income tax department had denied the benefit under Section 11 to the Council for Assessment Year 2011-12 & 2012-13. In consultation with Chartered Accountant, appeal was been filed by

PDEXCIL before the Income Tax Appellate Tribunal (ITAT) for the AY 2011-12 & 2012-13. The Said appeal was disposed off by the Hon'ble ITAT. According to this order a fresh assessment after giving a reasonable opportunity of being heard to the assessee. The same was rejected by Assessment Officer and accordingly in consultation with CA, Appeal has been filed by PDEXCIL before CIT for the AY 2011-12 & 2012-13. The matter is now pending with CIT-(A).

PDEXCIL is pursuing the matter through the Consultant CA and is hopeful of a favorable decision and therefore not anticipating any significant liability and hence no provision has been made.

**iii. Clarification of the COA on the qualified opinion of the auditors.**

Regarding non provision of participation fees receivables amounting to Rs.0.13 Lakh, the committee is still hopeful of recovery of the same. However the same will be reassessed after further attempt to recover the same and will take appropriate decision and report in the next report.

**9. Publicity & Awareness:**

- a) PDEXCIL has received good publicity through press and media during various domestic buyer seller meets and other events organized by PDEXCIL. Interviews of Chairman, COA members and officers were also appeared in various press/media.
- b) **Newsletter:** PDEXCIL has re-started quarterly newsletter with more inputs which gives a total insight on the powerloom industry and it also covers various events being organised/participated by PDEXCIL, various statistics on export data, educational context and such related information useful for small and new exporters/entrepreneurs.
- c) **Weekly News Bulletin:** PDEXCIL is also sending weekly e-news bulletin to members covering international trade news, market trend, various fair/exhibitions and similar useful information on regular basis.

**10. Membership:**

The membership of the Council stood at 1514 as on 31.03.2021 against 1718 members as at the end of previous financial year 2019-20.

**Form No. MGT-9****EXTRACT OF ANNUAL RETURN  
As on the financial year ended on 31<sup>st</sup> March, 2021**

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

**I. REGISTRATION & OTHER DETAILS:**

i)	CIN:	U74999MH1995NPL092486
ii)	Registration Date:	08/09/1995
iii)	Name of the Company	Powerloom Development And Export Promotion Council
iv)	Category / Sub-Category of the Company:	Company Limited by Guarantee Company licensed under Section 8
v)	Address of the Registered office and contact details:	GC-2, Gundecha Onclave, Kherani Road, Saki Naka, Andheri(E), Mumbai-400 072
vi)	Whether listed Company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any:	Not Applicable

**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:-

Sr. No.	Name and Description of Main Product / Service	NIC Code of the product / Service	% to total turnover of the company
1.	Support service to organizations	N7	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE**

Sr. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
Not Applicable					

**IV. SHARE HOLDING PATTERN (Equity Share Capital Break up as percentage of Total Equity)**

**i) Category –wise Share holding:**

Category of Share holders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual / HUF	Nil								Nil
b) Central Govt.									
c) State Govt(s)									
d) Bodies Corp									
e) Banks / FIs									
f) Any Other...									
<b>Sub Total (A)(1):</b>	Nil								Nil
<b>(2) Foreign</b>									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bdies Corp.									
d) Banks / FIs									
e) Any Other...									
<b>Sub Total (A)(2):</b>	Nil								Nil
<b>Total Shareholding of Promoters (A) = (A)(1)+(A)(2)</b>	Nil								Nil
<b>B. Public Share holding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds									
b) Banks /FI									
c) Central Govt.									
d) State Govt.									

e) Venture Capital Funds.									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture capital funds									
i) Others (specify)									
<b>Sub Total (B)(1):</b>	Nil								Nil
<b>(2) Non – Institutions</b>									
a) Bodi. Corp Indian Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital uptoRs. 1 Lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh									
c) Others (specify)									
<b>Sub Total (B)(2):</b>	Nil								Nil
<b>Total Public share holding (B) = (B)(1)+(B)(2)</b>	Nil								Nil
<b>C. Shares held by custodian for GDRs &amp; ADRs</b>	-								-
<b>Grand Total (A+B+C)</b>	Nil								Nil

**ii) Share holding of Promoters:**

Sr. No.	Shareholder's Name	No. of shares held at the beginning of the year			No. of shares held at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares Pledged/ encumbered to total shares	No. of shares	% of total shares of the company	% of shares Pledged/ encumbered to total shares	
1				-			-	-
2				-			-	-
3				-			-	-
4				-			-	-
	<b>Total</b>			-			-	

**iii) Change in Promoters' Share holding:**

Sr. No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of Total shares of the company	No. of shares	% of Total shares of the company
	At the beginning of the year				
	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):	<b>No Change during the financial year</b>			
	At the end of the year				

**iv) Share holding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of Total shares of the company	No. of shares	% of Total shares of the company
	<b>For each of top 10 Shareholders</b>				
	At the beginning of the year				
	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):				
	At the end of the year (or on the date of separation, if separated during the year)				

v) **Shareholding of Directors and Key Managerial Personnel:**

Sr. No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of Total shares of the company	No. of shares	% of Total shares of the company
1. 2. 3. 4.	At the beginning of the year				
	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):	-	-	-	-
1. 2. 3. 4.	At the beginning of the year				

V. **INDEBTEDNESS:**

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

	Secured loans excluding deposits	Unsecured Loans	Deposits	Total indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i. Principal Amount	-	-	-	-
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

<b>Change in indebtedness during the financial year</b>				
• Addition	-	-	-	-
• Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i. Principal Amount	-	-	-	-
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to managing Director, Whole time Director / Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961 (c) Profit in lieu of salary under section 17(3) of the Income Tax Act, 1961	-----NIL-----	
2.	Stock Option		
3.	Sweat Equity		
4.	Commission -As % of Profit -Other, Specify..		
5.	Others, please specify		
	<b>Total (A)</b>		
	<b>Ceiling as per the Act</b>		

**B. Remuneration to other directors:**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
1.	Independent Directors <ul style="list-style-type: none"> <li>• Fees for attending board committee meetings</li> <li>• Commission</li> <li>• Others, Please specify</li> </ul>	Not Applicable	
	Total (1)		
2.	Other Non –executive Directors <ul style="list-style-type: none"> <li>• Fees for attending board committee meetings</li> <li>• Commission</li> </ul> Others, Please specify	Not Applicable	
	Total (2)		
	Total (B) = (1+2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

**C. Remuneration to Key Managerial Personnel other than MD/WTD/Manager**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross Salary (d) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (e) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961 (f) Profit in lieu of salary under section 17(3) of the Income Tax Act, 1961	-----NIL-----			
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - As % of Profit - Other, Specify..				
5.	Others, please specify				
	<b>Total (A)</b>				
	<b>Ceiling as per the Act</b>				

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal Made, if any (give details)
<b>A. Company</b>					
Penalty					
Punishment			-----NIL-----		
Compounding					
<b>B. Directors</b>					
Penalty					
Punishment			-----NIL-----		
Compounding					
<b>C. Other Officers in Default</b>					
Penalty					
Punishment			-----NIL-----		
Compounding					

## **Independent Auditors' Report**

To the Members

### **Powerloom Development & Export Promotion Council**

We have audited the attached financial statements of Powerloom Development & Export Promotion Council (hereinafter referred to as the Council or the Company), comprising of the Balance Sheet as at 31<sup>st</sup> March 2021, the Statement of Income and Expenditure and the Cash Flow Statement for the year then ended, along with the Significant Accounting Policies and other explanatory information forming an integral part thereof. The Council has been registered under Section 25 of the Companies Act, 1956 (Section 8 of the Companies Act, 2013) which was formed with the objective to promote, support, develop advance and increase powerlooms and export of powerloom fabrics and made-ups thereof and to carry out any such activity in such manner as may be necessary or expedient. Hence, the same is a non-profit making organization and accordingly an Income and Expenditure is prepared consistently.

#### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, subject to the effects of the matters described in Basis for Qualified Opinion paragraph, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Council as at March 31, 2021, its surplus and its cash flows for the year ended on that date.

#### **Basis for Qualified Opinion**

Refer Note No. 32 regarding non-provision towards outstanding Participation Fees Receivable amounting to Rs.0.13 Lacs, since the Council's management is hopeful of their full recovery. Consequently, Surplus for the year was overstated by Rs.0.13 Lacs with a similar overstatement in Other Current Assets and understatement of Provisions.

#### **Basis for Opinion**

We conducted our audit in accordance with Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements Section of our report. We are independent of the Council in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and we have

fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

**Emphasis of Matter**

(i) The Income Tax Department had denied the benefit of Section 11 to the Council for the financial years 2010-11 to 2017-18. The Council has already filed an appeal against the said order with Commissioner of Income Tax (Appeals). In the opinion of the management of the Council the activities of the Council are in the nature of charitable purpose in accordance with Section 2(15) of the Income Tax Act, 1961 and accordingly the provisions of Section 11 would apply to the Council. In view of the above, no provision for taxation has been made by the Council for the financial year 2017-18 or for earlier years. The management of the Council, having regard to favorable decision of the Hon'ble Tribunal, merits of the case is hopeful of favorable outcome of the matter and has assessed the liability to be contingent in nature. The Council has received a demand notice for tax on interest on investment for the Assessment Years 2011-12 to 2017-18 for amounts aggregating to Rs. 241.82 Lacs. Refer Note No.19 (ii);

(ii) Attention is drawn to Note No.20 of the financial statements regarding management's current assessment of the Council's assets and liabilities. The Council has carried out a detailed study to assess the impact of Covid-19, including the second wave, on its liquidity position and on the recoverability and carrying values of its assets and has concluded that there is no significant impact on account of the same on its financial statements as at 31<sup>st</sup> March 2021. The impact assessment of Covid-19 is a continuous process, given the uncertainties associated with its nature and duration. The management of the Council will continue to monitor material changes to the future economic conditions which may have an overall impact on the operations of the entity;

(iii) Further to the continuous spreading of Covid -19 across India, the Indian Government announced a strict 21-day lockdown on March 24, 2020, which was further extended till June 30, 2020, across India to contain the spread of the virus. This has resulted in restrictions on a physical visit to the client locations and the need for carrying out alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI)

As a result of the above, the entire audit was carried out based on remote access of the data as provided by the management. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/ Remote Audit/ Online Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI.

We have been represented by the management that the data provided for our audit purposes is correct, complete, reliable, and are directly generated by the accounting system of the Firm without any further manual modifications. We bring to the attention of the users that the audit of the financial statements has been performed in the aforesaid conditions; and

(iv) As at the Balance Sheet date, the Council is in the process of updating its records showing the required particulars and the situation of the fixed assets. Refer Note No.33.

Our report is not modified in respect of the above matters.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.

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

### **Other Information**

The Council's Committee of Administration is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our Auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statement or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

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

The Council's Committee of Administration is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Council in accordance with the

accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Council and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Committee of Administration is also responsible for overseeing the Council's financial reporting process

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

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

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

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



that are appropriate in the circumstances. Under Section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the Council has adequate internal financial controls system in place and the operating effectiveness of such controls;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Council to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we

determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. The requirements of reporting as per the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-Section (11) of Section 143 of the Act are not applicable to the Council during the year under review.
2. Further, as required by Section 143(3) of the Act, we report that;
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Council, so far as appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Income and Expenditure and the Cash Flow Statement dealt with by this Report are in agreement with the Council's books of account;
  - d) Except to the extent stated in the Basis for Qualified Opinion paragraph, in our opinion the aforesaid Financial Statements comply with the Accounting Standards Specified under Section 133, of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015;
  - e) On the basis of written representations received from the individual Committee Members (directors) as on March 31, 2021, and taken on record by the Committee, none of the directors is disqualified as on 31<sup>st</sup> March 2021 from being appointed as a Committee Member (director) in terms of Section 164 (2) of the Act;
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197 of the Act, as amended, in our opinion, the said provisions are not applicable to the Council during the year under review;
  - g) The reporting requirements on adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls are not applicable to the Council vide Notification No. GSR 583(E) dated 13<sup>th</sup> June 2017 read with General circular No. 08/2017 dated 25<sup>th</sup> July 2017; and
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with the 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, we further report that;

- i) The Council does not have any pending litigations which would impact its financial position;
- ii) The Council does not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii) There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Council.

**For S M M P & Company**  
Chartered Accountants  
Firm Registration No. 120438 W

**Chintan Shah**  
Partner  
Membership No. 166729  
UDIN: 21166729AAAAPF2696

Mumbai, dated 23<sup>rd</sup> September, 2021

**POWERLOOM DEVELOPMENT AND EXPORT PROMOTION COUNCIL**  
**Balance Sheet as at 31<sup>st</sup> March, 2021**

Particulars	Notes	Amount ( ₹ ) As at 31 <sup>st</sup> March 2021	Amount ( ₹ ) As at 31 <sup>st</sup> March 2020
<b>CORPUS AND LIABILITIES</b>			
<b>Corpus Funds</b>			
Corpus Fund	2	4,95,44,400	4,93,81,900
Reserves and Surplus	3	10,29,01,081	9,89,27,611
<b>Non-Current Liabilities</b>			
Long Term Provisions	4	36,07,047	36,07,047
<b>Current Liabilities</b>			
Other Current Liabilities	5	39,44,915	69,65,059
Short term Provisions	6	13,46,140	-
	<b>Total</b>	<b>16,13,43,583</b>	<b>15,88,81,617</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets-Tangible Assets	7	2,33,36,680	2,37,85,831
Non-Current Investments	8	8,65,00,000	8,65,00,000
Long Term Loans and Advances	9	1,97,53,602	1,92,44,309
Other Non-current Assets	10	1,96,19,670	1,83,49,670
<b>Current Assets</b>			
Cash and Bank balances	11	29,82,569	25,05,929
Other Current Assets	12	90,02,151	76,68,902
Short Term Loans and Advances	13	1,48,911	8,26,976
	<b>Total</b>	<b>16,13,43,583</b>	<b>15,88,81,617</b>

**Significant Accounting Policies Note-1**

Notes form an integral part of these financial statements.

As per our attached Report of even date

For **S M M P & Company**  
Chartered Accountants

M.A.Ramasamy  
(Chairman)

Vishwanath Agarwal  
(Vice-Chairman)

**Chintan Shah**

Sunil Satgonda Patil  
(COA-Member)

UDIN : 21166729AAAAPF2696  
Membership No.166729

Mahesh N.Sanil  
(Executive Director)

Mumbai, dated 23<sup>rd</sup> Sept,2021

Mumbai, dated 23<sup>rd</sup> Sept,2021

**POWERLOOM DEVELOPMENT AND EXPORT PROMOTION COUNCIL**  
**Statement of Income and Expenditure for the year ended 31<sup>st</sup> March, 2021**

Particulars	Note	Amount ( ₹ )	Amount ( ₹ )
		Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
<b>INCOME</b>			
Revenue from Operations	14	48,57,005	2,29,11,000
Other Income	15	1,01,82,262	1,23,56,154
<b>Total Revenue</b>		<b>1,50,39,267</b>	<b>3,52,67,154</b>
<b>EXPENDITURE</b>			
Employee Benefits Expenses	16	61,18,343	73,01,549
Finance Costs	17	5,869	13,376
Depreciation and Amortisation	7	2,34,301	3,57,965
Other Expenses	18	44,30,908	2,56,57,441
<b>Total Expenditure</b>		<b>1,07,89,421</b>	<b>3,33,30,331</b>
<b>Excess of Income over Expenditure before Prior period items</b>		42,49,846	19,36,823
<b>Prior Period Items</b>		-	-
<b>Excess of Income over Expenditure after Prior period items</b>		<b>42,49,846</b>	<b>19,36,823</b>
<b>Surplus for the year carried to Balance Sheet</b>			

Notes form an integral part of these financial statements.

As per our attached Report of even date

For **S M M P & Company**  
Chartered Accountants

M.A.Ramasamy  
(Chairman)

Vishwanath Agarwal  
(Vice-Chairman)

**Chintan Shah**

Sunil Satgonda Patil  
(COA-Member)

UDIN : 21166729AAAAPF2696  
Membership No.166729

Mahesh N.Sanil  
(Executive Director)

Mumbai, dated 23<sup>rd</sup> Sept,2021

Mumbai, dated 23<sup>rd</sup> Sept,2021

**POWERLOOM DEVELOPMENT & EXPORT PROMOTION COUNCIL**  
Cash flow statement for the year ended 31<sup>st</sup> March 2021

(Amount in ₹)

Particulars	For the Year Ended 31 <sup>st</sup> March 2021	For the Year Ended 31 <sup>st</sup> March 2020
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Surplus	42,49,846	19,36,823
<i>Adjustments for :-</i>		
Interest on bank O/D	-	4,722
Interest Income	(83,05,725)	(83,35,720)
Sundry Balances written off/written back	2,03,911	3,00,614
Depreciation / Amortization	2,34,301	3,57,965
	<u>(78,67,513)</u>	<u>(76,72,419)</u>
<i>Adjustments for Working Capital Changes :-</i>		
(Increase) / Decrease in Trade Receivables	-	-
(Increase) / Decrease in Other Current Assets	1,96,751	(31,22,789)
Increase / (Decrease) in Long term Provisions	-	5,31,192
Increase / (Decrease) in Trade Payables	-	-
Increase / (Decrease) in Short Term Provisions	13,46,140	(2,93,467)
Increase / (Decrease) in Other Current Liabilities	(30,20,144)	(66,313)
Increase / (Decrease) in Short- term Loans & Advances	6,78,065	14,08,174
Increase / (Decrease) in Short-term Borrowings	-	-
	<u>(7,99,188)</u>	<u>(15,43,203)</u>
Less :- Taxes paid	-	-
<b>Net Cash generated / (used) in Operating Activities (A)</b>	<u>(44,16,856)</u>	<u>(72,78,798)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
long term liabilities	-	-
Purchase of Fixed Assets	(61,525)	(1,83,706)
Fixed deposit Matured	67,00,000	-
Interest received	83,05,725	83,35,720
(Purchase) / Sale of Investments	(95,00,000)	-
<b>Net Cash generated / (used) in Investing Activities (B)</b>	<u>54,44,200</u>	<u>81,52,014</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Advance given	(5,09,293)	(11,36,910)
Interest received	-	-
Interest on Overdraft facility	-	(4,722)
Sundry balances written off/written back	(2,03,911)	(3,00,614)
Entrance Fees received	1,62,500	4,65,000
<b>Net Cash generated / (used) in Financing Activities (C)</b>	<u>(5,50,704)</u>	<u>(9,77,246)</u>
<b>Net Increase / (Decrease) In Cash &amp; Cash Equivalents (A+B+C)</b>	<u>4,76,640</u>	<u>(1,04,030)</u>
Cash & Cash Equivalents - Opening Balance	25,05,926	26,09,956
<b>Cash &amp; Cash Equivalents - Closing Balance</b>	<u>29,82,566</u>	<u>25,05,926</u>

As per our report of even date attached

For S M M P & Company  
Chartered Accountants

M.A.Ramasamy  
(Chairman)

Vishwanath Agarwal  
(Vice-Chairman)

Chintan Shah  
Partner  
UDIN : 21166729AAAAPF2696  
Membership No.166729

Sunil Satgonda Patil  
(COA-Member)

Mahesh N.Sanil  
(Executive Director)

Mumbai, dated 23<sup>rd</sup> Sept,2021

Mumbai, dated 23<sup>rd</sup> Sept,2021

## **Powerloom Development & Export Promotion Council**

### **NOTES TO THE ACCOUNTS AS AT AND FOR THE YEAR ENDED 31.03.2021**

#### A. Significant Accounting Policies and Notes on Accounts:

#### I. Significant Accounting Policies

##### 1. **Basis of Accounting**

The Financial Statements have been prepared on accrual basis, except wherever otherwise stated, under the historical cost convention, in accordance with the accounting principles generally accepted in India and comply with the Accounting Standards as referred to in the Companies (Accounting Standards) Rules 2006 issued by the Central Government in exercise of power conferred under sub-section (i) (a) of Section 642 and the relevant provisions of the Companies Act, 1956 read with General Circular 15/2013 dated 13 September 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013.

##### 2. **Use of Estimates**

The preparation of financial statements in conformity with the generally accepted accounting principles requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

##### 3. **Fixed Assets and Depreciation**

- I) Fixed assets are stated at cost of acquisition /construction including any cost attributable to bringing the assets to their working condition, less accumulated depreciation.
- ii) The Council provides depreciation on Written Down Value Method in respect of assets based on their useful lives and in the manner set out in the Schedule II to the Companies Act, 2013.

##### 4. **Recognition of income etc.**

Income is accounted for on accrual basis, including recognition of Grant-in-Aid.

##### 5. **GST:**

GST on input service is accounted for at the time of availing the service by reducing the same from the respective cost of service, wherever applicable.

##### 6. **Foreign Currency Transactions**

Transactions in foreign currency are translated at the rate of exchange prevailing on the date of transaction. Monetary assets and liabilities as at year end are translated at the rate of exchange prevailing on the date of closing the accounts and resulting losses or gains arising out of exchange fluctuations are recognized in the Income and Expenditure statement.

## **7. Investments**

Investments are considered long term in nature and carried at cost. Diminution in value of investments other than temporary in nature, is provided for. Dividend is accounted for as and when received.

## **8. Retirement Benefits**

The Council's contribution to the Provident Fund is charged consistently to the revenue. Provision for Gratuity and Leave encashment has been made in the Council's books on accrual basis as per the Actuarial valuation. Bonus is accounted for as and when paid. Payment of bonus is approved as per the discretion of the Staff Committee as envisaged by the Staff Recruitment and Service Rules of the Council.

## **9. Accounting for Taxes on Income**

The Council being registered under Section 25 of the Companies Act, 1956 (Section 8 of the Companies Act, 2013) and under Section 12AA of the Income-tax Act, 1961 as a Charitable Institution. Hence, no provision for taxation is required to be made in the accounts.

## **10. Impairment of Assets**

The carrying amount of the Council's assets is reviewed at each Balance Sheet date. If any indication of impairment exists, an impairment loss is recognized to the extent of the excess of the carrying amount over the estimated accountable amount.

## **11. Accounting for Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized in terms of Accounting Standard 29 – Provisions, Contingent Liability and Contingent Assets (AS-29) notified by the Companies (Accounting Standard) Rules 2006, where there is a present legal or statutory obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Council, or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.



**POWERLOOM DEVELOPMENT AND EXPORT PROMOTION COUNCIL**  
**Notes Forming Part of the Financial Statements as at 31<sup>st</sup> March 2021**

	<u>As at 31.03.2021 Amount ( ₹ )</u>	<u>As at 31.03.2020 Amount ( ₹ )</u>
<b>Note 2 - Corpus Fund</b>		
As per last Balance Sheet	4,93,81,900	4,89,16,900
Add : Entrance Fees Received during the year	1,62,500	4,65,000
Total	<u>4,95,44,400</u>	<u>4,93,81,900</u>
<b>Note 3 - Reserves And Surplus</b>		
<b>(a) Building Fund</b>		
As per last Balance Sheet	2,29,08,760	2,43,99,751
Less: Depreciation for the year (Net) [refer foot note (ii) to Note No.7]	10,32,571	14,90,991
Closing Balance (a)	<u>2,18,76,189</u>	<u>2,29,08,760</u>
<b>(b) Development and Export Promotion Fund</b>		
As per last Balance Sheet	62,10,622	62,10,622
Add: Transferred during the year	25,00,000	-
Less: Spent during the year	-	-
Closing Balance (b)	<u>87,10,622</u>	<u>62,10,622</u>
<b>(c) Statement of Income and Expenditure</b>		
Balance as per last Balance Sheet	6,98,08,229	6,78,71,406
Add: Surplus for the year	42,49,846	19,36,823
Less: Transferred during the year	(25,00,000)	-
Add: Excess depreciation of earlier years (refer foot note (ii) to Note No.7)	8,12,134	-
Less: Asset sold earlier year	(55,938)	-
Closing Balance (c )	<u>7,23,14,270</u>	<u>6,98,08,229</u>
(a+b+c)	<u>10,29,01,081</u>	<u>9,89,27,611</u>
<b>Note 4- Long term Provisions</b>		
Provision towards Gratuity & Leave Encashment	36,07,047	36,07,047
Total	<u>36,07,047</u>	<u>36,07,047</u>
<b>Note 5 - Other Current Liabilities</b>		
Deposits	7,92,000	10,92,000
Statutory Dues Payable	2,11,321	2,52,650
Excess Fees Received	17,062	17,062
Advance for Membership/Buyer Seller Meet	10,01,334	2,31,818
Grants Refundable	1,72,092	8,25,000
Advance for Participaton Fees	10,42,854	10,42,854
Trade payables	3,93,716	30,99,358
Other Payables	18,950	16,550
Outstanding Liabilities	2,95,587	3,87,767
Total	<u>39,44,915</u>	<u>69,65,059</u>
<b>Note 6 - Short term Provisions</b>		
Provision for Expenses	13,46,140	-
Total	<u>13,46,140</u>	<u>-</u>

**POWERLOOM DEVELOPMENT & EXPORT PROMOTION COUNCIL**  
**Notes Forming Part of the Financial Statements for the year ended 31<sup>st</sup> March 2021**

**Note - 7 - Fixed Assets**

Sr. No.	Particulars	Gross Block				Depreciation			Net Block		
		As at 01.04.2020	Additions	Deduction	As at 31.03.2021	Up to 01.04.2020	Provided For the year	*Adjustment	Up to 31.03.2021	As at 31.03.2021	As at 31.03.2020
	<b>Tangible Assets</b>										
1	Office Premises 1	4,75,00,000	-	-	4,75,00,000	2,45,91,239	12,80,981	(2,48,410)	2,56,23,810	2,18,76,190	2,29,08,761
2	Office Premises 2	9,38,729	-	-	9,38,729	3,21,468	31,835	(12,680)	3,40,623	5,98,106	6,17,261
3	Furnitures & Fixtures	27,69,080	-	-	27,69,080	25,80,218	80,458	(1,75,260)	24,85,416	2,83,664	1,88,862
4	Vehicles	8,76,058	-	-	8,76,058	8,75,428	13,272	(62,388)	8,26,312	49,746	630
5	Office Equipment	25,56,004	61,525	(55,938)	25,61,591	25,33,164	40,658	(4,56,599)	21,17,223	4,44,368	22,840
6	Computer	28,74,426	-	-	28,74,426	28,26,949	50,528	(87,657)	27,89,820	84,606	47,477
	<b>Total (Current Year)</b>	<b>5,75,14,297</b>	<b>61,525</b>	<b>(55,938)</b>	<b>5,75,19,884</b>	<b>3,37,28,466</b>	<b>14,97,732</b>	<b>(10,42,994)</b>	<b>3,41,83,204</b>	<b>2,33,36,680</b>	<b>2,37,85,831</b>
	<b>(Previous Year)</b>	<b>5,73,30,591</b>	<b>1,83,706</b>	<b>-</b>	<b>5,75,14,297</b>	<b>3,18,79,510</b>	<b>17,40,370</b>	<b>1,08,586</b>	<b>3,37,28,466</b>	<b>2,37,85,831</b>	<b>-</b>

(i) The Council owns certain Assets of Design Centre at Erode Office costing 21 Lacs, which have been bought out of a capital grant given under MAI scheme., the said Fixed assets have been netted off with the Capital Grant as per the provisions of AS-12- Accounting for Government Grants. Therefore, the said asset were not included in the above Fixed Asset schedule.

(ii) \*Represents Net excess/ error in depreciation provided in the earlier years regularised in the current year.

**POWERLOOM DEVELOPMENT AND EXPORT PROMOTION COUNCIL**  
**Notes Forming Part of the Financial Statements as at 31<sup>st</sup> March 2021**

	As at 31.03.2021 Amount ( ₹ )	As at 31.03.2020 Amount ( ₹ )
<b>Note 8 - Non-Current Investments</b>		
<b>(Non-Trade, Unquoted, At cost)</b>		
In securities / Bonds etc.		
In Government Bonds:	8,65,00,000	8,65,00,000
86,500 (Previous Year 86500) 8% Savings (Taxable) Bonds, 2003 of Rs.1000 each of Government of India		
Total	<u><u>8,65,00,000</u></u>	<u><u>8,65,00,000</u></u>
<b>Note 9 - Long Term Loans and Advances</b>		
(Unsecured, considered good, unless otherwise stated)		
Security Deposits	53,384	55,384
Other Advances	27,98,776	31,30,821
Less: Provision for Doubtful Advances	-	(96,246)
Advance Taxes & Tax Deducted at Source	1,69,01,442	1,61,54,,350
Total	<u><u>1,97,53,602</u></u>	<u><u>1,92,44,309</u></u>
<b>Note 10 - Other Non-current Assets</b>		
(Unsecured, considered good)		
Other Bank Balances - Fixed Deposits with State Bank of India (With maturity of more than 12 months)	1,96,19,670	1,16,49,670
(With maturity of less than 6 months)	-	67,00,000
Total	<u><u>1,96,19,670</u></u>	<u><u>1,83,49,670</u></u>
<b>Note 11 - Cash and Bank balances</b>		
Cash in Hand	24,914	12,458
Balance with Banks		
In Current accounts	29,57,655	24,93,471
Total	<u><u>29,82,569</u></u>	<u><u>25,05,929</u></u>
<b>Note 12 - Other Current Assets</b>		
(Unsecured, considered good, unless otherwise stated)		
Participation fees receivable		
a) More than 6 months	2,66,818	10,01,057
Less: Provision for Doubtful recovery	<u>2,53,457</u>	<u>3,86,756</u>
b) Others	-	6,14,301
Balances in Fixed Deposit with Banks (maturity of more than 6 months)	15,30,000	-
Interest Accrued on Govt. Bonds & Fixed Deposits	25,13,071	42,92,435
Prepaid Expenses	28,360	22,919
Grant Receivable	8,17,750	9,90,000
Funded Retirement Benefit	28,15,489	17,49,247
Retirement Benefit Receivable	12,84,120	-
Total	<u><u>90,02,151</u></u>	<u><u>76,68,902</u></u>
<b>Note 13 - Short Term Loans and Advances</b>		
(Unsecured, considered good)		
GST Input Tax receivable	1,48,911	8,26,976
Total	<u><u>1,48,911</u></u>	<u><u>8,26,976</u></u>

**POWERLOOM DEVELOPMENT AND EXPORT PROMOTION COUNCIL**  
**Notes Forming Part of the Financial Statements for the year ended 31<sup>st</sup> March 2021**

	As at 31.03.2021 <u>Amount ( ₹ )</u>	As at 31.03.2020 <u>Amount ( ₹ )</u>
<b>Note 14 - Income From Operations</b>		
Membership and Subscription	30,28,000	34,36,000
Market Access Initiative Grants	8,17,750	1,20,15,000
Grant for Exposure Visit	1,03,755	-
<b>Participation Fees</b>		
Outside India	-	52,05,000
Within India	9,05,000	21,55,000
Advertisement income	-	89,000
Other Misc.Receipt	2,500	11,000
Total	<u><b>48,57,005</b></u>	<u><b>2,29,11,000</b></u>
<b>Note 15 - Other Income</b>		
Interest on Bonds & Fixed Deposits	83,05,725	83,35,720
Office Rent	18,64,837	23,21,799
Miscellaneous Income	11,700	8,407
Sundry Balances no longer payable	-	16,85,903
Prior Period Income	-	4,325
Total	<u><b>1,01,82,262</b></u>	<u><b>1,23,56,154</b></u>
<b>Note 16 - Employee Benefit Expenses</b>		
Salaries, Wages and Allowances (including Bonus) (net)	55,49,086	58,28,959
Employer's contribution to Provident Fund and Administrative Expenses	5,29,727	5,82,621
Provision towards Gratuity & Leave Encashment	-	8,03,042
Staff Welfare Expenses	39,530	86,927
Total	<u><b>61,18,343</b></u>	<u><b>73,01,549</b></u>
<b>Note 17- Finance Costs</b>		
Interest on Overdraft Facility with Bank	-	4,722
Bank Charges	5,869	8,654
Total	<u><b>5,869</b></u>	<u><b>13,376</b></u>

**POWERLOOM DEVELOPMENT AND EXPORT PROMOTION COUNCIL**

**Notes forming part of financial statements for the year ended 31<sup>st</sup> March 2021**

	<b>As at 31.03.2021 Amount ( ₹ )</b>	<b>As at 31.03.2020 Amount ( ₹ )</b>
<b>Note 18 - Other Expenses</b>		
Buyer Seller Meet Expenses	8,26,349	2,06,06,536
Travelling Expenses	2,50,118	3,98,384
Conveyance	31,985	32,624
Electricity Charges	92,988	1,66,082
Hospitality Charges	80,053	55,839
Annual General Meeting Expenses	2,42,550	2,06,882
Meeting Expenses	1,58,109	7,94,927
Legal and Professional Fees	2,67,806	2,14,690
Consultancy Charges	5,80,193	7,00,780
Audit Fees	40,000	40,000
Repairs and Maintenance - Others	1,11,194	64,518
Telephone Expenses	46,358	60,851
Printing and Stationery	58,550	1,04,108
Vehicle Expenses	71,047	68,295
Postage and Courier	13,713	26,711
Regional Office Expenses	76,271	1,15,770
Rent, Rates and Taxes	47,935	65,887
Miscellaneous Expenses	67,894	1,13,855
Advertisement Charges	-	49,579
House Keeping Charges	62,000	1,85,000
Seminar Expenses	1,200	-
Data Processing Charges	19,882	31,410
Publication Expenses	10,000	1,05,561
Municipal Taxes	6,46,748	6,46,748
Society Maintenance Charges- Office	2,51,963	2,38,482
Sundry balances written off (Net)	2,03,911	3,00,614
Samarth Project Expenses	-	25,000
MAI Grant Unspent	1,72,092	55,269
Goods & Service Tax	-	1,83,040
Total	<b><u>44,30,908</u></b>	<b><u>2,56,57,441</u></b>

## Powerloom Development and Export Promotion Council

### Notes forming part of financial statements: 31.03.2021 (continued)

19. Contingent Liabilities are as under:

- (i) Regional Director of Companies, Ministry of Corporate Affairs, (MCA) has issued 8 show cause notices in respect of violation of certain provisions of Companies Act, 1956, which are being appealed by the Council as not liable. Amount unascertained as at the Balance Sheet date. (Previous year-Amount unascertained).
- (ii) The Income Tax Department had denied the benefit under Section 11 to the Council for Assessment Year 2011-12. However, the Hon'ble Income Tax Tribunal, on the basis of appeal filed before it passed an order setting aside the order passed by CIT (A), and restored the file to AO to make fresh assessment, on the basis of submission of the council. It also directed the council to file further details before the AO, which was complied with. The matter is now pending with CIT (A) as the end of F.Y.2020-21.

The Income Tax Department had also denied the benefit of Section 11 to the Council for the Assessment Years 2011-12 to 2017-18. The Council has already filed an appeal against the said Order with Commissioner of Income Tax (Appeals). In the opinion of the Council, its activities are in the nature of charitable purpose in accordance with Section 2(15) of the Income Tax Act, 1961 and accordingly the provisions of Section 11 would apply to the Council. In view of the above, no provision for taxation has been made by the Council till date. The management of the Council, having regard to favorable decision of the Hon'ble Tribunal, is hopeful of favorable outcome of the matter and has assessed the liability to be contingent in nature.”

The Council has received demand notices for tax on interest on investment for earlier years mentioned above aggregating to Rs. 241.82 Lacs (Previous year – Rs. 241.82 Lacs). Net Contingent Liability Rs.169.28 Lacs (Previous year Rs.73.41 Lacs). Details of demand raised by Income Tax are presented below:

Assessment year	Total Demand Received for payment (₹)	Demand Paid (₹)	Adjusted Against TDS /Tax refund (₹)	Balance Unprovided (Contingent Liability) (₹)
2011-12	2,288,950	1,080,000	1,196,950	12,000
2012-13	1,896,870	950,000	-	946,870
2013-14	4,751,090	874,103	2,093,560	1,723,427
2014-15	2,663,400	400,000	-	2,263,400
2015-16	2,994,060	598,812	-	2,395,248
2016-17	4,951,631	-	-	4,951,631
2017-18	4,635,917	-	-	4,635,917
Total	24,181,918	3,902,915	3,350,510	16,928,493

- (iii) An ex-employee has filed a case against his termination with the Council in the Labour Court. Matter lying status quo, Amount of Council's liability unascertained. (Previous year-Amount unascertained).

For all the above cases the Council does not anticipate any significant liability in its books.

20. In early 2020, the existence of a new coronavirus named SARS-CoV-2 responsible for the disease COVID-19, was confirmed and since then the virus has spread across the globe necessitating the world health organisation (WHO) to declare it a global pandemic. The pandemic has caused disruption to business and economic activity which has been reflected in recent fluctuations in markets across the globe. Various governments have introduced a variety of measures to contain the spread of the virus. The government of India announced a country wise lock down which still continues across large swathes of the country with some variations. In this nationwide lockdown, most of the services across the nation have been suspended. There has been no material change in the controls or processes followed in the closing of the financial statement of the Council.

The Council has carried out a detailed study to assess the impact of COVID-19, including the second wave, on its liquidity position and on the recoverability and carrying values of its assets and has concluded that there is no significant impact on account of the same on its financial statements as at 31st March 2021. The impact assessment of COVID 19 is a continuous process given the uncertainties associated with its nature and duration. The management of the Council will continue to monitor material changes to the future economic conditions which may have an impact on the operations of the Council.

21. Provision for Gratuity and Leave encashment has been made in respect of the eligible employees, in the Council's accounts in respect of the Group Gratuity (Cash Accumulation) Scheme of the Life Insurance Corporation of India as at the Balance Sheet date. The Council has complied with the recommendations of the Accounting Standard 15 (As15), Employee Benefits, during the current year. Amount of such provision as at the Balance Sheet is Nil (Previous year Rs. 38.79 Lacs). Following are the details:-

Description	Amount as on 31.03.2021	Amount as on 31.03.2020
Assumptions		
1) Mortality rate	LIC(2006-08) ultimate	LIC(2006-08) ultimate
2) Withdrawal rate	1% to 3% depending on age	1% to 3% depending on age
3) Discount rate	7.% p.a.	7% p.a.
4) Salary escalation	5%	5%
No. of members	06	08
Average Age (years)	36.17	38
Average Past Service (years)	10.67	10.88
Valuation Method	Projected Unit Credit Method	Projected Unit Credit Method
<u>Gratuity</u>		
Present Value of Past Service Cost	<b>8,82,638</b>	<b>16,58,795</b>
Current Service Cost	91,278	1,35,764
Taxes	6,920	10,382
Total	<b>9,80,836</b>	<b>18,04,941</b>
<u>Leave Encashment</u>		
PV PSG	1,35,454	20,13,182
Current Service Cost	1,70,499	60,425
LCSA	70,000	1,00,000
Taxes	284	60,425
Total	<b>3,06,237</b>	<b>20,73,956</b>
Amount recognized in Balance Sheet	<b>12,87,073</b>	<b>38,78,897</b>

- Since the opening balance in the above represents excess provision as compared to the current year's actuarial valuation, no further provision has been considered necessary in the current financial year.
22. (a) During the year under review, the Council was sanctioned NIL Crores as Grant-in-aid. The amount remaining unspent, including similar unspent balances of earlier years, aggregating Rs.0.02 Crores (Previous Year- Rs. 0.08 Crores) is shown as an Advance by grouping the same under the heads "Other Long Term Liabilities" and "Other Current Liabilities" as the case may be. The same is refundable by the Council to the Government or would be utilized as directed by the Government in near future.
- (b) Grants received by the Council and excess recovered grants of Government refundable to the Council during the current year, shown under operational Income Rs.1.04 Lacs (Previous year Nil).
23. The Council is of the view that there is no impairment of assets arising during the year within the meaning of Accounting Standard – 28 Impairment of Assets considering the age of its Fixed Assets.
24. In the opinion of the COA, Loans and Advances and Other Current Assets have a value on realization in the ordinary course of operations at least equal to the amounts at which these are stated in the Balance Sheet and the provisions made for all known liabilities are reasonable and adequate.



25. Certain balances under the heads Long-term and Short-term Loans and Advances as appearing in the books of accounts are subject to confirmation from the respective parties and consequential reconciliations, if any. However, the Council anticipates no significant variations from its book values as at the Balance Sheet date.
26. Disclosure as required by Accounting Standard AS-19 “Leases” in respect of Indenture of Lease:-
- (i) Lease Rent debited to the Statement of Income and Expenditure Rs.0.48 Lacs (Previous year Rs.0.66)
  - (ii) Interest-free refundable deposit given Rs.7.92 Lacs (Previous year– 10.92 Lacs )
  - (iii) The term of lease was renewable at the expiry of every three years for a further period as mutually agreed between the lesser and the lessee.
27. Recommendations of Accounting Standard (AS) 22-“Accounting for Taxes on Income” are not applicable to the Council during the year, since there are no timing differences either at the beginning of the year or during the year.
28. The Council being registered under Section 25 of the Companies Act, 1956 (Section 8 of the Companies Act, 2013) and under Section 12AA of the Income- tax Act, 1961 as a Charitable Institution, the income is exempt from Income tax under Section 11 of the Income-tax Act, 1961.
29. As per the provisions of Section 11 of the Income-tax Act, 1961, accumulated income from year to year should be transferred to specific reserves, to be applied for the purposes for which it has been set aside, i.e. for the objects of the Council. Amount transferred during the current year- Rs.25 Lacs (Previous year Nil). In the event of non-utilisation of the amounts so accumulated, the same would be offered to tax in the year of such non-utilisation as the tax liability will arise only in the said year. There is no such amount which qualifies to be offered for taxation during the current year (Previous year – Nil).
30. Expenditure incurred in foreign currency for organizing/promotions of various Buyer Seller meets outside India/ within India during the year Nil (Previous year–Rs.76.49 Lacs).
31. Outstanding amounts payable to Micro, Small and Medium Enterprises included under Current Liabilities, as per the information available with the Council and relied upon by the auditors – Nil (Previous year - Nil).
32. Certain amounts of participation fees dues of members, under the head “Other Current Assets” aggregating to Rs.2.67 Lacs (previous year Rs. 10.01Lacs), representing long outstanding dues receivable. Out of the above, the Council has provided for Rs.2.54 Lacs (Previous year – Rs. 3.87 Lacs) in its books during the current year towards doubtful recovery. The same treated as such, since, even after considerable efforts made by the Council by way of reminding emails and letters to the said parties/participants the same were not realized. The same has been approved by the Committee of Administration (COA) in its meeting held on 23<sup>rd</sup> September, 2021 after the Balance Sheet date). The balance of Rs.0.13 Lacs (previous year-Rs. 6.14 Lacs) remains unprovided in the Council’s books, since the said committee is of the opinion that they might be fully receivable.
33. As at the Balance Sheet date, the Council is in the process of updating its records showing the required particulars and the situation of the fixed assets.

34. Previous year's figures have been regrouped / recast wherever necessary so as to make them comparable with those of the current year.

For Powerloom Development and Export  
Promotion Council

M.A.Ramasamy  
(Chairman)

Vishwanath Agarwal  
(Vice-Chairman)

Sunil Satgonda Patil  
(COA-Member)

Mahesh N.Sanil  
(Executive Director)

Mumbai, dated 23<sup>rd</sup> September, 2021



Shri M.A. Ramasany, Chairman and Shri Vishwanath R. Agarwal, Vice Chairman, PDEXCIL offering bouquet of flower to Shri Sunil Patil, Immd. Past Chairman, PDEXCIL during PDEXCIL Committee of Administration (COA) meeting on the occasion of the 25<sup>th</sup> Annual General Meeting at Mumbai.

Shri Purushottam K. Vanga, Past Chairman & COA Member, PDEXCIL offering bouquet of flower to Shri Vishwanath R. Agarwal, Vice Chairman, PDEXCIL during PDEXCIL Committee of Administration (COA) meeting on the occasion of the 25<sup>th</sup> Annual General Meeting at Mumbai.



Shri Bharatkumar M. Chhajer, COA Member, PDEXCIL interacting with Shri Upendra Prasad Singh, Secretary (Textiles), Ministry of Textiles, Govt. of India during RBSM "India Woollen Expo -2021" at Delhi.

PDEXCIL exhibitors interacting with buyers during RBSM "India Woollen Expo -2021" at Delhi.





Major Powerloom Clusters in India



**Powerloom Development & Export Promotion Council**

(Set up by Ministry of Textiles, Government of India)  
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